



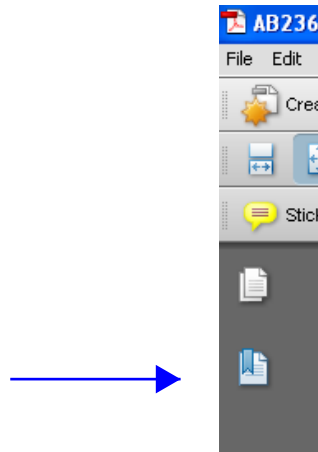
## LEGISLATIVE INTENT SERVICE, INC.

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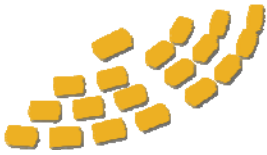
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## **LEGISLATIVE HISTORY REPORT AND ANALYSIS**

Re: **Nevada Senate Bill 453 (Senate Committee on Judiciary – 2005)**  
Chapter 468, Statutes of 2005

The legislative history of the above-referenced bill is documented by materials<sup>♦</sup> itemized in one declaration. The materials for Exhibit B are listed in this same declaration. We discuss **Nevada Revised Statutes section 240.155(2)** with more specificity later in this report. The materials are organized as follows:

- Exhibit A - Nevada Senate Bill 453, Chapter 468, Statutes of 2005
- Exhibit B - Nevada Assembly Bill 508 of 2005, Failed Competitor

### **NEVADA SENATE BILL 453 (SENATE COMMITTEE ON JUDICIARY – 2005)** **CHAPTER 468, STATUTES OF 2005**

As enacted in 2005, Nevada Senate Bill 453 affected numerous sections of the Nevada Revised Statutes whose purpose was summarized in the introductory paragraph of Chapter 468 as follows:

AN ACT relating to entities regulated by the Secretary of State;  
revising various provisions concerning the timing, form and  
contents of certain filings by various business entities;  
clarifying that certain corporations and associations which  
are homeowners' associations must comply with certain  
requirements; prohibiting a notary public from willfully  
notarizing the signature of a person in certain  
circumstances; making various other changes concerning  
notaries public; providing that a person who knowingly  
files a forged or false record is subject to civil liability  
under certain circumstances; establishing certain fees for

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<sup>♦</sup> For information on document numbers, research policies, request for judicial notice and more, please visit [www.legintent.com](http://www.legintent.com) and click on “**Research Aids and Policies**” and “**Points and Authorities**” at the bottom of the web page.

services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto.  
(See Exhibit A, #1g, page 2249)

The Senate Committee on Judiciary introduced this legislation on March 29, 2005 on behalf of the Secretary of State. (See Exhibit A, #1a)

Senate Bill 453 was assigned to the Senate and Assembly Committees on Judiciary where policy issues raised by the bill were considered. (See Exhibit A, #2 through #4 and #6 through #8) Four amendments were made to Senate Bill 453. (See Exhibit A, #1b through #1e and #2) Subsequent to legislative approval, Governor Kenny Guinn approved the bill on June 17, 2005, and it was recorded as Chapter 468 of the Statutes of 2005. (See Exhibit #2)

The Research Division of the Legislative Counsel Bureau prepared a *Summary of Legislation* for the 2005 legislative session that provided the following digest of Senate Bill 453 as enacted into law:

Senate Bill 453 revises provisions concerning the timing, form, and contents of various filings by certain business entities. The bill also clarifies that unit-owners' or homeowners' associations must comply with certain requirements before the Secretary of State may accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation.

Additionally, the bill provides that a person who knowingly files a forged or false record may be subject to civil liability. The measure defines "record" as an inscribed or tangible medium that is filed pursuant to any provision of Title 7 of the Nevada Revised Statutes or Article 9 of the Uniform Commercial Code.

Senate Bill 453 also prohibits a notary public from willfully notarizing the signature of a person in certain circumstances. Finally, the measure establishes certain fees, including an expedited one hour service fee, charged by the Office of the Secretary of State for services provided to business entities.  
(See Exhibit A, #10, page 40)

The Deputy Secretary of State, Scott W. Anderson, described the major provisions of Senate Bill 453 in his testimony before the Senate Committee on Judiciary on April 7, 2005 as summarized in Exhibit K to that testimony as follows:

SB 453 proposes numerous changes that will further standardize the filings processed by our office. Many of the provisions are housekeeping provisions, cleaning up many of the provisions that are not standard or that have caused confusion to our customers. Other provisions allow for the streamlining of and advancement of business practices, including the electronic filing of documents.

There are changes to several sections that were made by LCB during drafting that we support as they further clarify and standardize our requirements.

There are many changes within Title 7 of the Nevada Revised Statutes that have standard filing provisions. Most of the provisions of this bill similarly affect a number of different chapters. . . .

(See Exhibit A, #3c, page 2)

**Related Legislation:** Some of the provisions of Senate Bill 453 entered the bill late in the legislative process. (See Exhibit A, #1d) Given the late additions, we searched for other bills with similar proposals from both the 2005 and 2003 legislative sessions. We found that Assembly Bill 508 of 2005 proposed to add very similar language earlier in the session. Often one finds that a full understanding of legislative intent is dependent on knowing about the various proposals competing, or preceding the measure ultimately enacted. This can be especially true where one is focusing on particular language; contrasting that enacted with the unsuccessful proposals can afford insight as to the intended meaning of the enacted language. Therefore, we include the available legislative history of this competing legislation. (See Exhibit B)

After its introduction, Senate Bill 453 was amended four times before it was enacted into law. (See Exhibit A, #1b through #1e) A full understanding of legislative intent may be dependent upon knowing about the various proposals as introduced into the bill and then as amended throughout the bill's consideration by the Assembly and the Senate Committees reviewing this measure. (Id.) This can be particularly helpful where your focus is on specific language; by contrasting that enacted with the prior proposals in the bill one can gain insight as to the intended meaning or the apparent controversy generated by the language of interest. (Id.)

**Nevada Revised Statutes section 240.155(2):**

The language of Nevada Revised Statute section 240.155(2) was not proposed to be added in Senate Bill 453 until the Third Reprint with Assembly amendments on May 24, 2005 at which time the language was proposed to be added in section 39 of the bill. (See Exhibit A, #1c, page 33) These amendments were proposed by the Assembly Committee on Judiciary. (See Exhibit A, #1d, Amendment No. 881, pages 1 and 2) The language of this section was not subsequently amended and was ultimately enacted into law. (See Exhibit A, #1e through #1g)

An explanation of why the language entered Senate Bill 453 late in the session and the need for this provision were succinctly given by Renee Parker, Chief Deputy of the Office of the Secretary of State, in testimony before the Assembly Committee on Judiciary on May 5, 2005:

I would like to add some of the provisions from our notary bill—not the controversial education provisions, but just the provisions that go to some of the problems we had with enforcement and

some of the issues that were raised during the interim. You have the amendment (Exhibit E).

Section 1 of the amendment provides for a gross misdemeanor for a notary public or a person who aids and abets a notary public to notarize a signature of an individual who is not in the presence of a notary. It only makes that provision if they willfully notarize that document. We do have many notaries, and the original reason for the education was they think that they are notaries and all we do is notarize signatures. They are technically required to do more than that. They are supposed to identify the person whose signature they are notarizing.

[Renee Parker, continued.] We have had several problems, and we get a couple hundred complaints a year. We do have provisions where we hold hearings, and we do fine notaries. Many of them are just a simple mistake. They didn't realize they needed to identify the person, so they notarize the document, and it wasn't the same person who signed it. In other instances, it is fraudulent and they willfully notarize a document, knowing that the person in front of them is not necessarily the person who signed it. Most of those instances relate to quitclaim deeds of property. The person who is harmed has to retain an attorney. There are fraud provisions in this statute, but in consulting with the Attorney General's Office and some of the district attorneys, they felt if we put this provision in a notary statute and we do voluntary notary education, that would allow us to point it out and address some of these issues. It would also provide a more severe penalty for willfully engaging in that conduct.

(See Exhibit A, #6a, page 16)

The above quote indicated that "Exhibit E" was relevant to the discussion; this document is included with the materials. (See Exhibit A, #6d)

Additionally, the "notary bill" indicated the above quote appears to reference Assembly Bill 508 which we included for your review. (See Exhibit B) This bill failed to pass out of the Assembly on April 26, 2005. (See Exhibit B, #2) A brief description of your language of focus, as it was proposed in Assembly Bill 508 was provided as follows in the Minutes of the Assembly Committee on Government Affairs for the hearing held on April 8, 2005:

Section 5 of this bill would make it a Category D felony for a notary or anyone who aids and abets a notary to notarize a signature of an individual who is not in the presence of the notary.  
(See Exhibit B, #3a, page 57)

If you are unable to find specific discussion regarding your research question, the materials enclosed herewith may provide you with an arguable assessment of the goals and purpose that could be applicable to your particular situation. This would

permit you to draw some conclusions based upon the assumption that the language of interest to you was intended to be consistent with the overall goal of the legislation.

Any analysis provided in this report is based upon the nature and extent of your request to us, as well as a brief review of the enclosed documents. As such, it must be considered tentative in nature. A more conclusive statement of the impact of the legislative history in your case would be dependent upon a complete understanding of all of the factual issues involved and the applicable legal principles.

We appreciate the opportunity to provide this assistance and hope that these efforts will be of value to you.



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## DECLARATION OF JENNY S. LILLGE

I, Jenny S. Lillge, declare:

I am an attorney licensed to practice in California, State Bar No. 265046, and am employed by Legislative Intent Service, Inc., a company specializing in researching the history and intent of legislation.

Under my direction and the direction of other attorneys on staff, the research staff of Legislative Intent Service, Inc. undertook to locate and obtain all documents relevant to the enactment of Nevada Senate Bill 453 of 2005. Nevada Senate Bill 453 was approved by the Legislature and was enacted as Chapter 468 of the Statutes of 2005.

The following list identifies all documents obtained by the staff of Legislative Intent Service, Inc. on Senate Bill 453 of 2005. All listed documents have been forwarded with this Declaration except as otherwise noted in this Declaration. All documents gathered by Legislative Intent Service, Inc. and all copies forwarded with this Declaration are true and correct copies of the originals located by Legislative Intent Service, Inc. In compiling this collection, the staff of Legislative Intent Service, Inc. operated under directions to locate and obtain all available material on the bill.

### **EXHIBIT A - NEVADA SENATE BILL 453 OF 2005:**


1. All versions of Senate Bill 453 (Senate Committee on Judiciary - 2005) and printed amendments;
2. Procedural history of Senate Bill 453 from 2005 *Senate History*;
3. Excerpt regarding Senate Bill 453 from the Minutes of the Senate Committee on Judiciary hearing held on April 7, 2005 with select exhibits;
4. Excerpt regarding Senate Bill 453 from the Minutes of the Senate Committee on Judiciary hearing held on April 12, 2005 with select exhibits;

5. Excerpts of the *Journal of the Senate* as related to the procedural history of Senate Bill 453;
6. Excerpt regarding Senate Bill 453 from the Minutes of the Assembly Committee on Judiciary hearing held on May 5, 2005 with select exhibits;
7. Excerpt regarding Senate Bill 453 from the Minutes of the Assembly Committee on Judiciary hearing held on May 18, 2005 with select exhibits;
8. Excerpt regarding Senate Bill 453 from the Minutes of the Assembly Committee on Judiciary hearing held on May 20, 2005 with select exhibits;
9. Excerpt of the *Assembly Daily Journal* as related to the procedural history of Senate Bill 453;
10. Excerpt regarding Senate Bill 453 from the *Summary of Legislation* for the Seventy-Third Session of the Nevada Legislature, 2005, prepared by the Research Division of the Legislative Counsel Bureau, June 7, 2005;
11. Excerpt regarding the "Notary Division" from the Annual Report, Fiscal Year 2005 prepared by the Office of the Secretary of State, dated August 1, 2005.

**EXHIBIT B - NEVADA ASSEMBLY BILL 508 OF 2005:**

1. All versions of Assembly Bill 508 (Assembly Committee on Judiciary - 2005) and printed amendments;
2. Procedural history of Assembly Bill 508 from 2005 *Assembly History*;
3. Excerpt regarding Assembly Bill 508 from the Minutes of the Assembly Committee on Governmental Affairs hearing held on April 8, 2005 with select exhibits;
4. Excerpt regarding Assembly Bill 508 from the Minutes of the Senate Committee on Governmental Affairs hearing held on April 11, 2005 with select exhibits;
5. Excerpt of the *Assembly Daily Journal* as related to the procedural history of Senate Bill 508.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 6<sup>th</sup> day of January, 2012 at Woodland, California.



\_\_\_\_\_  
JENNY S. LILLGE



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SENATE BILL NO. 453—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 29, 2005

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Referred to Committee on Judiciary

SUMMARY—Revises various provisions concerning filings in Office of the Secretary of State. (BDR 7-576)

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.

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AN ACT relating to the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings in the Office of the Secretary of State; increasing or revising fees for various filings; clarifying that certain corporations and associations which are homeowners’ associations must comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; 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 78.150 is hereby amended to read as follows:  
2     78.150 1. A corporation organized pursuant to the laws of  
3 this State shall, on or before the last day of the first month after the  
4 filing of its articles of incorporation with the Secretary of State, file  
5 with the Secretary of State a list, on a form furnished by him,  
6 containing:  
7     (a) The name of the corporation;  
8     (b) The file number of the corporation, if known;  
9     (c) The names and titles of the president, secretary and treasurer,  
10 or the equivalent thereof, and of all the directors of the corporation;



1 (d) The address, either residence or business, of each officer and  
2 director listed, following the name of the officer or director;

3 (e) The name and address of the lawfully designated resident  
4 agent of the corporation ~~[ ]~~ *in this State*; and

5 (f) The signature of an officer of the corporation certifying that  
6 the list is true, complete and accurate.

7 2. The corporation shall annually thereafter, on or before the  
8 last day of the month in which the anniversary date of incorporation  
9 occurs in each year, file with the Secretary of State, on a form  
10 furnished by him, an annual list containing all of the information  
11 required in subsection 1.

12 3. Each list required by subsection 1 or 2 must be accompanied  
13 by:

14 (a) A declaration under penalty of perjury that the corporation:

15 (1) Has complied with the provisions of NRS 360.780; and

16 (2) Acknowledges that pursuant to NRS 239.330, it is a  
17 category C felony to knowingly offer any false or forged instrument  
18 for filing with the Office of the Secretary of State.

19 (b) A statement as to whether the corporation is a publicly  
20 traded company. If the corporation is a publicly traded company, the  
21 corporation must list its Central Index Key. The Secretary of State  
22 shall include on his Internet website the Central Index Key of a  
23 corporation provided pursuant to this paragraph and instructions  
24 describing the manner in which a member of the public may obtain  
25 information concerning the corporation from the Securities and  
26 Exchange Commission.

27 4. Upon filing the list required by:

28 (a) Subsection 1, the corporation shall pay to the Secretary of  
29 State a fee of \$125.

30 (b) Subsection 2, the corporation shall pay to the Secretary of  
31 State, if the amount represented by the total number of shares  
32 provided for in the articles is:

34	\$75,000 or less .....	\$125
35	Over \$75,000 and not over \$200,000.....	175
36	Over \$200,000 and not over \$500,000.....	275
37	Over \$500,000 and not over \$1,000,000.....	375
38	Over \$1,000,000:	
39	For the first \$1,000,000 .....	375
40	For each additional \$500,000 or fraction thereof.....	275

41 The maximum fee which may be charged pursuant to paragraph (b)  
42 for filing the annual list is \$11,100.

43  
44 5. If a director or officer of a corporation resigns and the  
45 resignation is not ~~[made in conjunction with the filing of an]~~



1 *reflected on the* annual or amended list of directors and officers, the  
2 corporation *or the resigning director or officer* shall pay to the  
3 Secretary of State a fee of \$75 to file the resignation . ~~[of the~~  
4 ~~director or officer.]~~

5 6. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
6 for filing each annual list required by subsection 2, cause to be  
7 mailed to each corporation which is required to comply with the  
8 provisions of NRS 78.150 to 78.185, inclusive, and which has not  
9 become delinquent, a notice of the fee due pursuant to subsection 4  
10 and a reminder to file the annual list required by subsection 2.  
11 Failure of any corporation to receive a notice or form does not  
12 excuse it from the penalty imposed by law.

13 7. If the list to be filed pursuant to the provisions of subsection  
14 1 or 2 is defective in any respect or the fee required by subsection 4  
15 is not paid, the Secretary of State may return the list for correction  
16 or payment.

17 8. An annual list for a corporation not in default which is  
18 received by the Secretary of State more than 90 days before its due  
19 date shall be deemed an amended list for the previous year and must  
20 be accompanied by the appropriate fee as provided in subsection 4  
21 for filing. A payment submitted pursuant to this subsection does not  
22 satisfy the requirements of subsection 2 for the year to which the  
23 due date is applicable.

24 **Sec. 2.** NRS 78.1955 is hereby amended to read as follows:

25 78.1955 1. If the voting powers, designations, preferences,  
26 limitations, restrictions and relative rights of any class or series of  
27 stock have been established by a resolution of the board of directors  
28 pursuant to a provision in the articles of incorporation, a certificate  
29 of designation setting forth the resolution *and stating the number of*  
30 *shares for each designation* must be signed by an officer of the  
31 corporation and filed with the Secretary of State. A certificate of  
32 designation signed and filed pursuant to this section must become  
33 effective before the issuance of any shares of the class or series.

34 2. Unless otherwise provided in the articles of incorporation or  
35 the certificate of designation being amended, if no shares of a class  
36 or series of stock established by a resolution of the board of  
37 directors have been issued, the designation of the class or series, the  
38 number of the class or series and the voting powers, designations,  
39 preferences, limitations, restrictions and relative rights of the class  
40 or series may be amended by a resolution of the board of directors  
41 pursuant to a certificate of amendment filed in the manner provided  
42 in subsection 4.

43 3. Unless otherwise provided in the articles of incorporation or  
44 the certificate of designation, if shares of a class or series of stock  
45 established by a resolution of the board of directors have been



1 issued, the designation of the class or series, the number of the class  
2 or series and the voting powers, designations, preferences,  
3 limitations, restrictions and relative rights of the class or series may  
4 be amended by a resolution of the board of directors only if the  
5 amendment is approved as provided in this subsection. Unless  
6 otherwise provided in the articles of incorporation or the certificate  
7 of designation, the proposed amendment adopted by the board of  
8 directors must be approved by the vote of stockholders holding  
9 shares in the corporation entitling them to exercise a majority of the  
10 voting power, or such greater proportion of the voting power as may  
11 be required by the articles of incorporation or the certificate of  
12 designation, of:

13 (a) The class or series of stock being amended; and

14 (b) Each class and each series of stock which, before  
15 amendment, is senior to the class or series being amended as to the  
16 payment of distributions upon dissolution of the corporation,  
17 regardless of any limitations or restrictions on the voting power of  
18 that class or series.

19 4. A certificate of amendment to a certificate of designation  
20 must be signed by an officer of the corporation and filed with the  
21 Secretary of State and must:

22 (a) Set forth the original designation and the new designation, if  
23 the designation of the class or series is being amended;

24 (b) State that no shares of the class or series have been issued or  
25 state that the approval of the stockholders required pursuant to  
26 subsection 3 has been obtained; and

27 (c) Set forth the amendment to the class or series or set forth the  
28 designation of the class or series, the number of the class or series  
29 and the voting powers, designations, preferences, limitations,  
30 restrictions and relative rights of the class or series, as amended.

31 5. A certificate filed pursuant to subsection 1 or 4 becomes  
32 effective upon filing with the Secretary of State or upon a later date  
33 specified in the certificate, which must not be later than 90 days  
34 after the certificate is filed.

35 6. If shares of a class or series of stock established by a  
36 certificate of designation are not outstanding, the corporation may  
37 file a certificate which states that no shares of the class or series are  
38 outstanding and which contains the resolution of the board of  
39 directors authorizing the withdrawal of the certificate of designation  
40 establishing the class or series of stock. The certificate *must identify*  
41 *the date and certificate of designation being withdrawn and* must  
42 be signed by an officer of the corporation and filed with the  
43 Secretary of State. Upon filing the certificate and payment of the fee  
44 required pursuant to NRS 78.765, all matters contained in the



1 certificate of designation regarding the class or series of stock are  
2 eliminated from the articles of incorporation.

3 7. NRS 78.380, 78.385 and 78.390 do not apply to certificates  
4 of amendment filed pursuant to this section.

5 **Sec. 3.** NRS 78.780 is hereby amended to read as follows:

6 78.780 ~~[1. The fee for filing a certificate of extension of  
7 corporate existence of any corporation is an amount equal to one-  
8 fourth of the fee computed at the rates specified in NRS 78.760 for  
9 filing articles of incorporation.~~

10 ~~—2.]~~ The fee for filing a certificate of dissolution whether it  
11 occurs before or after payment of capital and beginning of business  
12 is \$75.

13 **Sec. 4.** NRS 78.785 is hereby amended to read as follows:

14 78.785 1. The fee for filing a certificate of change of location  
15 of a corporation's registered office and resident agent, or a new  
16 designation of resident agent, is \$60.

17 2. The fee for certifying *a copy of* articles of incorporation  
18 ~~[where a copy is provided]~~ is \$30.

19 3. The fee for certifying a copy of an amendment to articles of  
20 incorporation, or to a copy of the articles as amended, ~~[where a copy  
21 is furnished,]~~ is \$30.

22 4. The fee for certifying an authorized printed copy of the  
23 general corporation law as compiled by the Secretary of State is  
24 \$30.

25 5. The fee for reserving a corporate name is \$25.

26 6. The fee for signing a certificate of corporate existence which  
27 does not list the previous records relating to the corporation, or a  
28 certificate of change in a corporate name, is \$50.

29 7. The fee for signing a certificate of corporate existence which  
30 lists the previous records relating to the corporation is \$50.

31 8. The fee for signing, certifying or filing any certificate or  
32 record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.

33 9. The fee for copies ~~[made at]~~ *provided by* the Office of the  
34 Secretary of State is \$2 per page.

35 10. The fees for filing articles of incorporation, articles of  
36 merger, or certificates of amendment increasing the basic surplus of  
37 a mutual or reciprocal insurer must be computed pursuant to NRS  
38 78.760, 78.765 and 92A.210, on the basis of the amount of basic  
39 surplus of the insurer.

40 11. The fee for examining and provisionally approving any  
41 record at any time before the record is presented for filing is \$125.

42 **Sec. 5.** NRS 80.110 is hereby amended to read as follows:

43 80.110 1. Each foreign corporation doing business in this  
44 State shall, on or before the last day of the first month after the filing  
45 of its certificate of corporate existence with the Secretary of State,



1 and annually thereafter on or before the last day of the month in  
2 which the anniversary date of its qualification to do business in this  
3 State occurs in each year, file with the Secretary of State a list, on a  
4 form furnished by him, that contains:

5 (a) The names and addresses, either residence or business, of its  
6 president, secretary and treasurer, or the equivalent thereof, and all  
7 of its directors;

8 (b) The name and street address of the lawfully designated  
9 resident agent of the corporation in this State; and

10 (c) The signature of an officer of the corporation.

11 ➔ Each list filed pursuant to this subsection must be accompanied  
12 by a declaration under penalty of perjury that the foreign  
13 corporation has complied with the provisions of NRS 360.780 and  
14 which acknowledges that pursuant to NRS 239.330, it is a category  
15 C felony to knowingly offer any false or forged instrument for filing  
16 with the Office of the Secretary of State. Each list filed pursuant to  
17 this subsection must also be accompanied by a statement as to  
18 whether the corporation is a publicly traded company. If the  
19 corporation is a publicly traded company, the corporation must list  
20 its Central Index Key. The Secretary of State shall include on his  
21 Internet website the Central Index Key of a corporation provided  
22 pursuant to this subsection and instructions describing the manner in  
23 which a member of the public may obtain information concerning  
24 the corporation from the Securities and Exchange Commission.

25 2. Upon filing:

26 (a) The initial list required by subsection 1, the corporation shall  
27 pay to the Secretary of State a fee of \$125.

28 (b) Each annual list required by subsection 1, the corporation  
29 shall pay to the Secretary of State, if the amount represented by the  
30 total number of shares provided for in the articles is:

31		
32	\$75,000 or less .....	\$125
33	Over \$75,000 and not over \$200,000.....	175
34	Over \$200,000 and not over \$500,000.....	275
35	Over \$500,000 and not over \$1,000,000.....	375
36	Over \$1,000,000:	
37	For the first \$1,000,000.....	375
38	For each additional \$500,000 or fraction thereof.....	275

39 The maximum fee which may be charged pursuant to paragraph (b)  
40 for filing the annual list is \$11,100.

41  
42 3. If a director or officer of a corporation resigns and the  
43 resignation is not ~~made in conjunction with the filing of an~~  
44 *reflected on the* annual or amended list of directors and officers, the  
45 corporation *or the resigning director or officer* shall pay to the





1 Secretary of State a fee of \$75 to file the resignation . ~~[of the~~  
2 ~~director or officer.]~~

3 4. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
4 for filing each annual list required by subsection 1, cause to be  
5 mailed to each corporation which is required to comply with the  
6 provisions of NRS 80.110 to 80.175, inclusive, and which has not  
7 become delinquent, the blank forms to be completed and filed with  
8 him. Failure of any corporation to receive the forms does not excuse  
9 it from the penalty imposed by the provisions of NRS 80.110 to  
10 80.175, inclusive.

11 5. An annual list for a corporation not in default which is  
12 received by the Secretary of State more than 90 days before its due  
13 date shall be deemed an amended list for the previous year and does  
14 not satisfy the requirements of subsection 1 for the year to which the  
15 due date is applicable.

16 **Sec. 6.** Chapter 81 of NRS is hereby amended by adding  
17 thereto the provisions set forth as sections 7, 8 and 9 of this act.

18 **Sec. 7. 1. *The Secretary of State shall not accept for filing***  
19 ***any articles of incorporation or any certificate of amendment of***  
20 ***articles of incorporation of any corporation formed under the***  
21 ***provisions of NRS 81.010 to 81.160, inclusive, and this section***  
22 ***which provides that the name of the corporation contains the***  
23 ***words "unit-owners' association" or "homeowners' association"***  
24 ***or if it appears in the articles of incorporation or certificate of***  
25 ***amendment of articles of incorporation that the purpose of the***  
26 ***corporation is to operate as a unit-owners' association pursuant to***  
27 ***chapter 116 of NRS unless the Administrator of the Real Estate***  
28 ***Division of the Department of Business and Industry certifies that***  
29 ***the corporation has:***

30 ***(a) Registered with the Ombudsman for Owners in Common-***  
31 ***Interest Communities pursuant to NRS 116.31158; and***

32 ***(b) Paid to the Administrator of the Real Estate Division the***  
33 ***fees required pursuant to NRS 116.31155.***

34 **2. *Upon notification from the Administrator of the Real***  
35 ***Estate Division of the Department of Business and Industry that a***  
36 ***corporation which is a unit-owners' association as defined in NRS***  
37 ***116.011 has failed to register pursuant to NRS 116.31158 or failed***  
38 ***to pay the fees pursuant to NRS 116.31155, the Secretary of State***  
39 ***shall deem the corporation to be in default. If, after the***  
40 ***corporation is deemed to be in default, the Administrator notifies***  
41 ***the Secretary of State that the corporation has registered pursuant***  
42 ***to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,***  
43 ***the Secretary of State shall reinstate the corporation if the***  
44 ***corporation complies with the requirements for reinstatement as***  
45 ***provided in this section and NRS 78.180 and 78.185.***



1       **Sec. 8. 1.** *The Secretary of State shall not accept for filing*  
2 *any articles of association or any certificate of amendment of*  
3 *articles of association of any association formed under the*  
4 *provisions of NRS 81.170 to 81.270, inclusive, and this section*  
5 *which provides that the name of the association contains the*  
6 *words “unit-owners’ association” or “homeowners’ association”*  
7 *or if it appears in the articles of association or certificate of*  
8 *amendment of articles of association that the purpose of the*  
9 *association is to operate as a unit-owners’ association pursuant to*  
10 *chapter 116 of NRS unless the Administrator of the Real Estate*  
11 *Division of the Department of Business and Industry certifies that*  
12 *the association has:*

13       (a) *Registered with the Ombudsman for Owners in Common-*  
14 *Interest Communities pursuant to NRS 116.31158; and*

15       (b) *Paid to the Administrator of the Real Estate Division the*  
16 *fees required pursuant to NRS 116.31155.*

17       **2.** *Upon notification from the Administrator of the Real*  
18 *Estate Division of the Department of Business and Industry that*  
19 *an association which is a unit-owners’ association as defined in*  
20 *NRS 116.011 has failed to register pursuant to NRS 116.31158 or*  
21 *failed to pay the fees pursuant to NRS 116.31155, the Secretary of*  
22 *State shall deem the association to be in default. If, after the*  
23 *association is deemed to be in default, the Administrator notifies*  
24 *the Secretary of State that the association has registered pursuant*  
25 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
26 *the Secretary of State shall reinstate the association if the*  
27 *association complies with the requirements for reinstatement as*  
28 *provided in this section and NRS 78.180 and 78.185 and pays the*  
29 *fees required pursuant to NRS 82.193.*

30       **Sec. 9. 1.** *The Secretary of State shall not accept for filing*  
31 *any articles of incorporation or any certificate of amendment of*  
32 *articles of incorporation of any corporation formed under the*  
33 *provisions of NRS 81.410 to 81.540, inclusive, and this section*  
34 *which provides that the name of the corporation contains the*  
35 *words “unit-owners’ association” or “homeowners’ association”*  
36 *or if it appears in the articles of incorporation or certificate of*  
37 *amendment of articles of incorporation that the purpose of the*  
38 *corporation is to operate as a unit-owners’ association pursuant to*  
39 *chapter 116 of NRS unless the Administrator of the Real Estate*  
40 *Division of the Department of Business and Industry certifies that*  
41 *the corporation has:*

42       (a) *Registered with the Ombudsman for Owners in Common-*  
43 *Interest Communities pursuant to NRS 116.31158; and*

44       (b) *Paid to the Administrator of the Real Estate Division the*  
45 *fees required pursuant to NRS 116.31155.*





1       2. *Upon notification from the Administrator of the Real*  
2 *Estate Division of the Department of Business and Industry that a*  
3 *corporation which is a unit-owners' association as defined in NRS*  
4 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
5 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
6 *shall deem the corporation to be in default. If, after the*  
7 *corporation is deemed to be in default, the Administrator notifies*  
8 *the Secretary of State that the corporation has registered pursuant*  
9 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
10 *the Secretary of State shall reinstate the corporation if the*  
11 *corporation complies with the requirements for reinstatement as*  
12 *provided in this section and NRS 78.180 and 78.185 and pays the*  
13 *fees required pursuant to NRS 82.193.*

14       **Sec. 10.** NRS 81.006 is hereby amended to read as follows:

15       81.006 1. A nonprofit cooperative corporation, a cooperative  
16 association, a charitable organization or any other entity formed  
17 under the provisions of this chapter may correct a record filed with  
18 the Secretary of State with respect to the entity if the record contains  
19 an inaccurate description of an action or if the record was  
20 defectively signed, attested, sealed, verified or acknowledged.

21       2. To correct a record, the entity must:

22       (a) Prepare a certificate of correction which:

23           (1) States the name of the entity;

24           (2) Describes the record, including, without limitation, its  
25 filing date;

26           (3) Specifies the inaccuracy or defect;

27           (4) Sets forth the inaccurate or defective portion of the record  
28 in an accurate or corrected form; and

29           (5) Is signed by an officer of the entity or, if the certificate is  
30 filed before the first meeting of the board of directors, by an  
31 incorporator or director.

32       (b) Deliver the certificate to the Secretary of State for filing.

33       (c) Pay a filing fee of ~~[\$25]~~ \$50 to the Secretary of State.

34       3. A certificate of correction is effective on the effective date  
35 of the record it corrects except as to persons relying on the  
36 uncorrected record and adversely affected by the correction. As to  
37 those persons, the certificate is effective when filed.

38       **Sec. 11.** NRS 81.010 is hereby amended to read as follows:

39       81.010 1. Nonprofit cooperative corporations may be formed  
40 by the voluntary association of any three or more persons in the  
41 manner prescribed in NRS 81.010 to 81.160, inclusive ~~[ ]~~, and  
42 *section 7 of this act.* A majority of the persons must be residents of  
43 this State, and such a corporation has and may exercise the powers  
44 necessarily incident thereto. Except as otherwise provided in  
45 subsection 2, the provisions of chapter 78 of NRS govern each



1 nonprofit cooperative corporation organized pursuant to NRS  
2 81.010 to 81.160, inclusive ~~4~~, *and section 7 of this act*. If such a  
3 nonprofit cooperative corporation is organized without shares of  
4 stock, the members shall be deemed to be “shareholders” or  
5 “stockholders” as these terms are used in chapter 78 of NRS.

6 2. If the term for which a nonprofit cooperative corporation  
7 was to exist has expired but the corporation has continued to  
8 perform the activities authorized by its original articles of  
9 incorporation or any amendment thereto, revival of its corporate  
10 existence does not require the consent of its members or  
11 stockholders. Each required action to accomplish a revival may be  
12 taken by a majority of the surviving directors. The revival is  
13 effective as of the date of expiration of the original term.

14 **Sec. 12.** NRS 81.170 is hereby amended to read as follows:

15 81.170 1. NRS 81.170 to 81.270, inclusive, *and section 8 of*  
16 *this act* being passed to promote association for mutual welfare, the  
17 words “lawful business” extend to every kind of lawful effort for  
18 business, education, industrial, benevolent, social or political  
19 purposes, whether conducted for profit or not.

20 2. NRS 81.170 to 81.270, inclusive, *and section 8 of this act*  
21 must not be strictly construed, but their provisions must at all times  
22 be liberally construed with a view to effect their object and to  
23 promote their purposes.

24 **Sec. 13.** NRS 81.200 is hereby amended to read as follows:

25 81.200 1. Each association formed under NRS 81.170 to  
26 81.270, inclusive, *and section 8 of this act* shall prepare articles of  
27 association in writing, setting forth:

28 (a) The name of the association.

29 (b) The purpose for which it is formed.

30 (c) The name of the person designated as the resident agent, the  
31 street address for service of process, and the mailing address if  
32 different from the street address.

33 (d) The term for which it is to exist, which may be perpetual.

34 (e) The names and addresses, either residence or business, of the  
35 directors selected for the first year.

36 (f) The amount which each member is to pay upon admission as  
37 a fee for membership, and that each member signing the articles has  
38 actually paid the fee.

39 (g) That the interest and right of each member therein is to be  
40 equal.

41 (h) The name and address, either residence or business, of each  
42 of the persons signing the articles of association.

43 2. The articles of association must be signed by the original  
44 associates or members.



1 3. The articles so signed must be filed, together with a  
2 certificate of acceptance of appointment signed by the resident agent  
3 for the association, in the Office of the Secretary of State . ~~[, who~~  
4 ~~shall furnish a certified copy thereof.]~~ From the time of the filing in  
5 the Office of the Secretary of State, the association may exercise all  
6 the powers for which it was formed.

7 **Sec. 14.** NRS 81.410 is hereby amended to read as follows:

8 81.410 1. Nonprofit cooperative corporations may be formed  
9 by the voluntary association of any three or more persons in the  
10 manner prescribed in NRS 81.410 to 81.540, inclusive ~~[,]~~ , and  
11 *section 9 of this act.*

12 2. Except as otherwise provided in subsection 3, the provisions  
13 of chapter 82 of NRS govern a nonprofit cooperative corporation  
14 organized pursuant to NRS 81.410 to 81.540, inclusive, *and section*  
15 *9 of this act*, except to the extent that the provisions of chapter 82 of  
16 NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[,]~~ , and  
17 *section 9 of this act.*

18 3. NRS 82.081 and 82.136 do not apply to a nonprofit  
19 cooperative corporation organized pursuant to NRS 81.410 to  
20 81.540, inclusive ~~[,]~~ , and *section 9 of this act.*

21 **Sec. 15.** NRS 82.371 is hereby amended to read as follows:

22 82.371 1. A corporation may restate, or amend and restate, in  
23 a single certificate the entire text of its articles as amended by filing  
24 with the Secretary of State a certificate which must set forth the  
25 articles as amended to the date of the certificate. If the certificate  
26 alters or amends the articles in any manner, it must comply with the  
27 provisions of NRS 82.346, 82.351 and 82.356, as applicable, and  
28 must be accompanied by ~~[:~~

29 ~~—(a) A resolution; or~~

30 ~~—(b) A] a~~ form prescribed by the Secretary of State ~~[;~~

31 ~~→]~~ setting forth which provisions of the articles of incorporation on  
32 file with the Secretary of State are being altered or amended.

33 2. If the certificate does not alter or amend the articles, it must  
34 be signed by an officer of the corporation and must state that he has  
35 been authorized to sign the certificate by resolution of the board of  
36 directors adopted on the date stated, and that the certificate correctly  
37 sets forth the text of the articles as amended to the date of the  
38 certificate.

39 3. The following may be omitted from the restated articles:

40 (a) The names, addresses, signatures and acknowledgments of  
41 the incorporators;

42 (b) The names and addresses of the members of the past and  
43 present board of directors; and

44 (c) The name and address of the resident agent.



1       4. Whenever a corporation is required to file a certified copy of  
2 its articles, in lieu thereof it may file a certified copy of the most  
3 recent certificate restating its articles as amended, subject to the  
4 provisions of subsection 2, together with certified copies of all  
5 certificates of amendment filed after the restated articles and  
6 certified copies of all certificates supplementary to the original  
7 articles.

8       **Sec. 16.** NRS 82.534 is hereby amended to read as follows:

9       82.534 1. A corporation may correct a record filed in the  
10 Office of the Secretary of State with respect to the corporation if the  
11 record contains an inaccurate description of a corporate action or if  
12 the record was defectively signed, attested, sealed, verified or  
13 acknowledged.

14       2. To correct a record, the corporation must:

15       (a) Prepare a certificate of correction which:

16           (1) States the name of the corporation;

17           (2) Describes the record, including, without limitation, its  
18 filing date;

19           (3) Specifies the inaccuracy or defect;

20           (4) Sets forth the inaccurate or defective portion of the record  
21 in an accurate or corrected form; and

22           (5) Is signed by an officer of the corporation or, if the  
23 certificate is filed before the first meeting of the board of directors,  
24 by an incorporator or director.

25       (b) Deliver the certificate to the Secretary of State for filing.

26       (c) Pay a filing fee of ~~[\$25]~~ \$50 to the Secretary of State.

27       3. A certificate of correction is effective on the effective date  
28 of the record it corrects except as to persons relying on the  
29 uncorrected record and adversely affected by the correction. As to  
30 those persons, the certificate is effective when filed.

31       **Sec. 17.** NRS 82.546 is hereby amended to read as follows:

32       82.546 1. Any corporation which did exist or is existing  
33 pursuant to the laws of this State may, upon complying with the  
34 provisions of NRS 78.150 and 82.193, procure a renewal or revival  
35 of its charter for any period, together with all the rights, franchises,  
36 privileges and immunities, and subject to all its existing and  
37 preexisting debts, duties and liabilities secured or imposed by its  
38 original charter and amendments thereto, or its existing charter, by  
39 filing:

40       (a) A certificate with the Secretary of State, which must set  
41 forth:

42           (1) The name of the corporation, which must be the name of  
43 the corporation at the time of the renewal or revival, or its name at  
44 the time its original charter expired.



1 (2) The name and street address of the lawfully designated  
2 resident agent of the filing corporation, and his mailing address if  
3 different from his street address.

4 (3) The date when the renewal or revival of the charter is to  
5 commence or be effective, which may be, in cases of a revival,  
6 before the date of the certificate.

7 (4) Whether or not the renewal or revival is to be perpetual,  
8 and, if not perpetual, the time for which the renewal or revival is to  
9 continue.

10 (5) That the corporation desiring to renew or revive its  
11 charter is, or has been, organized and carrying on the business  
12 authorized by its existing or original charter and amendments  
13 thereto, and desires to renew or continue through revival its  
14 existence pursuant to and subject to the provisions of this chapter.

15 (b) A list of its president, secretary and treasurer and all of its  
16 directors and their mailing or street addresses, either residence or  
17 business.

18 2. A corporation whose charter has not expired and is being  
19 renewed shall cause the certificate to be signed by ~~its president or~~  
20 ~~vice president and secretary or assistant secretary.~~ *an officer of the*  
21 *corporation.* The certificate must be approved by a majority of the  
22 last-appointed surviving directors.

23 3. A corporation seeking to revive its original or amended  
24 charter shall cause the certificate to be signed by its president or  
25 vice president and secretary or assistant secretary. The signing and  
26 filing of the certificate must be approved unanimously by the last-  
27 appointed surviving directors of the corporation and must contain a  
28 recital that unanimous consent was secured. The corporation shall  
29 pay to the Secretary of State the fee required to establish a new  
30 corporation pursuant to the provisions of this chapter.

31 4. The filed certificate, or a copy thereof which has been  
32 certified under the hand and seal of the Secretary of State, must be  
33 received in all courts and places as prima facie evidence of the facts  
34 therein stated and of the existence and incorporation of the  
35 corporation named therein.

36 **Sec. 18.** NRS 84.009 is hereby amended to read as follows:

37 84.009 1. A corporation sole may correct a record filed with  
38 the Office of the Secretary of State with respect to the corporation  
39 sole if the record contains an inaccurate description of an action of  
40 the corporation sole or if the record was defectively signed, attested,  
41 sealed, verified or acknowledged.

42 2. To correct a record, the corporation sole must:

43 (a) Prepare a certificate of correction which:

44 (1) States the name of the corporation sole;





1 (2) Describes the record, including, without limitation, its  
2 filing date;

3 (3) Specifies the inaccuracy or defect;

4 (4) Sets forth the inaccurate or defective portion of the record  
5 in an accurate or corrected form; and

6 (5) Is signed by an archbishop, bishop, president, trustee in  
7 trust, president of stake, president of congregation, overseer,  
8 presiding elder, district superintendent or other presiding officer or  
9 clergyman of a church, religious society or denomination, who has  
10 been chosen, elected or appointed in conformity with the  
11 constitution, canons, rites, regulations or discipline of the church,  
12 religious society or denomination, and in whom is vested the legal  
13 title to the property held for the purpose, use or benefit of the church  
14 or religious society or denomination.

15 (b) Deliver the certificate to the Secretary of State for filing.

16 (c) Pay a filing fee of ~~[\$25]~~ \$50 to the Secretary of State.

17 3. A certificate of correction is effective on the effective date  
18 of the record it corrects except as to persons relying on the  
19 uncorrected record and adversely affected by the correction. As to  
20 those persons, the certificate is effective when filed.

21 **Sec. 19.** NRS 84.130 is hereby amended to read as follows:

22 84.130 1. Each corporation sole that is required to make the  
23 filings and pay the fees prescribed in this chapter but refuses or  
24 neglects to do so within the time provided is in default.

25 2. For default, there must be added to the amount of the fee a  
26 penalty of ~~[\$5.]~~ \$50. The fee and penalty must be collected as  
27 provided in this chapter.

28 **Sec. 20.** NRS 86.141 is hereby amended to read as follows:

29 86.141 ~~[A]~~

30 *1. Except as otherwise provided in subsection 2, a limited-*  
31 *liability company may be organized under this chapter for any*  
32 *lawful purpose. ~~[-except insurance.]~~*

33 *2. A limited-liability company may not be organized for the*  
34 *purpose of insurance unless approved to do so by the*  
35 *Commissioner of Insurance.*

36 **Sec. 21.** NRS 86.171 is hereby amended to read as follows:

37 86.171 1. The name of a limited-liability company formed  
38 under the provisions of this chapter must contain the words  
39 "Limited-Liability Company," "Limited Liability Company,"  
40 "Limited Company," or "Limited" or the abbreviations "Ltd.,"  
41 "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be  
42 abbreviated as "Co."

43 2. The name proposed for a limited-liability company must be  
44 distinguishable on the records of the Secretary of State from the  
45 names of all other artificial persons formed, organized, registered or



1 qualified pursuant to the provisions of this title that are on file in the  
2 Office of the Secretary of State and all names that are reserved in  
3 the Office of the Secretary of State pursuant to the provisions of this  
4 title. If a proposed name is not so distinguishable, the Secretary of  
5 State shall return the articles of organization to the organizer, unless  
6 the written, acknowledged consent of the holder of the name on file  
7 or reserved name to use the same name or the requested similar  
8 name accompanies the articles of organization.

9 3. For the purposes of this section and NRS 86.176, a proposed  
10 name is not distinguishable from a name on file or reserved name  
11 solely because one or the other contains distinctive lettering, a  
12 distinctive mark, a trademark or a trade name, or any combination  
13 thereof.

14 4. The name of a limited-liability company whose charter has  
15 been revoked, which has merged and is not the surviving entity or  
16 whose existence has otherwise terminated is available for use by any  
17 other artificial person.

18 5. The Secretary of State shall not accept for filing any articles  
19 of organization for any limited-liability company if the name of the  
20 limited-liability company contains the word "accountant,"  
21 "accounting," "accountancy," "auditor" or "auditing" unless the  
22 Nevada State Board of Accountancy certifies that the limited-  
23 liability company:

24 (a) Is registered pursuant to the provisions of chapter 628 of  
25 NRS; or

26 (b) Has filed with the Nevada State Board of Accountancy under  
27 penalty of perjury a written statement that the limited-liability  
28 company is not engaged in the practice of accounting and is not  
29 offering to practice accounting in this State.

30 6. The Secretary of State shall not accept for filing any articles  
31 of organization or certificate of amendment of articles of  
32 organization of any limited-liability company formed or existing  
33 pursuant to the laws of this State which provides that the name of  
34 the limited-liability company contains the word "bank" or "trust"  
35 unless:

36 (a) It appears from the articles of organization or the certificate  
37 of amendment that the limited-liability company proposes to carry  
38 on business as a banking or trust company, exclusively or in  
39 connection with its business as a bank, savings and loan association  
40 or thrift company; and

41 (b) The articles of organization or certificate of amendment is  
42 first approved by the Commissioner of Financial Institutions.

43 7. The Secretary of State shall not accept for filing any articles  
44 of organization or certificate of amendment of articles of  
45 organization of any limited-liability company formed or existing



1 pursuant to the provisions of this chapter if it appears from the  
2 articles or the certificate of amendment that the business to be  
3 carried on by the limited-liability company is subject to supervision  
4 by the Commissioner of Insurance or by the Commissioner of  
5 Financial Institutions unless the articles or certificate of amendment  
6 is approved by the Commissioner who will supervise the business of  
7 the ~~foreign~~ limited-liability company.

8 8. Except as otherwise provided in subsection 7, the Secretary  
9 of State shall not accept for filing any articles of organization or  
10 certificate of amendment of articles of organization of any limited-  
11 liability company formed or existing pursuant to the laws of this  
12 State which provides that the name of the limited-liability company  
13 contains the words "engineer," "engineered," "engineering,"  
14 "professional engineer," "registered engineer" or "licensed  
15 engineer" unless:

16 (a) The State Board of Professional Engineers and Land  
17 Surveyors certifies that the principals of the limited-liability  
18 company are licensed to practice engineering pursuant to the laws of  
19 this State; or

20 (b) The State Board of Professional Engineers and Land  
21 Surveyors certifies that the limited-liability company is exempt from  
22 the prohibitions of NRS 625.520.

23 9. The Secretary of State may adopt regulations that interpret  
24 the requirements of this section.

25 **Sec. 22.** NRS 86.221 is hereby amended to read as follows:

26 86.221 1. The articles of organization of a limited-liability  
27 company may be amended for any purpose, not inconsistent with  
28 law, as determined by all of the members or permitted by the articles  
29 or an operating agreement.

30 2. An amendment must be made in the form of a certificate  
31 setting forth:

32 (a) The name of the limited-liability company;

33 (b) Whether the limited-liability company is managed by  
34 managers or members; and

35 (c) The amendment to the articles of organization.

36 3. The certificate of amendment must be signed by a manager  
37 of the company or, if management is not vested in a manager, by a  
38 member.

39 4. Restated articles of organization may be signed and filed in  
40 the same manner as a certificate of amendment. If the certificate  
41 alters or amends the articles in any manner, it must be accompanied  
42 by ~~f~~:

43 ~~(a) A resolution; or~~

44 ~~(b) A] a~~ form prescribed by the Secretary of State ~~f~~;





1 ~~→~~ setting forth which provisions of the articles of organization on  
2 file with the Secretary of State are being altered or amended.

3 **Sec. 23.** NRS 86.263 is hereby amended to read as follows:

4 86.263 1. A limited-liability company shall, on or before the  
5 last day of the first month after the filing of its articles of  
6 organization with the Secretary of State, file with the Secretary of  
7 State, on a form furnished by him, a list that contains:

8 (a) The name of the limited-liability company;

9 (b) The file number of the limited-liability company, if known;

10 (c) The names and titles of all of its managers or, if there is no  
11 manager, all of its managing members;

12 (d) The address, either residence or business, of each manager or  
13 managing member listed, following the name of the manager or  
14 managing member;

15 (e) The name and *street* address of ~~the~~ *its* lawfully designated  
16 resident agent ~~of the limited-liability company;~~ *in this State;* and

17 (f) The signature of a manager or managing member of the  
18 limited-liability company certifying that the list is true, complete  
19 and accurate.

20 2. The limited-liability company shall annually thereafter, on  
21 or before the last day of the month in which the anniversary date of  
22 its organization occurs, file with the Secretary of State, on a form  
23 furnished by him, an amended list containing all of the information  
24 required in subsection 1.

25 3. Each list required by subsections 1 and 2 must be  
26 accompanied by a declaration under penalty of perjury that the  
27 limited-liability company:

28 (a) Has complied with the provisions of NRS 360.780; and

29 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
30 C felony to knowingly offer any false or forged instrument for filing  
31 in the Office of the Secretary of State.

32 4. Upon filing:

33 (a) The initial list required by subsection 1, the limited-liability  
34 company shall pay to the Secretary of State a fee of \$125.

35 (b) Each annual list required by subsection 2, the limited-  
36 liability company shall pay to the Secretary of State a fee of \$125.

37 5. If a manager or managing member of a limited-liability  
38 company resigns and the resignation is not ~~made in conjunction~~  
39 ~~with the filing of an~~ *reflected on the* annual or amended list of  
40 managers and managing members, the limited-liability company *or*  
41 *the resigning manager or managing member* shall pay to the  
42 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
43 ~~manager or managing member.~~

44 6. The Secretary of State shall, ~~60~~ *90* days before the last day  
45 for filing each list required by subsection 2, cause to be mailed to



1 each limited-liability company which is required to comply with the  
2 provisions of this section, and which has not become delinquent, a  
3 notice of the fee due under subsection 4 and a reminder to file a list  
4 required by subsection 2. Failure of any company to receive a notice  
5 or form does not excuse it from the penalty imposed by law.

6 7. If the list to be filed pursuant to the provisions of subsection  
7 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
8 Secretary of State may return the list for correction or payment.

9 8. An annual list for a limited-liability company not in default  
10 received by the Secretary of State more than 90 days before its due  
11 date shall be deemed an amended list for the previous year.

12 **Sec. 24.** NRS 86.5461 is hereby amended to read as follows:

13 86.5461 1. Each foreign limited-liability company doing  
14 business in this State shall, on or before the last day of the first  
15 month after the filing of its application for registration as a foreign  
16 limited-liability company with the Secretary of State, and annually  
17 thereafter on or before the last day of the month in which the  
18 anniversary date of its qualification to do business in this State  
19 occurs in each year, file with the Secretary of State a list on a form  
20 furnished by him that contains:

21 (a) The name of the foreign limited-liability company;

22 (b) The file number of the foreign limited-liability company, if  
23 known;

24 (c) The names and titles of all its managers or, if there is no  
25 manager, all its managing members;

26 (d) The address, either residence or business, of each manager or  
27 managing member listed pursuant to paragraph (c);

28 (e) The name and *street* address of its lawfully designated  
29 resident agent in this State; and

30 (f) The signature of a manager or managing member of the  
31 foreign limited-liability company certifying that the list is true,  
32 complete and accurate.

33 2. Each list filed pursuant to this section must be accompanied  
34 by a declaration under penalty of perjury that the foreign limited-  
35 liability company:

36 (a) Has complied with the provisions of NRS 360.780; and

37 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
38 C felony to knowingly offer any false or forged instrument for filing  
39 with the Office of the Secretary of State.

40 3. Upon filing:

41 (a) The initial list required by this section, the foreign limited-  
42 liability company shall pay to the Secretary of State a fee of \$125.

43 (b) Each annual list required by this section, the foreign limited-  
44 liability company shall pay to the Secretary of State a fee of \$125.



1 4. If a manager or managing member of a foreign limited-  
2 liability company resigns and the resignation is not ~~made in~~  
3 ~~conjunction with the filing of an~~ *reflected on the* annual or  
4 amended list of managers and managing members, the foreign  
5 limited-liability company *or the resigning manager or managing*  
6 *member* shall pay to the Secretary of State a fee of \$75 to file the  
7 resignation. ~~[of the manager or managing member.]~~

8 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
9 for filing each annual list required by this section, cause to be  
10 mailed to each foreign limited-liability company which is required  
11 to comply with the provisions of NRS 86.5461 to 86.5468,  
12 inclusive, and which has not become delinquent, the blank forms to  
13 be completed and filed with him. Failure of any foreign limited-  
14 liability company to receive the forms does not excuse it from the  
15 penalty imposed by the provisions of NRS 86.5461 to 86.5468,  
16 inclusive.

17 6. If the list to be filed pursuant to the provisions of subsection  
18 1 is defective or the fee required by subsection 3 is not paid, the  
19 Secretary of State may return the list for correction or payment.

20 7. An annual list for a foreign limited-liability company not in  
21 default which is received by the Secretary of State more than 90  
22 days before its due date must be deemed an amended list for the  
23 previous year and does not satisfy the requirements of this section  
24 for the year to which the due date is applicable.

25 **Sec. 25.** NRS 86.561 is hereby amended to read as follows:

26 86.561 1. The Secretary of State shall charge and collect for:

27 (a) Filing the original articles of organization, or for registration  
28 of a foreign company, \$75;

29 (b) Amending or restating the articles of organization, amending  
30 the registration of a foreign company or filing a certificate of  
31 correction, \$175;

32 (c) Filing the articles of dissolution of a domestic or foreign  
33 company, \$75;

34 (d) Filing a statement of change of address of a records or  
35 registered office, or change of the resident agent, \$60;

36 (e) Certifying *a copy of* articles of organization or an  
37 amendment to the articles, ~~[in both cases where a copy is provided,]~~  
38 \$30;

39 (f) Certifying an authorized printed copy of this chapter, \$30;

40 (g) Reserving a name for a limited-liability company, \$25;

41 (h) Filing a certificate of cancellation, \$75;

42 (i) Signing, filing or certifying any other record, \$50; and

43 (j) Copies ~~made at~~ *provided by* the Office of the Secretary of  
44 State, \$2 per page.



1       2. The Secretary of State shall charge and collect, at the time of  
2 any service of process on him as agent for service of process of a  
3 limited-liability company, \$100 which may be recovered as taxable  
4 costs by the party to the action causing the service to be made if the  
5 party prevails in the action.

6       3. Except as otherwise provided in this section, the fees set  
7 forth in NRS 78.785 apply to this chapter.

8       **Sec. 26.** NRS 87.440 is hereby amended to read as follows:

9       87.440 1. To become a registered limited-liability  
10 partnership, a partnership shall file with the Secretary of State a  
11 certificate of registration stating each of the following:

12       (a) The name of the partnership.

13       (b) The street address of its principal office.

14       (c) The name of the person designated as the partnership's  
15 resident agent, the street address of the resident agent where process  
16 may be served upon the partnership and the mailing address of the  
17 resident agent if it is different than his street address.

18       (d) The name and business address of each managing partner in  
19 this State.

20       (e) A brief statement of the professional service rendered by the  
21 partnership.

22       (f) That the partnership thereafter will be a registered limited-  
23 liability partnership.

24       (g) Any other information that the partnership wishes to include.

25       2. The certificate of registration must be signed by a majority  
26 in interest of the partners or by one or more partners authorized to  
27 sign such a certificate.

28       3. The certificate of registration must be accompanied by a fee  
29 of ~~[\$175.]~~ \$75.

30       4. The Secretary of State shall register as a registered limited-  
31 liability partnership any partnership that submits a completed  
32 certificate of registration with the required fee.

33       5. The registration of a registered limited-liability partnership  
34 is effective at the time of the filing of the certificate of registration.

35       **Sec. 27.** NRS 87.510 is hereby amended to read as follows:

36       87.510 1. A registered limited-liability partnership shall, on  
37 or before the last day of the first month after the filing of its  
38 certificate of registration with the Secretary of State, and annually  
39 thereafter on or before the last day of the month in which the  
40 anniversary date of the filing of its certificate of registration with the  
41 Secretary of State occurs, file with the Secretary of State, on a form  
42 furnished by him, a list that contains:

43       (a) The name of the registered limited-liability partnership;

44       (b) The file number of the registered limited-liability  
45 partnership, if known;



1 (c) The names of all of its managing partners;  
2 (d) The address, either residence or business, of each managing  
3 partner;

4 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
5 resident agent ~~[of the registered limited-liability partnership;]~~ *in this*  
6 *State*; and

7 (f) The signature of a managing partner of the registered limited-  
8 liability partnership certifying that the list is true, complete and  
9 accurate.

10 ↪ Each list filed pursuant to this subsection must be accompanied  
11 by a declaration under penalty of perjury that the registered limited-  
12 liability partnership has complied with the provisions of NRS  
13 360.780 and which acknowledges that pursuant to NRS 239.330 it is  
14 a category C felony to knowingly offer any false or forged  
15 instrument for filing in the Office of the Secretary of State.

16 2. Upon filing:

17 (a) The initial list required by subsection 1, the registered  
18 limited-liability partnership shall pay to the Secretary of State a fee  
19 of \$125.

20 (b) Each annual list required by subsection 1, the registered  
21 limited-liability partnership shall pay to the Secretary of State a fee  
22 of \$125.

23 3. If a managing partner of a registered limited-liability  
24 partnership resigns and the resignation is not ~~[made in conjunction~~  
25 ~~with the filing of an]~~ *reflected on the* annual or amended list of  
26 managing partners, the registered limited-liability partnership *or the*  
27 *resigning managing partner* shall pay to the Secretary of State a fee  
28 of \$75 to file the resignation . ~~[of the managing partner.]~~

29 4. The Secretary of State shall, at least 90 days before the last  
30 day for filing each annual list required by subsection 1, cause to be  
31 mailed to the registered limited-liability partnership a notice of the  
32 fee due pursuant to subsection 2 and a reminder to file the annual  
33 list required by subsection 1. The failure of any registered limited-  
34 liability partnership to receive a notice or form does not excuse it  
35 from complying with the provisions of this section.

36 5. If the list to be filed pursuant to the provisions of subsection  
37 1 is defective, or the fee required by subsection 2 is not paid, the  
38 Secretary of State may return the list for correction or payment.

39 6. An annual list that is filed by a registered limited-liability  
40 partnership which is not in default more than 90 days before it is due  
41 shall be deemed an amended list for the previous year and does not  
42 satisfy the requirements of subsection 1 for the year to which the  
43 due date is applicable.





1       **Sec. 28.** NRS 87.541 is hereby amended to read as follows:  
2       87.541 1. Each foreign registered limited-liability partnership  
3 doing business in this State shall, on or before the last day of the  
4 first month after the filing of its application for registration as a  
5 foreign registered limited-liability partnership with the Secretary of  
6 State, and annually thereafter on or before the last day of the month  
7 in which the anniversary date of its qualification to do business in  
8 this State occurs in each year, file with the Secretary of State a list,  
9 on a form furnished by him, that contains:  
10       (a) The name of the foreign registered limited-liability  
11 partnership;  
12       (b) The file number of the foreign registered limited-liability  
13 partnership, if known;  
14       (c) The names of all its managing partners;  
15       (d) The address, either residence or business, of each managing  
16 partner;  
17       (e) The name and *street* address of ~~the~~ *its* lawfully designated  
18 resident agent ~~of the foreign registered limited liability~~  
19 ~~partnership;~~ *in this State;* and  
20       (f) The signature of a managing partner of the foreign registered  
21 limited-liability partnership certifying that the list is true, complete  
22 and accurate.  
23       2. Each list filed pursuant to this section must be accompanied  
24 by a declaration under penalty of perjury that the foreign registered  
25 limited-liability partnership:  
26       (a) Has complied with the provisions of NRS 360.780; and  
27       (b) Acknowledges that pursuant to NRS 239.330, it is a category  
28 C felony to knowingly offer any false or forged instrument for filing  
29 in the Office of the Secretary of State.  
30       3. Upon filing:  
31       (a) The initial list required by this section, the foreign registered  
32 limited-liability partnership shall pay to the Secretary of State a fee  
33 of \$125.  
34       (b) Each annual list required by this section, the foreign  
35 registered limited-liability partnership shall pay to the Secretary of  
36 State a fee of \$125.  
37       4. If a managing partner of a foreign registered limited-liability  
38 partnership resigns and the resignation is not ~~made in conjunction~~  
39 ~~with the filing of an~~ *reflected on the* annual or amended list of  
40 managing partners, the foreign registered limited-liability  
41 partnership *or the managing partner* shall pay to the Secretary of  
42 State a fee of \$75 to file the resignation. ~~of the managing partner.~~  
43       5. The Secretary of State shall, ~~60~~ *90* days before the last day  
44 for filing each annual list required by subsection 1, cause to be  
45 mailed to each foreign registered limited-liability partnership which



1 is required to comply with the provisions of NRS 87.541 to 87.544,  
2 inclusive, and which has not become delinquent, the blank forms to  
3 be completed and filed with him. Failure of any foreign registered  
4 limited-liability partnership to receive the forms does not excuse it  
5 from the penalty imposed by the provisions of NRS 87.541 to  
6 87.544, inclusive.

7 6. If the list to be filed pursuant to the provisions of subsection  
8 1 is defective or the fee required by subsection 3 is not paid, the  
9 Secretary of State may return the list for correction or payment.

10 7. An annual list for a foreign registered limited-liability  
11 partnership not in default which is received by the Secretary of State  
12 more than 90 days before its due date must be deemed an amended  
13 list for the previous year and does not satisfy the requirements of  
14 subsection 1 for the year to which the due date is applicable.

15 **Sec. 29.** NRS 87.550 is hereby amended to read as follows:

16 87.550 In addition to any other fees required by NRS 87.440 to  
17 87.540, inclusive, and 87.560, the Secretary of State shall charge  
18 and collect the following fees for services rendered pursuant to  
19 those sections:

20 1. For certifying records required by NRS 87.440 to 87.540,  
21 inclusive, and 87.560, \$30 per certification.

22 2. For signing a certificate verifying the existence of a  
23 registered limited-liability partnership, if the registered limited-  
24 liability partnership has not filed a certificate of amendment, \$50.

25 3. For signing a certificate verifying the existence of a  
26 registered limited-liability partnership, if the registered limited-  
27 liability partnership has filed a certificate of amendment, \$50.

28 4. For signing, certifying or filing any certificate or record not  
29 required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

30 5. For any copies ~~made~~ *provided* by the Office of the  
31 Secretary of State, \$2 per page.

32 6. For examining and provisionally approving any record  
33 before the record is presented for filing, \$125.

34 **Sec. 30.** NRS 88.355 is hereby amended to read as follows:

35 88.355 1. A certificate of limited partnership is amended by  
36 filing a certificate of amendment thereto in the Office of the  
37 Secretary of State. The certificate must set forth:

38 (a) The name of the limited partnership; and

39 (b) The amendment.

40 2. Within 30 days after the happening of any of the following  
41 events an amendment to a certificate of limited partnership  
42 reflecting the occurrence of the event or events must be filed:

43 (a) The admission of a new general partner;

44 (b) The withdrawal of a general partner; or



1 (c) The continuation of the business under NRS 88.550 after an  
2 event of withdrawal of a general partner.

3 3. A general partner who becomes aware that any statement in  
4 a certificate of limited partnership was false when made or that any  
5 arrangements or other facts described, except the address of its  
6 office or the name or address of its resident agent, have changed,  
7 making the certificate inaccurate in any respect, shall promptly  
8 amend the certificate.

9 4. A certificate of limited partnership may be amended at any  
10 time for any other proper purpose the general partners determine.

11 5. No person has any liability because an amendment to a  
12 certificate of limited partnership has not been filed to reflect the  
13 occurrence of any event referred to in subsection 2 if the amendment  
14 is filed within the 30-day period specified in subsection 2.

15 6. A restated certificate of limited partnership may be signed  
16 and filed in the same manner as a certificate of amendment. If the  
17 certificate alters or amends the certificate of limited partnership in  
18 any manner, it must be accompanied by ~~§~~:

19 ~~—(a) A resolution; or~~

20 ~~—(b) A} a~~ form prescribed by the Secretary of State ~~§~~:

21 ~~→} setting forth which provisions of the certificate of limited  
22 partnership on file with the Secretary of State are being altered or  
23 amended.~~

24 **Sec. 31.** NRS 88.375 is hereby amended to read as follows:

25 88.375 1. Each certificate required by NRS 88.350 to 88.390,  
26 inclusive, to be filed in the Office of the Secretary of State must be  
27 signed in the following manner:

28 (a) An original certificate of limited partnership must be signed  
29 by all ~~{general partners;}~~ organizers;

30 (b) A certificate of amendment must be signed by at least one  
31 general partner and by each other general partner designated in the  
32 certificate as a new general partner; and

33 (c) A certificate of cancellation must be signed by all general  
34 partners.

35 2. Any person may sign a certificate by an attorney-in-fact, but  
36 a power of attorney to sign a certificate relating to the admission of  
37 a general partner must specifically describe the admission.

38 3. The signing of a certificate by a general partner constitutes  
39 an affirmation under the penalties of perjury that the facts stated  
40 therein are true.

41 **Sec. 32.** NRS 88.395 is hereby amended to read as follows:

42 88.395 1. A limited partnership shall, on or before the last  
43 day of the first month after the filing of its certificate of limited  
44 partnership with the Secretary of State, and annually thereafter on or  
45 before the last day of the month in which the anniversary date of the





1 filing of its certificate of limited partnership occurs, file with the  
2 Secretary of State, on a form furnished by him, a list that contains:

3 (a) The name of the limited partnership;

4 (b) The file number of the limited partnership, if known;

5 (c) The names of all of its general partners;

6 (d) The address, either residence or business, of each general  
7 partner;

8 (e) The name and *street* address of ~~the~~ *its* lawfully designated  
9 resident agent ~~of the limited partnership;~~ *in this State;* and

10 (f) The signature of a general partner of the limited partnership  
11 certifying that the list is true, complete and accurate.

12 ↪ Each list filed pursuant to this subsection must be accompanied  
13 by a declaration under penalty of perjury that the limited partnership  
14 has complied with the provisions of NRS 360.780 and which  
15 acknowledges that pursuant to NRS 239.330 it is a category C  
16 felony to knowingly offer any false or forged instrument for filing in  
17 the Office of the Secretary of State.

18 2. Except as otherwise provided in subsection 3, a limited  
19 partnership shall, upon filing:

20 (a) The initial list required by subsection 1, pay to the Secretary  
21 of State a fee of \$125.

22 (b) Each annual list required by subsection 1, pay to the  
23 Secretary of State a fee of \$125.

24 3. A registered limited-liability limited partnership shall, upon  
25 filing:

26 (a) The initial list required by subsection 1, pay to the Secretary  
27 of State a fee of \$125.

28 (b) Each annual list required by subsection 1, pay to the  
29 Secretary of State a fee of \$175.

30 4. If a general partner of a limited partnership resigns and the  
31 resignation is not ~~made in conjunction with the filing of an~~  
32 *reflected on the* annual or amended list of general partners, the  
33 limited partnership *or the resigning general partner* shall pay to the  
34 Secretary of State a fee of \$75 to file the resignation. ~~of the general~~  
35 *partner.*

36 5. The Secretary of State shall, ~~60~~ *90* days before the last day  
37 for filing each annual list required by subsection 1, cause to be  
38 mailed to each limited partnership which is required to comply with  
39 the provisions of this section, and which has not become delinquent,  
40 a notice of the fee due pursuant to the provisions of subsection 2 or  
41 3, as appropriate, and a reminder to file the annual list. Failure of  
42 any limited partnership to receive a notice or form does not excuse it  
43 from the penalty imposed by NRS 88.400.



1 6. If the list to be filed pursuant to the provisions of subsection  
2 1 is defective or the fee required by subsection 2 or 3 is not paid, the  
3 Secretary of State may return the list for correction or payment.

4 7. An annual list for a limited partnership not in default that is  
5 received by the Secretary of State more than 90 days before its due  
6 date shall be deemed an amended list for the previous year and does  
7 not satisfy the requirements of subsection 1 for the year to which the  
8 due date is applicable.

9 8. A filing made pursuant to this section does not satisfy the  
10 provisions of NRS 88.355 and may not be substituted for filings  
11 submitted pursuant to NRS 88.355.

12 **Sec. 33.** NRS 88.415 is hereby amended to read as follows:

13 88.415 The Secretary of State, for services relating to his  
14 official duties and the records of his office, shall charge and collect  
15 the following fees:

16 1. For filing a certificate of limited partnership, or for  
17 registering a foreign limited partnership, \$75.

18 2. For filing a certificate of registration of limited-liability  
19 limited partnership, or for registering a foreign registered limited-  
20 liability *limited* partnership, \$100.

21 3. For filing a certificate of amendment of limited partnership  
22 or restated certificate of limited partnership, \$175.

23 4. For filing a certificate of a change of location of the records  
24 office of a limited partnership or the office of its resident agent, or a  
25 designation of a new resident agent, \$60.

26 5. For certifying a *copy of a* certificate of limited partnership,  
27 an amendment to the certificate, or a certificate as amended, [~~where~~  
28 ~~a copy is provided,~~] \$30 per certification.

29 6. For certifying an authorized printed copy of the limited  
30 partnership law, \$30.

31 7. For reserving a limited partnership name, or for signing,  
32 filing or certifying any other record, \$25.

33 8. For copies [~~made at~~] *provided by* the Office of the Secretary  
34 of State, \$2 per page.

35 9. For filing a certificate of cancellation of a limited  
36 partnership, \$75.

37 ↪ Except as otherwise provided in this section, the fees set forth in  
38 NRS 78.785 apply to this chapter.

39 **Sec. 34.** NRS 88.591 is hereby amended to read as follows:

40 88.591 1. Each foreign limited partnership doing business in  
41 this State shall, on or before the last day of the first month after the  
42 filing of its application for registration as a foreign limited  
43 partnership with the Secretary of State, and annually thereafter on or  
44 before the last day of the month in which the anniversary date of its  
45 qualification to do business in this State occurs in each year, file



1 with the Secretary of State a list, on a form furnished by him, that  
2 contains:

- 3 (a) The name of the foreign limited partnership;
- 4 (b) The file number of the foreign limited partnership, if known;
- 5 (c) The names of all its general partners;
- 6 (d) The address, either residence or business, of each general  
7 partner;
- 8 (e) The name and *street* address of its lawfully designated  
9 resident agent in this State; and
- 10 (f) The signature of a general partner of the foreign limited  
11 partnership certifying that the list is true, complete and accurate.

12 2. Each list filed pursuant to this section must be accompanied  
13 by a declaration under penalty of perjury that the foreign limited  
14 partnership:

- 15 (a) Has complied with the provisions of NRS 360.780; and
- 16 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
17 C felony to knowingly offer any false or forged instrument for filing  
18 in the Office of the Secretary of State.

19 3. Upon filing:

- 20 (a) The initial list required by this section, the foreign limited  
21 partnership shall pay to the Secretary of State a fee of \$125.
- 22 (b) Each annual list required by this section, the foreign limited  
23 partnership shall pay to the Secretary of State a fee of \$125.

24 4. If a general partner of a foreign limited partnership resigns  
25 and the resignation is not ~~made in conjunction with the filing of an~~  
26 *reflected on the* annual or amended list of general partners, the  
27 foreign limited partnership *or the resigning general partner* shall  
28 pay to the Secretary of State a fee of \$75 to file the resignation of  
29 the general partner.

30 5. The Secretary of State shall, ~~{60}~~ *90* days before the last day  
31 for filing each annual list required by subsection 1, cause to be  
32 mailed to each foreign limited partnership, which is required to  
33 comply with the provisions of NRS 88.591 to 88.5945, inclusive,  
34 and which has not become delinquent, the blank forms to be  
35 completed and filed with him. Failure of any foreign limited  
36 partnership to receive the forms does not excuse it from the penalty  
37 imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

38 6. If the list to be filed pursuant to the provisions of subsection  
39 1 is defective or the fee required by subsection 3 is not paid, the  
40 Secretary of State may return the list for correction or payment.

41 7. An annual list for a foreign limited partnership not in default  
42 which is received by the Secretary of State more than 90 days before  
43 its due date must be deemed an amended list for the previous year  
44 and does not satisfy the requirements of subsection 1 for the year to  
45 which the due date is applicable.



1       **Sec. 35.** NRS 88.607 is hereby amended to read as follows:  
2       88.607 The registration of a registered limited-liability limited  
3 partnership is effective until:

4       1. Its certificate of registration is revoked pursuant to NRS  
5 88.405; or

6       2. The registered limited-liability limited partnership files with  
7 the Secretary of State a notice of withdrawal signed by a general  
8 partner. The notice must be accompanied by a fee of ~~[\$60.]~~ \$75.

9       **Sec. 36.** NRS 88A.210 is hereby amended to read as follows:

10       88A.210 1. One or more persons may create a business trust  
11 by adopting a governing instrument and signing and filing with the  
12 Secretary of State a certificate of trust and a certificate of acceptance  
13 of appointment signed by the resident agent of the business trust.  
14 The certificate of trust must set forth:

15       (a) The name of the business trust;

16       (b) The name and ~~[the mailing or street]~~ address, either  
17 residence or business, of at least one trustee;

18       (c) The name of the person designated as the resident agent for  
19 the business trust, the street address of the resident agent where  
20 process may be served upon the business trust and the mailing  
21 address of the resident agent if different from the street address;

22       (d) The name and ~~[mailing or street]~~ address, either residence or  
23 business, of each person signing the certificate of trust; and

24       (e) Any other information the trustees determine to include.

25       2. Upon the filing of the certificate of trust and the certificate  
26 of acceptance with the Secretary of State and the payment to him of  
27 the required filing fee, the Secretary of State shall issue to the  
28 business trust a certificate that the required records with the required  
29 content have been filed. From the date of that filing, the business  
30 trust is legally formed pursuant to this chapter.

31       **Sec. 37.** NRS 88A.600 is hereby amended to read as follows:

32       88A.600 1. A business trust formed pursuant to this chapter  
33 shall, on or before the last day of the first month after the filing of  
34 its certificate of trust with the Secretary of State, and annually  
35 thereafter on or before the last day of the month in which the  
36 anniversary date of the filing of its certificate of trust with the  
37 Secretary of State occurs, file with the Secretary of State, on a form  
38 furnished by him, a list signed by at least one trustee that contains  
39 the name and ~~[mailing]~~ *street* address of its lawfully designated  
40 resident agent *in this State* and at least one trustee. Each list filed  
41 pursuant to this subsection must be accompanied by a declaration  
42 under penalty of perjury that the business trust:

43       (a) Has complied with the provisions of NRS 360.780; and



1 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 in the Office of the Secretary of State.

4 2. Upon filing:

5 (a) The initial list required by subsection 1, the business trust  
6 shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by subsection 1, the business trust  
8 shall pay to the Secretary of State a fee of \$125.

9 3. If a trustee of a business trust resigns and the resignation is  
10 not ~~made in conjunction with the filing of an~~ *reflected on the*  
11 annual or amended list of trustees, the business trust *or the*  
12 *resigning trustee* shall pay to the Secretary of State a fee of \$75 to  
13 file the resignation. ~~[of the trustee.]~~

14 4. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
15 for filing each annual list required by subsection 1, cause to be  
16 mailed to each business trust which is required to comply with the  
17 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
18 not become delinquent, the blank forms to be completed and filed  
19 with him. Failure of a business trust to receive the forms does not  
20 excuse it from the penalty imposed by law.

21 5. An annual list for a business trust not in default which is  
22 received by the Secretary of State more than 90 days before its due  
23 date shall be deemed an amended list for the previous year.

24 **Sec. 38.** NRS 88A.732 is hereby amended to read as follows:

25 88A.732 1. Each foreign business trust doing business in this  
26 State shall, on or before the last day of the first month after the filing  
27 of its application for registration as a foreign business trust with the  
28 Secretary of State, and annually thereafter on or before the last day  
29 of the month in which the anniversary date of its qualification to do  
30 business in this State occurs in each year, file with the Secretary of  
31 State a list, on a form furnished by him, that contains:

32 (a) The name of the foreign business trust;

33 (b) The file number of the foreign business trust, if known;

34 (c) The name of at least one of its trustees;

35 (d) The address, either residence or business, of the trustee listed  
36 pursuant to paragraph (c);

37 (e) The name and *street* address of its lawfully designated  
38 resident agent in this State; and

39 (f) The signature of a trustee of the foreign business trust  
40 certifying that the list is true, complete and accurate.

41 2. Each list required to be filed pursuant to this section must be  
42 accompanied by a declaration under penalty of perjury that the  
43 foreign business trust:

44 (a) Has complied with the provisions of NRS 360.780; and





1 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 in the Office of the Secretary of State.

4 3. Upon filing:

5 (a) The initial list required by this section, the foreign business  
6 trust shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by this section, the foreign business  
8 trust shall pay to the Secretary of State a fee of \$125.

9 4. If a trustee of a foreign business trust resigns and the  
10 resignation is not ~~made in conjunction with the filing of an~~  
11 *reflected on the* annual or amended list of trustees, the foreign  
12 business trust *or the resigning trustee* shall pay to the Secretary of  
13 State a fee of \$75 to file the resignation. ~~[of the trustee.]~~

14 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
15 for filing each annual list required by subsection 1, cause to be  
16 mailed to each foreign business trust which is required to comply  
17 with the provisions of NRS 88A.732 to 88A.738, inclusive, and  
18 which has not become delinquent, the blank forms to be completed  
19 and filed with him. Failure of any foreign business trust to receive  
20 the forms does not excuse it from the penalty imposed by the  
21 provisions of NRS 88A.732 to 88A.738, inclusive.

22 6. If the list to be filed pursuant to the provisions of subsection  
23 1 is defective or the fee required by subsection 3 is not paid, the  
24 Secretary of State may return the list for correction or payment.

25 7. An annual list for a foreign business trust not in default  
26 which is received by the Secretary of State more than 90 days before  
27 its due date must be deemed an amended list for the previous year  
28 and does not satisfy the requirements of subsection 1 for the year to  
29 which the due date is applicable.

30 **Sec. 39.** NRS 89.250 is hereby amended to read as follows:

31 89.250 1. Except as otherwise provided in subsection 2, a  
32 professional association shall, on or before the last day of the first  
33 month after the filing of its articles of association with the Secretary  
34 of State, and annually thereafter on or before the last day of the  
35 month in which the anniversary date of its organization occurs in  
36 each year, ~~[furnish a statement to]~~ *file with* the Secretary of State *a*  
37 *list* showing the names and addresses, either residence or business,  
38 of all members and employees in the professional association and  
39 certifying that all members and employees are licensed to render  
40 professional service in this State.

41 2. A professional association organized and practicing pursuant  
42 to the provisions of this chapter and NRS 623.349 shall, on or  
43 before the last day of the first month after the filing of its articles of  
44 association with the Secretary of State, and annually thereafter on or  
45 before the last day of the month in which the anniversary date of its



1 organization occurs in each year, ~~file with~~ *file with*  
2 the Secretary of State ~~file with~~ *a list*:

3 (a) Showing the names and addresses, either residence or  
4 business, of all members and employees of the professional  
5 association who are licensed or otherwise authorized by law to  
6 render professional service in this State;

7 (b) Certifying that all members and employees who render  
8 professional service are licensed or otherwise authorized by law to  
9 render professional service in this State; and

10 (c) Certifying that all members who are not licensed to render  
11 professional service in this State do not render professional service  
12 on behalf of the professional association except as authorized by  
13 law.

14 3. Each ~~statement~~ *list* filed pursuant to this section must be:

15 (a) Made on a form ~~prescribed~~ *furnished* by the Secretary of  
16 State and must not contain any fiscal or other information except  
17 that expressly called for by this section.

18 (b) Signed by the chief executive officer of the professional  
19 association.

20 (c) Accompanied by a declaration under penalty of perjury that  
21 the professional association:

22 (1) Has complied with the provisions of NRS 360.780; and

23 (2) Acknowledges that pursuant to NRS 239.330, it is a  
24 category C felony to knowingly offer any false or forged instrument  
25 for filing in the Office of the Secretary of State.

26 4. Upon filing:

27 (a) The initial ~~statement~~ *list* required by this section, the  
28 professional association shall pay to the Secretary of State a fee of  
29 \$125.

30 (b) Each annual ~~statement~~ *list* required by this section, the  
31 professional association shall pay to the Secretary of State a fee of  
32 \$125.

33 **Sec. 40.** NRS 89.256 is hereby amended to read as follows:

34 89.256 1. Except as otherwise provided in subsections 3 and  
35 4, the Secretary of State shall reinstate any professional association  
36 which has forfeited its right to transact business under the provisions  
37 of this chapter and restore the right to carry on business in this State  
38 and exercise its privileges and immunities if it:

39 (a) Files with the Secretary of State:

40 (1) The ~~statement~~ *list* and certification required by NRS  
41 89.250; and

42 (2) A certificate of acceptance of appointment signed by its  
43 resident agent; and

44 (b) Pays to the Secretary of State:



1 (1) The filing fee and penalty set forth in NRS 89.250 and  
2 89.252 for each year or portion thereof during which the articles of  
3 association have been revoked; and

4 (2) A fee of \$300 for reinstatement.

5 2. When the Secretary of State reinstates the professional  
6 association, he shall issue to the professional association a  
7 certificate of reinstatement if the professional association:

8 (a) Requests a certificate of reinstatement; and

9 (b) Pays the required fees pursuant to subsection 8 of  
10 NRS 78.785.

11 3. The Secretary of State shall not order a reinstatement unless  
12 all delinquent fees and penalties have been paid, and the revocation  
13 of the articles of association occurred only by reason of the failure  
14 to pay the fees and penalties.

15 4. If the articles of association of a professional association  
16 have been revoked pursuant to the provisions of this chapter and  
17 have remained revoked for 10 consecutive years, the articles must  
18 not be reinstated.

19 **Sec. 41.** NRS 14.030 is hereby amended to read as follows:

20 14.030 1. If any artificial person described in NRS 14.020  
21 fails to appoint a resident agent, or fails to file a certificate of  
22 acceptance of appointment for 30 days after a vacancy occurs in the  
23 agency, on the production of a certificate of the Secretary of State  
24 showing either fact, which is conclusive evidence of the fact so  
25 certified to be made a part of the return of service, the artificial  
26 person may be served with any and all legal process, or a demand or  
27 notice described in NRS 14.020, by delivering a copy to the  
28 Secretary of State, or, in his absence, to any deputy secretary of  
29 state, and such service is valid to all intents and purposes. The copy  
30 must:

31 (a) Include a specific citation to the provisions of this section.  
32 The Secretary of State may refuse to accept such service if the  
33 proper citation is not included.

34 (b) Be accompanied by a fee of ~~[\$10.]~~ **\$100.**

35 ↪ The Secretary of State shall keep a copy of the legal process  
36 received pursuant to this section in his office for at least 1 year after  
37 receipt thereof and shall make those records available for public  
38 inspection during normal business hours.

39 2. In all cases of such service, the defendant has 40 days,  
40 exclusive of the day of service, within which to answer or plead.

41 3. Before such service is authorized, the plaintiff shall make or  
42 cause to be made and filed an affidavit setting forth the facts,  
43 showing that due diligence has been used to ascertain the  
44 whereabouts of the officers of the artificial person to be served, and





1 the facts showing that direct or personal service on, or notice to, the  
2 artificial person cannot be had.

3 4. If it appears from the affidavit that there is a last known  
4 address of the artificial person or any known officers thereof, the  
5 plaintiff shall, in addition to and after such service on the Secretary  
6 of State, mail or cause to be mailed to the artificial person or to the  
7 known officer, at such address, by registered or certified mail, a  
8 copy of the summons and a copy of the complaint, and in all such  
9 cases the defendant has 40 days after the date of the mailing within  
10 which to appear in the action.

11 5. This section provides an additional manner of serving  
12 process, and does not affect the validity of any other valid service.

13 **Sec. 42.** NRS 105.070 is hereby amended to read as follows:

14 105.070 1. The Secretary of State or county recorder shall  
15 mark any security instrument and any statement of change, merger  
16 or consolidation presented for filing with the day and hour of filing  
17 and the file number assigned to it. This mark is, in the absence of  
18 other evidence, conclusive proof of the time and fact of presentation  
19 for filing.

20 2. The Secretary of State or county recorder shall retain and  
21 file all security instruments and statements of change, merger or  
22 consolidation presented for filing.

23 3. The uniform fee for filing and indexing a security  
24 instrument, or a supplement or amendment thereto, and a statement  
25 of change, merger or consolidation, and for stamping a copy of  
26 those documents furnished by the secured party or the public utility  
27 to show the date and place of filing is:

28 (a) ~~Forty~~ *Eighty* dollars if the record is communicated in  
29 writing and consists of one or two pages;

30 (b) ~~Sixty~~ *One hundred twenty* dollars if the record is  
31 communicated in writing and consists of more than two pages, and  
32 \$2 for each page over 20 pages;

33 (c) ~~Twenty~~ *Forty* dollars if the record is communicated by  
34 another medium authorized by filing-office rule; and

35 (d) ~~Two~~ *Four* dollars for each additional debtor, trade name or  
36 reference to another name under which business is done.

37 **Sec. 43.** Chapter 225 of NRS is hereby amended by adding  
38 thereto a new section to read as follows:

39 *1. A person shall not willfully file, promote the filing of, or*  
40 *cause to be filed, or attempt or conspire to file, promote the filing*  
41 *of, or cause to be filed, any record in the Office of the Secretary of*  
42 *State if the person has actual knowledge that the record:*

43 (a) *Is forged or fraudulently altered;*

44 (b) *Contains a false statement of material fact; or*



1       (c) *Is being filed in bad faith and for the purpose of harassing*  
2 *or defrauding any person.*

3       2. *Any person who violates this section is liable in a civil*  
4 *action brought pursuant to this section for:*

5       (a) *Actual damages caused by each separate violation of this*  
6 *section, or \$10,000 for each separate violation of this section,*  
7 *whichever is greater;*

8       (b) *All costs of bringing and maintaining the action, including*  
9 *investigative expenses and fees for expert witnesses;*

10       (c) *Reasonable attorney's fees; and*

11       (d) *Any punitive damages that the facts may warrant.*

12       3. *A civil action may be brought pursuant to this section by:*

13       (a) *Any person who is damaged by a violation of this section,*  
14 *including, without limitation, any person who is damaged as the*  
15 *result of an action taken in reliance on a record filed in violation*  
16 *of this section; or*

17       (b) *The Attorney General, in the name of the State of Nevada,*  
18 *if the matter is referred to the Attorney General by the Secretary of*  
19 *State and if the Attorney General, after due inquiry, determines*  
20 *that a civil action should be brought pursuant to this section. Any*  
21 *money recovered by the Attorney General pursuant to this*  
22 *paragraph, after deducting all costs and expenses incurred by the*  
23 *Attorney General and the Secretary of State to investigate and act*  
24 *upon the violation, must be deposited in the State General Fund.*

25       4. *For the purposes of this section, each filing of a single*  
26 *record that constitutes a violation of this section shall be deemed*  
27 *to be a separate violation.*

28       5. *The rights, remedies and penalties provided pursuant to*  
29 *this section are cumulative and do not abrogate and are in*  
30 *addition to any other rights, remedies and penalties that may exist*  
31 *at law or in equity, including, without limitation, any criminal*  
32 *penalty that may be imposed pursuant to NRS 239.330.*

33       6. *As used in this section, "record" means information that is*  
34 *inscribed on a tangible medium or that is stored in an electronic or*  
35 *other medium and is retrievable in perceivable form. The term*  
36 *includes, without limitation, a financing statement as defined in*  
37 *NRS 104.9102.*

38       **Sec. 44.** NRS 225.140 is hereby amended to read as follows:

39       225.140 1. Except as otherwise provided in subsection 2, in  
40 addition to other fees authorized by law, the Secretary of State shall  
41 charge and collect the following fees:



1 For certifying to a copy of any law, joint resolution,  
 2 transcript of record or other paper on file or of  
 3 record with the Secretary of State, including, but  
 4 not limited to, a document required to be filed  
 5 pursuant to title 24 of NRS, and use of the State  
 6 Seal, for each impression .....~~[\$20]~~ \$30  
 7 For each passport or other document signed by the  
 8 Governor and attested by the Secretary of State ..... 10  
 9

- 10 2. The Secretary of State:
- 11 (a) Shall charge a reasonable fee for searching records and  
 12 documents kept in his office, including, but not limited to, records  
 13 and documents that are stored on a computer database.
- 14 (b) May charge or collect any filing or other fees for services  
 15 rendered by him to the State of Nevada, any local governmental  
 16 agency or agency of the Federal Government, or any officer thereof  
 17 in his official capacity or respecting his office or official duties.
- 18 (c) May not charge or collect a filing or other fee for:
- 19 (1) Attesting extradition papers or executive warrants for  
 20 other states.
- 21 (2) Any commission or appointment issued or made by the  
 22 Governor, either for the use of the State Seal or otherwise.
- 23 (d) May charge a reasonable fee, not to exceed:
- 24 (1) *One thousand dollars, for providing service within 1*  
 25 *hour after the time service is requested;*
- 26 (2) Five hundred dollars, for providing service *more than 1*  
 27 *hour but* within 2 hours after the time the service is requested; and  
 28 ~~[(2)]~~ (3) One hundred twenty-five dollars, for providing any  
 29 other special service, including, but not limited to, providing service  
 30 more than 2 hours but within 24 hours after the time the service is  
 31 requested, accepting documents filed by facsimile machine and  
 32 other use of new technology.
- 33 (e) Shall charge a person, for each check or other negotiable  
 34 instrument returned to the Office of the Secretary of State because  
 35 the person had insufficient money or credit with the drawee to pay  
 36 the check or other instrument or because the person stopped  
 37 payment on the check or other instrument:
- 38 (1) A fee of \$25; and
- 39 (2) If the check or other instrument that was returned had  
 40 been presented for the payment of a filing fee for more than one  
 41 entity, an additional fee in an amount equal to the actual cost  
 42 incurred by the Office of the Secretary of State to perform the  
 43 following actions as a result of the returned check or instrument:
- 44 (I) Reversing the status of the entities in the records of the  
 45 Office of the Secretary of State; and



1 (II) Recouping any fees charged for services rendered by  
2 the Office of the Secretary of State to the entities, including, without  
3 limitation, fees charged for providing service pursuant to paragraph  
4 (d), providing copies or issuing certificates.

5 ↪ The Secretary of State shall, by regulation, establish procedures  
6 for the imposition of the fees authorized by this paragraph and the  
7 manner in which a fee authorized by subparagraph (2) will be  
8 calculated.

9 *(f) May charge a reasonable fee for searching for and*  
10 *cancelling or removing, if requested, any filing that has been*  
11 *submitted to him but not yet processed.*

12 3. From each fee collected pursuant to paragraph (d) of  
13 subsection 2:

14 (a) The entire amount or \$62.50, whichever is less, of the fee  
15 collected pursuant to subparagraph (1) *or (2)* of that paragraph and  
16 one-half of the fee collected pursuant to subparagraph ~~(2)~~ (3) of  
17 that paragraph must be deposited with the State Treasurer for credit  
18 to the Account for Special Services of the Secretary of State in the  
19 State General Fund. Any amount remaining in the Account at the  
20 end of a fiscal year in excess of \$2,000,000 must be transferred to  
21 the State General Fund. Money in the Account may be transferred to  
22 the Secretary of State's Operating General Fund Budget Account  
23 and must only be used to create and maintain the capability of the  
24 Office of the Secretary of State to provide special services,  
25 including, but not limited to, providing service:

26 (1) On the day it is requested or within 24 hours; or

27 (2) Necessary to increase or maintain the efficiency of the  
28 Office.

29 ↪ Any transfer of money from the Account for expenditure by the  
30 Secretary of State must be approved by the Interim Finance  
31 Committee.

32 (b) After deducting the amount required pursuant to paragraph  
33 (a), the remainder must be deposited with the State Treasurer for  
34 credit to the State General Fund.

35 4. The Secretary of State shall post a schedule of the fees  
36 authorized to be charged pursuant to this section in a conspicuous  
37 place at each office at which such fees are collected.

38 **Sec. 45.** NRS 600.340 is hereby amended to read as follows:

39 600.340 1. A person who has adopted and is using a mark in  
40 this State may file in the Office of the Secretary of State, on a form  
41 to be furnished by the Secretary of State, an application for  
42 registration of that mark setting forth, but not limited to, the  
43 following information:

44 (a) Whether the mark to be registered is a trademark, trade name  
45 or service mark;



1 (b) A description of the mark by name, words displayed in it or  
2 other information;

3 (c) The name and business address of the person applying for  
4 the registration and, if it is a corporation, limited-liability company,  
5 limited partnership or registered limited-liability partnership, the  
6 state of incorporation or organization;

7 (d) The specific goods or services in connection with which the  
8 mark is used and the mode or manner in which the mark is used in  
9 connection with those goods or services and the class as designated  
10 by the Secretary of State which includes those goods or services;

11 (e) The date when the mark was first used anywhere and the  
12 date when it was first used in this State by the applicant or his  
13 predecessor in business which must precede the filing of the  
14 application; and

15 (f) A statement that the applicant is the owner of the mark and  
16 that no other person has the right to use the mark in this State either  
17 in the form set forth in the application or in such near resemblance  
18 to it as might deceive or cause mistake.

19 2. The application must:

20 (a) Be signed and verified by the applicant or by a member of  
21 the firm or an officer of the corporation or association applying.

22 (b) Be accompanied by a specimen or facsimile of the mark ~~in~~  
23 ~~duplicate~~ *on white paper that is 8 1/2 inches by 11 inches in size*  
24 and by a filing fee of \$100 payable to the Secretary of State.

25 3. If the application fails to comply with this section or NRS  
26 600.343, the Secretary of State shall return it for correction.



SENATE BILL NO. 453—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 29, 2005

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning business entities.  
(BDR 7-576)

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

~

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

AN ACT relating to business entities; providing for a charging order by the court concerning a stockholder's stock under certain circumstances; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; 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 78 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3     ***1. On application to a court of competent jurisdiction by a***  
4 ***judgment creditor of a stockholder, the court may charge the***  
5 ***stockholder's stock with payment of the unsatisfied amount of the***  
6 ***judgment with interest. To the extent so charged, the judgment***  
7 ***creditor has only the rights of an assignee of the stockholder's***  
8 ***stock.***



\* S B 4 5 3 R 1 \*





- 1       **2. This section:**  
2       **(a) Applies only to a corporation that:**  
3           **(1) Has more than one, but fewer than 75 stockholders of**  
4 **record at any time;**  
5           **(2) Is not a subsidiary of a publicly traded corporation,**  
6 **either in whole or in part; and**  
7           **(3) Is not a professional corporation, as defined in**  
8 **NRS 89.020.**  
9       **(b) Does not apply to any liability of a stockholder that exists**  
10 **as the result of an action filed before October 1, 2005.**  
11       **(c) Provides the exclusive remedy by which a judgment**  
12 **creditor of a stockholder or an assignee of a stockholder may**  
13 **satisfy a judgment out of the stockholder's stock of the**  
14 **corporation.**  
15       **(d) Does not deprive any stockholder of the benefit of any**  
16 **exemption applicable to the stockholder's stock.**  
17       **(e) Does not supersede any private agreement between a**  
18 **stockholder and a creditor.**

19       **Sec. 2.** NRS 78.150 is hereby amended to read as follows:  
20       78.150 1. A corporation organized pursuant to the laws of  
21 this State shall, on or before the last day of the first month after the  
22 filing of its articles of incorporation with the Secretary of State, file  
23 with the Secretary of State a list, on a form furnished by him,  
24 containing:

- 25       (a) The name of the corporation;  
26       (b) The file number of the corporation, if known;  
27       (c) The names and titles of the president, secretary and treasurer,  
28 or the equivalent thereof, and of all the directors of the corporation;  
29       (d) The address, either residence or business, of each officer and  
30 director listed, following the name of the officer or director;  
31       (e) The name and address of the lawfully designated resident  
32 agent of the corporation **[§] in this State;** and  
33       (f) The signature of an officer of the corporation certifying that  
34 the list is true, complete and accurate.

35       2. The corporation shall annually thereafter, on or before the  
36 last day of the month in which the anniversary date of incorporation  
37 occurs in each year, file with the Secretary of State, on a form  
38 furnished by him, an annual list containing all of the information  
39 required in subsection 1.

40       3. Each list required by subsection 1 or 2 must be accompanied  
41 by:

- 42       (a) A declaration under penalty of perjury that the corporation:  
43           (1) Has complied with the provisions of NRS 360.780; and



\* S B 4 5 3 R 1 \*

1 (2) Acknowledges that pursuant to NRS 239.330, it is a  
2 category C felony to knowingly offer any false or forged instrument  
3 for filing with the Office of the Secretary of State.

4 (b) A statement as to whether the corporation is a publicly  
5 traded company. If the corporation is a publicly traded company, the  
6 corporation must list its Central Index Key. The Secretary of State  
7 shall include on his Internet website the Central Index Key of a  
8 corporation provided pursuant to this paragraph and instructions  
9 describing the manner in which a member of the public may obtain  
10 information concerning the corporation from the Securities and  
11 Exchange Commission.

12 4. Upon filing the list required by:

13 (a) Subsection 1, the corporation shall pay to the Secretary of  
14 State a fee of \$125.

15 (b) Subsection 2, the corporation shall pay to the Secretary of  
16 State, if the amount represented by the total number of shares  
17 provided for in the articles is:

18		
19	\$75,000 or less .....	\$125
20	Over \$75,000 and not over \$200,000.....	175
21	Over \$200,000 and not over \$500,000.....	275
22	Over \$500,000 and not over \$1,000,000.....	375
23	Over \$1,000,000:	
24	For the first \$1,000,000 .....	375
25	For each additional \$500,000 or fraction thereof.....	275

26 The maximum fee which may be charged pursuant to paragraph (b)  
27 for filing the annual list is \$11,100.

28  
29 5. If a director or officer of a corporation resigns and the  
30 resignation is not ~~made in conjunction with the filing of an~~  
31 *reflected on the* annual or amended list of directors and officers, the  
32 corporation *or the resigning director or officer* shall pay to the  
33 Secretary of State a fee of \$75 to file the resignation . ~~[of the~~  
34 ~~director or officer.]~~

35 6. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
36 for filing each annual list required by subsection 2, cause to be  
37 mailed to each corporation which is required to comply with the  
38 provisions of NRS 78.150 to 78.185, inclusive, and which has not  
39 become delinquent, a notice of the fee due pursuant to subsection 4  
40 and a reminder to file the annual list required by subsection 2.  
41 Failure of any corporation to receive a notice or form does not  
42 excuse it from the penalty imposed by law.

43 7. If the list to be filed pursuant to the provisions of subsection  
44 1 or 2 is defective in any respect or the fee required by subsection 4



1 is not paid, the Secretary of State may return the list for correction  
2 or payment.

3 8. An annual list for a corporation not in default which is  
4 received by the Secretary of State more than 90 days before its due  
5 date shall be deemed an amended list for the previous year and must  
6 be accompanied by the appropriate fee as provided in subsection 4  
7 for filing. A payment submitted pursuant to this subsection does not  
8 satisfy the requirements of subsection 2 for the year to which the  
9 due date is applicable.

10 **Sec. 3.** NRS 78.1955 is hereby amended to read as follows:

11 78.1955 1. If the voting powers, designations, preferences,  
12 limitations, restrictions and relative rights of any class or series of  
13 stock have been established by a resolution of the board of directors  
14 pursuant to a provision in the articles of incorporation, a certificate  
15 of designation setting forth the resolution *and stating the number of*  
16 *shares for each designation* must be signed by an officer of the  
17 corporation and filed with the Secretary of State. A certificate of  
18 designation signed and filed pursuant to this section must become  
19 effective before the issuance of any shares of the class or series.

20 2. Unless otherwise provided in the articles of incorporation or  
21 the certificate of designation being amended, if no shares of a class  
22 or series of stock established by a resolution of the board of  
23 directors have been issued, the designation of the class or series, the  
24 number of the class or series and the voting powers, designations,  
25 preferences, limitations, restrictions and relative rights of the class  
26 or series may be amended by a resolution of the board of directors  
27 pursuant to a certificate of amendment filed in the manner provided  
28 in subsection 4.

29 3. Unless otherwise provided in the articles of incorporation or  
30 the certificate of designation, if shares of a class or series of stock  
31 established by a resolution of the board of directors have been  
32 issued, the designation of the class or series, the number of the class  
33 or series and the voting powers, designations, preferences,  
34 limitations, restrictions and relative rights of the class or series may  
35 be amended by a resolution of the board of directors only if the  
36 amendment is approved as provided in this subsection. Unless  
37 otherwise provided in the articles of incorporation or the certificate  
38 of designation, the proposed amendment adopted by the board of  
39 directors must be approved by the vote of stockholders holding  
40 shares in the corporation entitling them to exercise a majority of the  
41 voting power, or such greater proportion of the voting power as may  
42 be required by the articles of incorporation or the certificate of  
43 designation, of:

44 (a) The class or series of stock being amended; and



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1 (b) Each class and each series of stock which, before  
2 amendment, is senior to the class or series being amended as to the  
3 payment of distributions upon dissolution of the corporation,  
4 regardless of any limitations or restrictions on the voting power of  
5 that class or series.

6 4. A certificate of amendment to a certificate of designation  
7 must be signed by an officer of the corporation and filed with the  
8 Secretary of State and must:

9 (a) Set forth the original designation and the new designation, if  
10 the designation of the class or series is being amended;

11 (b) State that no shares of the class or series have been issued or  
12 state that the approval of the stockholders required pursuant to  
13 subsection 3 has been obtained; and

14 (c) Set forth the amendment to the class or series or set forth the  
15 designation of the class or series, the number of the class or series  
16 and the voting powers, designations, preferences, limitations,  
17 restrictions and relative rights of the class or series, as amended.

18 5. A certificate filed pursuant to subsection 1 or 4 becomes  
19 effective upon filing with the Secretary of State or upon a later date  
20 specified in the certificate, which must not be later than 90 days  
21 after the certificate is filed.

22 6. If shares of a class or series of stock established by a  
23 certificate of designation are not outstanding, the corporation may  
24 file a certificate which states that no shares of the class or series are  
25 outstanding and which contains the resolution of the board of  
26 directors authorizing the withdrawal of the certificate of designation  
27 establishing the class or series of stock. The certificate *must identify*  
28 *the date and certificate of designation being withdrawn and* must  
29 be signed by an officer of the corporation and filed with the  
30 Secretary of State. Upon filing the certificate and payment of the fee  
31 required pursuant to NRS 78.765, all matters contained in the  
32 certificate of designation regarding the class or series of stock are  
33 eliminated from the articles of incorporation.

34 7. NRS 78.380, 78.385 and 78.390 do not apply to certificates  
35 of amendment filed pursuant to this section.

36 **Sec. 4.** NRS 78.780 is hereby amended to read as follows:

37 78.780 ~~[1.—The fee for filing a certificate of extension of~~  
38 ~~corporate existence of any corporation is an amount equal to one-~~  
39 ~~fourth of the fee computed at the rates specified in NRS 78.760 for~~  
40 ~~filing articles of incorporation.~~

41 ~~—2.]~~ The fee for filing a certificate of dissolution whether it  
42 occurs before or after payment of capital and beginning of business  
43 is \$75.



- 1       **Sec. 5.** NRS 78.785 is hereby amended to read as follows:  
2       78.785 1. The fee for filing a certificate of change of location  
3 of a corporation's registered office and resident agent, or a new  
4 designation of resident agent, is \$60.  
5       2. The fee for certifying *a copy of* articles of incorporation  
6 ~~{where a copy is provided}~~ is \$30.  
7       3. The fee for certifying a copy of an amendment to articles of  
8 incorporation, or to a copy of the articles as amended, ~~{where a copy~~  
9 ~~is furnished,}~~ is \$30.  
10      4. The fee for certifying an authorized printed copy of the  
11 general corporation law as compiled by the Secretary of State is  
12 \$30.  
13      5. The fee for reserving a corporate name is \$25.  
14      6. The fee for signing a certificate of corporate existence which  
15 does not list the previous records relating to the corporation, or a  
16 certificate of change in a corporate name, is \$50.  
17      7. The fee for signing a certificate of corporate existence which  
18 lists the previous records relating to the corporation is \$50.  
19      8. The fee for signing, certifying or filing any certificate or  
20 record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.  
21      9. The fee for copies ~~{made at}~~ *provided by* the Office of the  
22 Secretary of State is \$2 per page.  
23      10. The fees for filing articles of incorporation, articles of  
24 merger, or certificates of amendment increasing the basic surplus of  
25 a mutual or reciprocal insurer must be computed pursuant to NRS  
26 78.760, 78.765 and 92A.210, on the basis of the amount of basic  
27 surplus of the insurer.  
28      11. The fee for examining and provisionally approving any  
29 record at any time before the record is presented for filing is \$125.

- 30       **Sec. 6.** NRS 80.110 is hereby amended to read as follows:  
31       80.110 1. Each foreign corporation doing business in this  
32 State shall, on or before the last day of the first month after the filing  
33 of its certificate of corporate existence with the Secretary of State,  
34 and annually thereafter on or before the last day of the month in  
35 which the anniversary date of its qualification to do business in this  
36 State occurs in each year, file with the Secretary of State a list, on a  
37 form furnished by him, that contains:  
38       (a) The names and addresses, either residence or business, of its  
39 president, secretary and treasurer, or the equivalent thereof, and all  
40 of its directors;  
41       (b) The name and street address of the lawfully designated  
42 resident agent of the corporation in this State; and  
43       (c) The signature of an officer of the corporation.  
44       ↪ Each list filed pursuant to this subsection must be accompanied  
45 by a declaration under penalty of perjury that the foreign





1 corporation has complied with the provisions of NRS 360.780 and  
2 which acknowledges that pursuant to NRS 239.330, it is a category  
3 C felony to knowingly offer any false or forged instrument for filing  
4 with the Office of the Secretary of State. Each list filed pursuant to  
5 this subsection must also be accompanied by a statement as to  
6 whether the corporation is a publicly traded company. If the  
7 corporation is a publicly traded company, the corporation must list  
8 its Central Index Key. The Secretary of State shall include on his  
9 Internet website the Central Index Key of a corporation provided  
10 pursuant to this subsection and instructions describing the manner in  
11 which a member of the public may obtain information concerning  
12 the corporation from the Securities and Exchange Commission.

13 2. Upon filing:

14 (a) The initial list required by subsection 1, the corporation shall  
15 pay to the Secretary of State a fee of \$125.

16 (b) Each annual list required by subsection 1, the corporation  
17 shall pay to the Secretary of State, if the amount represented by the  
18 total number of shares provided for in the articles is:

19		
20	\$75,000 or less .....	\$125
21	Over \$75,000 and not over \$200,000.....	175
22	Over \$200,000 and not over \$500,000.....	275
23	Over \$500,000 and not over \$1,000,000.....	375
24	Over \$1,000,000:	
25	For the first \$1,000,000.....	375
26	For each additional \$500,000 or fraction thereof.....	275

27 The maximum fee which may be charged pursuant to paragraph (b)  
28 for filing the annual list is \$11,100.

29  
30 3. If a director or officer of a corporation resigns and the  
31 resignation is not ~~made in conjunction with the filing of an~~  
32 *reflected on the* annual or amended list of directors and officers, the  
33 corporation *or the resigning director or officer* shall pay to the  
34 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
35 ~~director or officer.~~

36 4. The Secretary of State shall, ~~60~~ *90* days before the last day  
37 for filing each annual list required by subsection 1, cause to be  
38 mailed to each corporation which is required to comply with the  
39 provisions of NRS 80.110 to 80.175, inclusive, and which has not  
40 become delinquent, the blank forms to be completed and filed with  
41 him. Failure of any corporation to receive the forms does not excuse  
42 it from the penalty imposed by the provisions of NRS 80.110 to  
43 80.175, inclusive.

44 5. An annual list for a corporation not in default which is  
45 received by the Secretary of State more than 90 days before its due





1 date shall be deemed an amended list for the previous year and does  
2 not satisfy the requirements of subsection 1 for the year to which the  
3 due date is applicable.

4 **Sec. 7.** Chapter 81 of NRS is hereby amended by adding  
5 thereto the provisions set forth as sections 8, 9 and 10 of this act.

6 **Sec. 8. 1.** *The Secretary of State shall not accept for filing*  
7 *any articles of incorporation or any certificate of amendment of*  
8 *articles of incorporation of any corporation formed under the*  
9 *provisions of NRS 81.010 to 81.160, inclusive, and this section*  
10 *which provides that the name of the corporation contains the*  
11 *words "unit-owners' association" or "homeowners' association"*  
12 *or if it appears in the articles of incorporation or certificate of*  
13 *amendment of articles of incorporation that the purpose of the*  
14 *corporation is to operate as a unit-owners' association pursuant to*  
15 *chapter 116 of NRS unless the Administrator of the Real Estate*  
16 *Division of the Department of Business and Industry certifies that*  
17 *the corporation has:*

18 (a) *Registered with the Ombudsman for Owners in Common-*  
19 *Interest Communities pursuant to NRS 116.31158; and*

20 (b) *Paid to the Administrator of the Real Estate Division the*  
21 *fees required pursuant to NRS 116.31155.*

22 2. *Upon notification from the Administrator of the Real*  
23 *Estate Division of the Department of Business and Industry that a*  
24 *corporation which is a unit-owners' association as defined in NRS*  
25 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
26 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
27 *shall deem the corporation to be in default. If, after the*  
28 *corporation is deemed to be in default, the Administrator notifies*  
29 *the Secretary of State that the corporation has registered pursuant*  
30 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
31 *the Secretary of State shall reinstate the corporation if the*  
32 *corporation complies with the requirements for reinstatement as*  
33 *provided in this section and NRS 78.180 and 78.185.*

34 **Sec. 9. 1.** *The Secretary of State shall not accept for filing*  
35 *any articles of association or any certificate of amendment of*  
36 *articles of association of any association formed under the*  
37 *provisions of NRS 81.170 to 81.270, inclusive, and this section*  
38 *which provides that the name of the association contains the*  
39 *words "unit-owners' association" or "homeowners' association"*  
40 *or if it appears in the articles of association or certificate of*  
41 *amendment of articles of association that the purpose of the*  
42 *association is to operate as a unit-owners' association pursuant to*  
43 *chapter 116 of NRS unless the Administrator of the Real Estate*  
44 *Division of the Department of Business and Industry certifies that*  
45 *the association has:*



1 (a) Registered with the Ombudsman for Owners in Common-  
2 Interest Communities pursuant to NRS 116.31158; and

3 (b) Paid to the Administrator of the Real Estate Division the  
4 fees required pursuant to NRS 116.31155.

5 2. Upon notification from the Administrator of the Real  
6 Estate Division of the Department of Business and Industry that  
7 an association which is a unit-owners' association as defined in  
8 NRS 116.011 has failed to register pursuant to NRS 116.31158 or  
9 failed to pay the fees pursuant to NRS 116.31155, the Secretary of  
10 State shall deem the association to be in default. If, after the  
11 association is deemed to be in default, the Administrator notifies  
12 the Secretary of State that the association has registered pursuant  
13 to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
14 the Secretary of State shall reinstate the association if the  
15 association complies with the requirements for reinstatement as  
16 provided in this section and NRS 78.180 and 78.185 and pays the  
17 fees required pursuant to NRS 82.193.

18 **Sec. 10. 1.** The Secretary of State shall not accept for filing  
19 any articles of incorporation or any certificate of amendment of  
20 articles of incorporation of any corporation formed under the  
21 provisions of NRS 81.410 to 81.540, inclusive, and this section  
22 which provides that the name of the corporation contains the  
23 words "unit-owners' association" or "homeowners' association"  
24 or if it appears in the articles of incorporation or certificate of  
25 amendment of articles of incorporation that the purpose of the  
26 corporation is to operate as a unit-owners' association pursuant to  
27 chapter 116 of NRS unless the Administrator of the Real Estate  
28 Division of the Department of Business and Industry certifies that  
29 the corporation has:

30 (a) Registered with the Ombudsman for Owners in Common-  
31 Interest Communities pursuant to NRS 116.31158; and

32 (b) Paid to the Administrator of the Real Estate Division the  
33 fees required pursuant to NRS 116.31155.

34 2. Upon notification from the Administrator of the Real  
35 Estate Division of the Department of Business and Industry that a  
36 corporation which is a unit-owners' association as defined in NRS  
37 116.011 has failed to register pursuant to NRS 116.31158 or failed  
38 to pay the fees pursuant to NRS 116.31155, the Secretary of State  
39 shall deem the corporation to be in default. If, after the  
40 corporation is deemed to be in default, the Administrator notifies  
41 the Secretary of State that the corporation has registered pursuant  
42 to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
43 the Secretary of State shall reinstate the corporation if the  
44 corporation complies with the requirements for reinstatement as



1 *provided in this section and NRS 78.180 and 78.185 and pays the*  
2 *fees required pursuant to NRS 82.193.*

3 **Sec. 11.** NRS 81.010 is hereby amended to read as follows:

4 81.010 1. Nonprofit cooperative corporations may be formed  
5 by the voluntary association of any three or more persons in the  
6 manner prescribed in NRS 81.010 to 81.160, inclusive ~~§~~, *and*  
7 *section 8 of this act.* A majority of the persons must be residents of  
8 this State, and such a corporation has and may exercise the powers  
9 necessarily incident thereto. Except as otherwise provided in  
10 subsection 2, the provisions of chapter 78 of NRS govern each  
11 nonprofit cooperative corporation organized pursuant to NRS  
12 81.010 to 81.160, inclusive ~~§~~, *and section 8 of this act.* If such a  
13 nonprofit cooperative corporation is organized without shares of  
14 stock, the members shall be deemed to be “shareholders” or  
15 “stockholders” as these terms are used in chapter 78 of NRS.

16 2. If the term for which a nonprofit cooperative corporation  
17 was to exist has expired but the corporation has continued to  
18 perform the activities authorized by its original articles of  
19 incorporation or any amendment thereto, revival of its corporate  
20 existence does not require the consent of its members or  
21 stockholders. Each required action to accomplish a revival may be  
22 taken by a majority of the surviving directors. The revival is  
23 effective as of the date of expiration of the original term.

24 **Sec. 12.** NRS 81.170 is hereby amended to read as follows:

25 81.170 1. NRS 81.170 to 81.270, inclusive, *and section 9 of*  
26 *this act* being passed to promote association for mutual welfare, the  
27 words “lawful business” extend to every kind of lawful effort for  
28 business, education, industrial, benevolent, social or political  
29 purposes, whether conducted for profit or not.

30 2. NRS 81.170 to 81.270, inclusive, *and section 9 of this act*  
31 must not be strictly construed, but their provisions must at all times  
32 be liberally construed with a view to effect their object and to  
33 promote their purposes.

34 **Sec. 13.** NRS 81.200 is hereby amended to read as follows:

35 81.200 1. Each association formed under NRS 81.170 to  
36 81.270, inclusive, *and section 9 of this act* shall prepare articles of  
37 association in writing, setting forth:

- 38 (a) The name of the association.  
39 (b) The purpose for which it is formed.  
40 (c) The name of the person designated as the resident agent, the  
41 street address for service of process, and the mailing address if  
42 different from the street address.  
43 (d) The term for which it is to exist, which may be perpetual.  
44 (e) The names and addresses, either residence or business, of the  
45 directors selected for the first year.



1 (f) The amount which each member is to pay upon admission as  
2 a fee for membership, and that each member signing the articles has  
3 actually paid the fee.

4 (g) That the interest and right of each member therein is to be  
5 equal.

6 (h) The name and address, either residence or business, of each  
7 of the persons signing the articles of association.

8 2. The articles of association must be signed by the original  
9 associates or members.

10 3. The articles so signed must be filed, together with a  
11 certificate of acceptance of appointment signed by the resident agent  
12 for the association, in the Office of the Secretary of State . ~~[-, who~~  
13 ~~shall furnish a certified copy thereof.]~~ From the time of the filing in  
14 the Office of the Secretary of State, the association may exercise all  
15 the powers for which it was formed.

16 **Sec. 14.** NRS 81.410 is hereby amended to read as follows:

17 81.410 1. Nonprofit cooperative corporations may be formed  
18 by the voluntary association of any three or more persons in the  
19 manner prescribed in NRS 81.410 to 81.540, inclusive ~~[-]~~ , and  
20 *section 10 of this act.*

21 2. Except as otherwise provided in subsection 3, the provisions  
22 of chapter 82 of NRS govern a nonprofit cooperative corporation  
23 organized pursuant to NRS 81.410 to 81.540, inclusive, *and section*  
24 *10 of this act,* except to the extent that the provisions of chapter 82  
25 of NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[-]~~ ,  
26 *and section 10 of this act.*

27 3. NRS 82.081 and 82.136 do not apply to a nonprofit  
28 cooperative corporation organized pursuant to NRS 81.410 to  
29 81.540, inclusive ~~[-]~~ , *and section 10 of this act.*

30 **Sec. 15.** NRS 82.371 is hereby amended to read as follows:

31 82.371 1. A corporation may restate, or amend and restate, in  
32 a single certificate the entire text of its articles as amended by filing  
33 with the Secretary of State a certificate which must set forth the  
34 articles as amended to the date of the certificate. If the certificate  
35 alters or amends the articles in any manner, it must comply with the  
36 provisions of NRS 82.346, 82.351 and 82.356, as applicable, and  
37 must be accompanied by ~~[-]~~

38 ~~—(a) A resolution; or~~

39 ~~—(b) A] a~~ form prescribed by the Secretary of State ~~[-]~~

40 ~~→]~~ setting forth which provisions of the articles of incorporation on  
41 file with the Secretary of State are being altered or amended.

42 2. If the certificate does not alter or amend the articles, it must  
43 be signed by an officer of the corporation and must state that he has  
44 been authorized to sign the certificate by resolution of the board of  
45 directors adopted on the date stated, and that the certificate correctly



1 sets forth the text of the articles as amended to the date of the  
2 certificate.

3 3. The following may be omitted from the restated articles:

4 (a) The names, addresses, signatures and acknowledgments of  
5 the incorporators;

6 (b) The names and addresses of the members of the past and  
7 present board of directors; and

8 (c) The name and address of the resident agent.

9 4. Whenever a corporation is required to file a certified copy of  
10 its articles, in lieu thereof it may file a certified copy of the most  
11 recent certificate restating its articles as amended, subject to the  
12 provisions of subsection 2, together with certified copies of all  
13 certificates of amendment filed after the restated articles and  
14 certified copies of all certificates supplementary to the original  
15 articles.

16 **Sec. 16.** NRS 82.546 is hereby amended to read as follows:

17 82.546 1. Any corporation which did exist or is existing  
18 pursuant to the laws of this State may, upon complying with the  
19 provisions of NRS 78.150 and 82.193, procure a renewal or revival  
20 of its charter for any period, together with all the rights, franchises,  
21 privileges and immunities, and subject to all its existing and  
22 preexisting debts, duties and liabilities secured or imposed by its  
23 original charter and amendments thereto, or its existing charter, by  
24 filing:

25 (a) A certificate with the Secretary of State, which must set  
26 forth:

27 (1) The name of the corporation, which must be the name of  
28 the corporation at the time of the renewal or revival, or its name at  
29 the time its original charter expired.

30 (2) The name and street address of the lawfully designated  
31 resident agent of the filing corporation, and his mailing address if  
32 different from his street address.

33 (3) The date when the renewal or revival of the charter is to  
34 commence or be effective, which may be, in cases of a revival,  
35 before the date of the certificate.

36 (4) Whether or not the renewal or revival is to be perpetual,  
37 and, if not perpetual, the time for which the renewal or revival is to  
38 continue.

39 (5) That the corporation desiring to renew or revive its  
40 charter is, or has been, organized and carrying on the business  
41 authorized by its existing or original charter and amendments  
42 thereto, and desires to renew or continue through revival its  
43 existence pursuant to and subject to the provisions of this chapter.





1 (b) A list of its president, secretary and treasurer and all of its  
2 directors and their mailing or street addresses, either residence or  
3 business.

4 2. A corporation whose charter has not expired and is being  
5 renewed shall cause the certificate to be signed by ~~its president or~~  
6 ~~vice president and secretary or assistant secretary.~~ *an officer of the*  
7 *corporation.* The certificate must be approved by a majority of the  
8 last-appointed surviving directors.

9 3. A corporation seeking to revive its original or amended  
10 charter shall cause the certificate to be signed by its president or  
11 vice president and secretary or assistant secretary. The signing and  
12 filing of the certificate must be approved unanimously by the last-  
13 appointed surviving directors of the corporation and must contain a  
14 recital that unanimous consent was secured. The corporation shall  
15 pay to the Secretary of State the fee required to establish a new  
16 corporation pursuant to the provisions of this chapter.

17 4. The filed certificate, or a copy thereof which has been  
18 certified under the hand and seal of the Secretary of State, must be  
19 received in all courts and places as prima facie evidence of the facts  
20 therein stated and of the existence and incorporation of the  
21 corporation named therein.

22 **Sec. 17.** NRS 86.141 is hereby amended to read as follows:

23 86.141 ~~[A]~~

24 *1. Except as otherwise provided in subsection 2, a limited-*  
25 *liability company may be organized under this chapter for any*  
26 *lawful purpose. ~~[-except insurance.]~~*

27 *2. A limited-liability company may not be organized for the*  
28 *purpose of insurance unless approved to do so by the*  
29 *Commissioner of Insurance.*

30 **Sec. 18.** NRS 86.171 is hereby amended to read as follows:

31 86.171 1. The name of a limited-liability company formed  
32 under the provisions of this chapter must contain the words  
33 "Limited-Liability Company," "Limited Liability Company,"  
34 "Limited Company," or "Limited" or the abbreviations "Ltd.,"  
35 "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be  
36 abbreviated as "Co."

37 2. The name proposed for a limited-liability company must be  
38 distinguishable on the records of the Secretary of State from the  
39 names of all other artificial persons formed, organized, registered or  
40 qualified pursuant to the provisions of this title that are on file in the  
41 Office of the Secretary of State and all names that are reserved in  
42 the Office of the Secretary of State pursuant to the provisions of this  
43 title. If a proposed name is not so distinguishable, the Secretary of  
44 State shall return the articles of organization to the organizer, unless  
45 the written, acknowledged consent of the holder of the name on file



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1 or reserved name to use the same name or the requested similar  
2 name accompanies the articles of organization.

3 3. For the purposes of this section and NRS 86.176, a proposed  
4 name is not distinguishable from a name on file or reserved name  
5 solely because one or the other contains distinctive lettering, a  
6 distinctive mark, a trademark or a trade name, or any combination  
7 thereof.

8 4. The name of a limited-liability company whose charter has  
9 been revoked, which has merged and is not the surviving entity or  
10 whose existence has otherwise terminated is available for use by any  
11 other artificial person.

12 5. The Secretary of State shall not accept for filing any articles  
13 of organization for any limited-liability company if the name of the  
14 limited-liability company contains the word "accountant,"  
15 "accounting," "accountancy," "auditor" or "auditing" unless the  
16 Nevada State Board of Accountancy certifies that the limited-  
17 liability company:

18 (a) Is registered pursuant to the provisions of chapter 628 of  
19 NRS; or

20 (b) Has filed with the Nevada State Board of Accountancy under  
21 penalty of perjury a written statement that the limited-liability  
22 company is not engaged in the practice of accounting and is not  
23 offering to practice accounting in this State.

24 6. The Secretary of State shall not accept for filing any articles  
25 of organization or certificate of amendment of articles of  
26 organization of any limited-liability company formed or existing  
27 pursuant to the laws of this State which provides that the name of  
28 the limited-liability company contains the word "bank" or "trust"  
29 unless:

30 (a) It appears from the articles of organization or the certificate  
31 of amendment that the limited-liability company proposes to carry  
32 on business as a banking or trust company, exclusively or in  
33 connection with its business as a bank, savings and loan association  
34 or thrift company; and

35 (b) The articles of organization or certificate of amendment is  
36 first approved by the Commissioner of Financial Institutions.

37 7. The Secretary of State shall not accept for filing any articles  
38 of organization or certificate of amendment of articles of  
39 organization of any limited-liability company formed or existing  
40 pursuant to the provisions of this chapter if it appears from the  
41 articles or the certificate of amendment that the business to be  
42 carried on by the limited-liability company is subject to supervision  
43 by the Commissioner of Insurance or by the Commissioner of  
44 Financial Institutions unless the articles or certificate of amendment



1 is approved by the Commissioner who will supervise the business of  
2 the ~~foreign~~ limited-liability company.

3 8. Except as otherwise provided in subsection 7, the Secretary  
4 of State shall not accept for filing any articles of organization or  
5 certificate of amendment of articles of organization of any limited-  
6 liability company formed or existing pursuant to the laws of this  
7 State which provides that the name of the limited-liability company  
8 contains the words "engineer," "engineered," "engineering,"  
9 "professional engineer," "registered engineer" or "licensed  
10 engineer" unless:

11 (a) The State Board of Professional Engineers and Land  
12 Surveyors certifies that the principals of the limited-liability  
13 company are licensed to practice engineering pursuant to the laws of  
14 this State; or

15 (b) The State Board of Professional Engineers and Land  
16 Surveyors certifies that the limited-liability company is exempt from  
17 the prohibitions of NRS 625.520.

18 9. The Secretary of State may adopt regulations that interpret  
19 the requirements of this section.

20 **Sec. 19.** NRS 86.221 is hereby amended to read as follows:

21 86.221 1. The articles of organization of a limited-liability  
22 company may be amended for any purpose, not inconsistent with  
23 law, as determined by all of the members or permitted by the articles  
24 or an operating agreement.

25 2. An amendment must be made in the form of a certificate  
26 setting forth:

27 (a) The name of the limited-liability company;

28 (b) Whether the limited-liability company is managed by  
29 managers or members; and

30 (c) The amendment to the articles of organization.

31 3. The certificate of amendment must be signed by a manager  
32 of the company or, if management is not vested in a manager, by a  
33 member.

34 4. Restated articles of organization may be signed and filed in  
35 the same manner as a certificate of amendment. If the certificate  
36 alters or amends the articles in any manner, it must be accompanied  
37 by ~~f~~:

38 ~~(a) A resolution; or~~

39 ~~(b) A} a~~ form prescribed by the Secretary of State ~~f~~;

40 ~~→}~~ setting forth which provisions of the articles of organization on  
41 file with the Secretary of State are being altered or amended.

42 **Sec. 20.** NRS 86.263 is hereby amended to read as follows:

43 86.263 1. A limited-liability company shall, on or before the  
44 last day of the first month after the filing of its articles of



1 organization with the Secretary of State, file with the Secretary of  
2 State, on a form furnished by him, a list that contains:

- 3 (a) The name of the limited-liability company;
- 4 (b) The file number of the limited-liability company, if known;
- 5 (c) The names and titles of all of its managers or, if there is no  
6 manager, all of its managing members;
- 7 (d) The address, either residence or business, of each manager or  
8 managing member listed, following the name of the manager or  
9 managing member;
- 10 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
11 resident agent ~~[of the limited-liability company;]~~ *in this State;* and
- 12 (f) The signature of a manager or managing member of the  
13 limited-liability company certifying that the list is true, complete  
14 and accurate.

15 2. The limited-liability company shall annually thereafter, on  
16 or before the last day of the month in which the anniversary date of  
17 its organization occurs, file with the Secretary of State, on a form  
18 furnished by him, an amended list containing all of the information  
19 required in subsection 1.

20 3. Each list required by subsections 1 and 2 must be  
21 accompanied by a declaration under penalty of perjury that the  
22 limited-liability company:

- 23 (a) Has complied with the provisions of NRS 360.780; and
- 24 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
25 C felony to knowingly offer any false or forged instrument for filing  
26 in the Office of the Secretary of State.

27 4. Upon filing:

- 28 (a) The initial list required by subsection 1, the limited-liability  
29 company shall pay to the Secretary of State a fee of \$125.
- 30 (b) Each annual list required by subsection 2, the limited-  
31 liability company shall pay to the Secretary of State a fee of \$125.

32 5. If a manager or managing member of a limited-liability  
33 company resigns and the resignation is not ~~[made in conjunction  
34 with the filing of an]~~ *reflected on the* annual or amended list of  
35 managers and managing members, the limited-liability company *or  
36 the resigning manager or managing member* shall pay to the  
37 Secretary of State a fee of \$75 to file the resignation . ~~[of the  
38 manager or managing member.]~~

39 6. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
40 for filing each list required by subsection 2, cause to be mailed to  
41 each limited-liability company which is required to comply with the  
42 provisions of this section, and which has not become delinquent, a  
43 notice of the fee due under subsection 4 and a reminder to file a list  
44 required by subsection 2. Failure of any company to receive a notice  
45 or form does not excuse it from the penalty imposed by law.



1 7. If the list to be filed pursuant to the provisions of subsection  
2 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
3 Secretary of State may return the list for correction or payment.

4 8. An annual list for a limited-liability company not in default  
5 received by the Secretary of State more than 90 days before its due  
6 date shall be deemed an amended list for the previous year.

7 **Sec. 21.** NRS 86.5461 is hereby amended to read as follows:

8 86.5461 1. Each foreign limited-liability company doing  
9 business in this State shall, on or before the last day of the first  
10 month after the filing of its application for registration as a foreign  
11 limited-liability company with the Secretary of State, and annually  
12 thereafter on or before the last day of the month in which the  
13 anniversary date of its qualification to do business in this State  
14 occurs in each year, file with the Secretary of State a list on a form  
15 furnished by him that contains:

16 (a) The name of the foreign limited-liability company;

17 (b) The file number of the foreign limited-liability company, if  
18 known;

19 (c) The names and titles of all its managers or, if there is no  
20 manager, all its managing members;

21 (d) The address, either residence or business, of each manager or  
22 managing member listed pursuant to paragraph (c);

23 (e) The name and *street* address of its lawfully designated  
24 resident agent in this State; and

25 (f) The signature of a manager or managing member of the  
26 foreign limited-liability company certifying that the list is true,  
27 complete and accurate.

28 2. Each list filed pursuant to this section must be accompanied  
29 by a declaration under penalty of perjury that the foreign limited-  
30 liability company:

31 (a) Has complied with the provisions of NRS 360.780; and

32 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 with the Office of the Secretary of State.

35 3. Upon filing:

36 (a) The initial list required by this section, the foreign limited-  
37 liability company shall pay to the Secretary of State a fee of \$125.

38 (b) Each annual list required by this section, the foreign limited-  
39 liability company shall pay to the Secretary of State a fee of \$125.

40 4. If a manager or managing member of a foreign limited-  
41 liability company resigns and the resignation is not ~~made in~~  
42 ~~conjunction with the filing of an~~ *reflected on the* annual or  
43 amended list of managers and managing members, the foreign  
44 limited-liability company *or the resigning manager or managing*



1 *member* shall pay to the Secretary of State a fee of \$75 to file the  
2 resignation. ~~[of the manager or managing member.]~~

3 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
4 for filing each annual list required by this section, cause to be  
5 mailed to each foreign limited-liability company which is required  
6 to comply with the provisions of NRS 86.5461 to 86.5468,  
7 inclusive, and which has not become delinquent, the blank forms to  
8 be completed and filed with him. Failure of any foreign limited-  
9 liability company to receive the forms does not excuse it from the  
10 penalty imposed by the provisions of NRS 86.5461 to 86.5468,  
11 inclusive.

12 6. If the list to be filed pursuant to the provisions of subsection  
13 1 is defective or the fee required by subsection 3 is not paid, the  
14 Secretary of State may return the list for correction or payment.

15 7. An annual list for a foreign limited-liability company not in  
16 default which is received by the Secretary of State more than 90  
17 days before its due date must be deemed an amended list for the  
18 previous year and does not satisfy the requirements of this section  
19 for the year to which the due date is applicable.

20 **Sec. 22.** NRS 86.561 is hereby amended to read as follows:

21 86.561 1. The Secretary of State shall charge and collect for:

22 (a) Filing the original articles of organization, or for registration  
23 of a foreign company, \$75;

24 (b) Amending or restating the articles of organization, amending  
25 the registration of a foreign company or filing a certificate of  
26 correction, \$175;

27 (c) Filing the articles of dissolution of a domestic or foreign  
28 company, \$75;

29 (d) Filing a statement of change of address of a records or  
30 registered office, or change of the resident agent, \$60;

31 (e) Certifying *a copy of* articles of organization or an  
32 amendment to the articles, ~~[in both cases where a copy is provided,]~~  
33 \$30;

34 (f) Certifying an authorized printed copy of this chapter, \$30;

35 (g) Reserving a name for a limited-liability company, \$25;

36 (h) Filing a certificate of cancellation, \$75;

37 (i) Signing, filing or certifying any other record, \$50; and

38 (j) Copies ~~[made at]~~ *provided by* the Office of the Secretary of  
39 State, \$2 per page.

40 2. The Secretary of State shall charge and collect, at the time of  
41 any service of process on him as agent for service of process of a  
42 limited-liability company, \$100 which may be recovered as taxable  
43 costs by the party to the action causing the service to be made if the  
44 party prevails in the action.



1 3. Except as otherwise provided in this section, the fees set  
2 forth in NRS 78.785 apply to this chapter.

3 **Sec. 23.** NRS 87.440 is hereby amended to read as follows:

4 87.440 1. To become a registered limited-liability  
5 partnership, a partnership shall file with the Secretary of State a  
6 certificate of registration stating each of the following:

7 (a) The name of the partnership.

8 (b) The street address of its principal office.

9 (c) The name of the person designated as the partnership's  
10 resident agent, the street address of the resident agent where process  
11 may be served upon the partnership and the mailing address of the  
12 resident agent if it is different than his street address.

13 (d) The name and business address of each managing partner in  
14 this State.

15 (e) A brief statement of the professional service rendered by the  
16 partnership.

17 (f) That the partnership thereafter will be a registered limited-  
18 liability partnership.

19 (g) Any other information that the partnership wishes to include.

20 2. The certificate of registration must be signed by a majority  
21 in interest of the partners or by one or more partners authorized to  
22 sign such a certificate.

23 3. The certificate of registration must be accompanied by a fee  
24 of ~~[\$175.]~~ \$75.

25 4. The Secretary of State shall register as a registered limited-  
26 liability partnership any partnership that submits a completed  
27 certificate of registration with the required fee.

28 5. The registration of a registered limited-liability partnership  
29 is effective at the time of the filing of the certificate of registration.

30 **Sec. 24.** NRS 87.510 is hereby amended to read as follows:

31 87.510 1. A registered limited-liability partnership shall, on  
32 or before the last day of the first month after the filing of its  
33 certificate of registration with the Secretary of State, and annually  
34 thereafter on or before the last day of the month in which the  
35 anniversary date of the filing of its certificate of registration with the  
36 Secretary of State occurs, file with the Secretary of State, on a form  
37 furnished by him, a list that contains:

38 (a) The name of the registered limited-liability partnership;

39 (b) The file number of the registered limited-liability  
40 partnership, if known;

41 (c) The names of all of its managing partners;

42 (d) The address, either residence or business, of each managing  
43 partner;





1 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
2 resident agent ~~[of the registered limited-liability partnership;]~~ *in this*  
3 *State;* and

4 (f) The signature of a managing partner of the registered limited-  
5 liability partnership certifying that the list is true, complete and  
6 accurate.

7 ↪ Each list filed pursuant to this subsection must be accompanied  
8 by a declaration under penalty of perjury that the registered limited-  
9 liability partnership has complied with the provisions of NRS  
10 360.780 and which acknowledges that pursuant to NRS 239.330 it is  
11 a category C felony to knowingly offer any false or forged  
12 instrument for filing in the Office of the Secretary of State.

13 2. Upon filing:

14 (a) The initial list required by subsection 1, the registered  
15 limited-liability partnership shall pay to the Secretary of State a fee  
16 of \$125.

17 (b) Each annual list required by subsection 1, the registered  
18 limited-liability partnership shall pay to the Secretary of State a fee  
19 of \$125.

20 3. If a managing partner of a registered limited-liability  
21 partnership resigns and the resignation is not ~~[made in conjunction~~  
22 ~~with the filing of an]~~ *reflected on the* annual or amended list of  
23 managing partners, the registered limited-liability partnership *or the*  
24 *resigning managing partner* shall pay to the Secretary of State a fee  
25 of \$75 to file the resignation . ~~[of the managing partner.]~~

26 4. The Secretary of State shall, at least 90 days before the last  
27 day for filing each annual list required by subsection 1, cause to be  
28 mailed to the registered limited-liability partnership a notice of the  
29 fee due pursuant to subsection 2 and a reminder to file the annual  
30 list required by subsection 1. The failure of any registered limited-  
31 liability partnership to receive a notice or form does not excuse it  
32 from complying with the provisions of this section.

33 5. If the list to be filed pursuant to the provisions of subsection  
34 1 is defective, or the fee required by subsection 2 is not paid, the  
35 Secretary of State may return the list for correction or payment.

36 6. An annual list that is filed by a registered limited-liability  
37 partnership which is not in default more than 90 days before it is due  
38 shall be deemed an amended list for the previous year and does not  
39 satisfy the requirements of subsection 1 for the year to which the  
40 due date is applicable.

41 **Sec. 25.** NRS 87.541 is hereby amended to read as follows:

42 87.541 1. Each foreign registered limited-liability partnership  
43 doing business in this State shall, on or before the last day of the  
44 first month after the filing of its application for registration as a  
45 foreign registered limited-liability partnership with the Secretary of



1 State, and annually thereafter on or before the last day of the month  
2 in which the anniversary date of its qualification to do business in  
3 this State occurs in each year, file with the Secretary of State a list,  
4 on a form furnished by him, that contains:

5 (a) The name of the foreign registered limited-liability  
6 partnership;

7 (b) The file number of the foreign registered limited-liability  
8 partnership, if known;

9 (c) The names of all its managing partners;

10 (d) The address, either residence or business, of each managing  
11 partner;

12 (e) The name and *street* address of ~~the~~ *its* lawfully designated  
13 resident agent ~~of the foreign registered limited liability~~  
14 ~~partnership;~~ *in this State;* and

15 (f) The signature of a managing partner of the foreign registered  
16 limited-liability partnership certifying that the list is true, complete  
17 and accurate.

18 2. Each list filed pursuant to this section must be accompanied  
19 by a declaration under penalty of perjury that the foreign registered  
20 limited-liability partnership:

21 (a) Has complied with the provisions of NRS 360.780; and

22 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
23 C felony to knowingly offer any false or forged instrument for filing  
24 in the Office of the Secretary of State.

25 3. Upon filing:

26 (a) The initial list required by this section, the foreign registered  
27 limited-liability partnership shall pay to the Secretary of State a fee  
28 of \$125.

29 (b) Each annual list required by this section, the foreign  
30 registered limited-liability partnership shall pay to the Secretary of  
31 State a fee of \$125.

32 4. If a managing partner of a foreign registered limited-liability  
33 partnership resigns and the resignation is not ~~made in conjunction~~  
34 ~~with the filing of an~~ *reflected on the* annual or amended list of  
35 managing partners, the foreign registered limited-liability  
36 partnership *or the managing partner* shall pay to the Secretary of  
37 State a fee of \$75 to file the resignation. ~~of the managing partner.~~

38 5. The Secretary of State shall, ~~60~~ *90* days before the last day  
39 for filing each annual list required by subsection 1, cause to be  
40 mailed to each foreign registered limited-liability partnership which  
41 is required to comply with the provisions of NRS 87.541 to 87.544,  
42 inclusive, and which has not become delinquent, the blank forms to  
43 be completed and filed with him. Failure of any foreign registered  
44 limited-liability partnership to receive the forms does not excuse it



1 from the penalty imposed by the provisions of NRS 87.541 to  
2 87.544, inclusive.

3 6. If the list to be filed pursuant to the provisions of subsection  
4 1 is defective or the fee required by subsection 3 is not paid, the  
5 Secretary of State may return the list for correction or payment.

6 7. An annual list for a foreign registered limited-liability  
7 partnership not in default which is received by the Secretary of State  
8 more than 90 days before its due date must be deemed an amended  
9 list for the previous year and does not satisfy the requirements of  
10 subsection 1 for the year to which the due date is applicable.

11 **Sec. 26.** NRS 87.550 is hereby amended to read as follows:

12 87.550 In addition to any other fees required by NRS 87.440 to  
13 87.540, inclusive, and 87.560, the Secretary of State shall charge  
14 and collect the following fees for services rendered pursuant to  
15 those sections:

16 1. For certifying records required by NRS 87.440 to 87.540,  
17 inclusive, and 87.560, \$30 per certification.

18 2. For signing a certificate verifying the existence of a  
19 registered limited-liability partnership, if the registered limited-  
20 liability partnership has not filed a certificate of amendment, \$50.

21 3. For signing a certificate verifying the existence of a  
22 registered limited-liability partnership, if the registered limited-  
23 liability partnership has filed a certificate of amendment, \$50.

24 4. For signing, certifying or filing any certificate or record not  
25 required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

26 5. For any copies ~~made~~ *provided* by the Office of the  
27 Secretary of State, \$2 per page.

28 6. For examining and provisionally approving any record  
29 before the record is presented for filing, \$125.

30 **Sec. 27.** NRS 88.355 is hereby amended to read as follows:

31 88.355 1. A certificate of limited partnership is amended by  
32 filing a certificate of amendment thereto in the Office of the  
33 Secretary of State. The certificate must set forth:

34 (a) The name of the limited partnership; and

35 (b) The amendment.

36 2. Within 30 days after the happening of any of the following  
37 events an amendment to a certificate of limited partnership  
38 reflecting the occurrence of the event or events must be filed:

39 (a) The admission of a new general partner;

40 (b) The withdrawal of a general partner; or

41 (c) The continuation of the business under NRS 88.550 after an  
42 event of withdrawal of a general partner.

43 3. A general partner who becomes aware that any statement in  
44 a certificate of limited partnership was false when made or that any  
45 arrangements or other facts described, except the address of its



1 office or the name or address of its resident agent, have changed,  
2 making the certificate inaccurate in any respect, shall promptly  
3 amend the certificate.

4 4. A certificate of limited partnership may be amended at any  
5 time for any other proper purpose the general partners determine.

6 5. No person has any liability because an amendment to a  
7 certificate of limited partnership has not been filed to reflect the  
8 occurrence of any event referred to in subsection 2 if the amendment  
9 is filed within the 30-day period specified in subsection 2.

10 6. A restated certificate of limited partnership may be signed  
11 and filed in the same manner as a certificate of amendment. If the  
12 certificate alters or amends the certificate of limited partnership in  
13 any manner, it must be accompanied by ~~f~~:

- 14 ~~(a) A resolution; or~~
- 15 ~~(b) A~~ **a** form prescribed by the Secretary of State ~~f~~;
- 16 ~~→~~ **→** setting forth which provisions of the certificate of limited  
17 partnership on file with the Secretary of State are being altered or  
18 amended.

19 **Sec. 28.** NRS 88.375 is hereby amended to read as follows:

20 88.375 1. Each certificate required by NRS 88.350 to 88.390,  
21 inclusive, to be filed in the Office of the Secretary of State must be  
22 signed in the following manner:

- 23 (a) An original certificate of limited partnership must be signed  
24 by all ~~[general partners;]~~ **organizers;**
- 25 (b) A certificate of amendment must be signed by at least one  
26 general partner and by each other general partner designated in the  
27 certificate as a new general partner; and
- 28 (c) A certificate of cancellation must be signed by all general  
29 partners.

30 2. Any person may sign a certificate by an attorney-in-fact, but  
31 a power of attorney to sign a certificate relating to the admission of  
32 a general partner must specifically describe the admission.

33 3. The signing of a certificate by a general partner constitutes  
34 an affirmation under the penalties of perjury that the facts stated  
35 therein are true.

36 **Sec. 29.** NRS 88.395 is hereby amended to read as follows:

37 88.395 1. A limited partnership shall, on or before the last  
38 day of the first month after the filing of its certificate of limited  
39 partnership with the Secretary of State, and annually thereafter on or  
40 before the last day of the month in which the anniversary date of the  
41 filing of its certificate of limited partnership occurs, file with the  
42 Secretary of State, on a form furnished by him, a list that contains:

- 43 (a) The name of the limited partnership;
- 44 (b) The file number of the limited partnership, if known;
- 45 (c) The names of all of its general partners;



- 1 (d) The address, either residence or business, of each general  
2 partner;
- 3 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
4 resident agent ~~[of the limited partnership;]~~ *in this State*; and
- 5 (f) The signature of a general partner of the limited partnership  
6 certifying that the list is true, complete and accurate.
- 7 ↪ Each list filed pursuant to this subsection must be accompanied  
8 by a declaration under penalty of perjury that the limited partnership  
9 has complied with the provisions of NRS 360.780 and which  
10 acknowledges that pursuant to NRS 239.330 it is a category C  
11 felony to knowingly offer any false or forged instrument for filing in  
12 the Office of the Secretary of State.
- 13 2. Except as otherwise provided in subsection 3, a limited  
14 partnership shall, upon filing:
- 15 (a) The initial list required by subsection 1, pay to the Secretary  
16 of State a fee of \$125.
- 17 (b) Each annual list required by subsection 1, pay to the  
18 Secretary of State a fee of \$125.
- 19 3. A registered limited-liability limited partnership shall, upon  
20 filing:
- 21 (a) The initial list required by subsection 1, pay to the Secretary  
22 of State a fee of \$125.
- 23 (b) Each annual list required by subsection 1, pay to the  
24 Secretary of State a fee of \$175.
- 25 4. If a general partner of a limited partnership resigns and the  
26 resignation is not ~~[made in conjunction with the filing of an]~~  
27 *reflected on the* annual or amended list of general partners, the  
28 limited partnership *or the resigning general partner* shall pay to the  
29 Secretary of State a fee of \$75 to file the resignation. ~~[of the general~~  
30 *partner.]*
- 31 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
32 for filing each annual list required by subsection 1, cause to be  
33 mailed to each limited partnership which is required to comply with  
34 the provisions of this section, and which has not become delinquent,  
35 a notice of the fee due pursuant to the provisions of subsection 2 or  
36 3, as appropriate, and a reminder to file the annual list. Failure of  
37 any limited partnership to receive a notice or form does not excuse it  
38 from the penalty imposed by NRS 88.400.
- 39 6. If the list to be filed pursuant to the provisions of subsection  
40 1 is defective or the fee required by subsection 2 or 3 is not paid, the  
41 Secretary of State may return the list for correction or payment.
- 42 7. An annual list for a limited partnership not in default that is  
43 received by the Secretary of State more than 90 days before its due  
44 date shall be deemed an amended list for the previous year and does





1 not satisfy the requirements of subsection 1 for the year to which the  
2 due date is applicable.

3 8. A filing made pursuant to this section does not satisfy the  
4 provisions of NRS 88.355 and may not be substituted for filings  
5 submitted pursuant to NRS 88.355.

6 **Sec. 30.** NRS 88.415 is hereby amended to read as follows:

7 88.415 The Secretary of State, for services relating to his  
8 official duties and the records of his office, shall charge and collect  
9 the following fees:

10 1. For filing a certificate of limited partnership, or for  
11 registering a foreign limited partnership, \$75.

12 2. For filing a certificate of registration of limited-liability  
13 limited partnership, or for registering a foreign registered limited-  
14 liability *limited* partnership, \$100.

15 3. For filing a certificate of amendment of limited partnership  
16 or restated certificate of limited partnership, \$175.

17 4. For filing a certificate of a change of location of the records  
18 office of a limited partnership or the office of its resident agent, or a  
19 designation of a new resident agent, \$60.

20 5. For certifying a *copy of a* certificate of limited partnership,  
21 an amendment to the certificate, or a certificate as amended, [~~where~~  
22 ~~a copy is provided,~~] \$30 per certification.

23 6. For certifying an authorized printed copy of the limited  
24 partnership law, \$30.

25 7. For reserving a limited partnership name, or for signing,  
26 filing or certifying any other record, \$25.

27 8. For copies [~~made at~~] *provided by* the Office of the Secretary  
28 of State, \$2 per page.

29 9. For filing a certificate of cancellation of a limited  
30 partnership, \$75.

31 ↪ Except as otherwise provided in this section, the fees set forth in  
32 NRS 78.785 apply to this chapter.

33 **Sec. 31.** NRS 88.591 is hereby amended to read as follows:

34 88.591 1. Each foreign limited partnership doing business in  
35 this State shall, on or before the last day of the first month after the  
36 filing of its application for registration as a foreign limited  
37 partnership with the Secretary of State, and annually thereafter on or  
38 before the last day of the month in which the anniversary date of its  
39 qualification to do business in this State occurs in each year, file  
40 with the Secretary of State a list, on a form furnished by him, that  
41 contains:

- 42 (a) The name of the foreign limited partnership;  
43 (b) The file number of the foreign limited partnership, if known;  
44 (c) The names of all its general partners;





1 (d) The address, either residence or business, of each general  
2 partner;

3 (e) The name and *street* address of its lawfully designated  
4 resident agent in this State; and

5 (f) The signature of a general partner of the foreign limited  
6 partnership certifying that the list is true, complete and accurate.

7 2. Each list filed pursuant to this section must be accompanied  
8 by a declaration under penalty of perjury that the foreign limited  
9 partnership:

10 (a) Has complied with the provisions of NRS 360.780; and

11 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
12 C felony to knowingly offer any false or forged instrument for filing  
13 in the Office of the Secretary of State.

14 3. Upon filing:

15 (a) The initial list required by this section, the foreign limited  
16 partnership shall pay to the Secretary of State a fee of \$125.

17 (b) Each annual list required by this section, the foreign limited  
18 partnership shall pay to the Secretary of State a fee of \$125.

19 4. If a general partner of a foreign limited partnership resigns  
20 and the resignation is not ~~made in conjunction with the filing of an~~  
21 *reflected on the* annual or amended list of general partners, the  
22 foreign limited partnership *or the resigning general partner* shall  
23 pay to the Secretary of State a fee of \$75 to file the resignation of  
24 the general partner.

25 5. The Secretary of State shall, ~~{60}~~ *90* days before the last day  
26 for filing each annual list required by subsection 1, cause to be  
27 mailed to each foreign limited partnership, which is required to  
28 comply with the provisions of NRS 88.591 to 88.5945, inclusive,  
29 and which has not become delinquent, the blank forms to be  
30 completed and filed with him. Failure of any foreign limited  
31 partnership to receive the forms does not excuse it from the penalty  
32 imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

33 6. If the list to be filed pursuant to the provisions of subsection  
34 1 is defective or the fee required by subsection 3 is not paid, the  
35 Secretary of State may return the list for correction or payment.

36 7. An annual list for a foreign limited partnership not in default  
37 which is received by the Secretary of State more than 90 days before  
38 its due date must be deemed an amended list for the previous year  
39 and does not satisfy the requirements of subsection 1 for the year to  
40 which the due date is applicable.

41 **Sec. 32.** NRS 88A.210 is hereby amended to read as follows:

42 88A.210 1. One or more persons may create a business trust  
43 by adopting a governing instrument and signing and filing with the  
44 Secretary of State a certificate of trust and a certificate of acceptance



1 of appointment signed by the resident agent of the business trust.  
2 The certificate of trust must set forth:

- 3 (a) The name of the business trust;
- 4 (b) The name and ~~[the mailing or street]~~ address, either  
5 residence or business, of at least one trustee;
- 6 (c) The name of the person designated as the resident agent for  
7 the business trust, the street address of the resident agent where  
8 process may be served upon the business trust and the mailing  
9 address of the resident agent if different from the street address;
- 10 (d) The name and ~~[mailing or street]~~ address, either residence or  
11 business, of each person signing the certificate of trust; and
- 12 (e) Any other information the trustees determine to include.

13 2. Upon the filing of the certificate of trust and the certificate  
14 of acceptance with the Secretary of State and the payment to him of  
15 the required filing fee, the Secretary of State shall issue to the  
16 business trust a certificate that the required records with the required  
17 content have been filed. From the date of that filing, the business  
18 trust is legally formed pursuant to this chapter.

19 **Sec. 33.** NRS 88A.600 is hereby amended to read as follows:

20 88A.600 1. A business trust formed pursuant to this chapter  
21 shall, on or before the last day of the first month after the filing of  
22 its certificate of trust with the Secretary of State, and annually  
23 thereafter on or before the last day of the month in which the  
24 anniversary date of the filing of its certificate of trust with the  
25 Secretary of State occurs, file with the Secretary of State, on a form  
26 furnished by him, a list signed by at least one trustee that contains  
27 the name and ~~[mailing]~~ *street* address of its lawfully designated  
28 resident agent *in this State* and at least one trustee. Each list filed  
29 pursuant to this subsection must be accompanied by a declaration  
30 under penalty of perjury that the business trust:

- 31 (a) Has complied with the provisions of NRS 360.780; and
- 32 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 in the Office of the Secretary of State.

35 2. Upon filing:

- 36 (a) The initial list required by subsection 1, the business trust  
37 shall pay to the Secretary of State a fee of \$125.
- 38 (b) Each annual list required by subsection 1, the business trust  
39 shall pay to the Secretary of State a fee of \$125.

40 3. If a trustee of a business trust resigns and the resignation is  
41 not ~~[made in conjunction with the filing of an]~~ *reflected on the*  
42 annual or amended list of trustees, the business trust *or the*  
43 *resigning trustee* shall pay to the Secretary of State a fee of \$75 to  
44 file the resignation . ~~[of the trustee.]~~



1 4. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
2 for filing each annual list required by subsection 1, cause to be  
3 mailed to each business trust which is required to comply with the  
4 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
5 not become delinquent, the blank forms to be completed and filed  
6 with him. Failure of a business trust to receive the forms does not  
7 excuse it from the penalty imposed by law.

8 5. An annual list for a business trust not in default which is  
9 received by the Secretary of State more than 90 days before its due  
10 date shall be deemed an amended list for the previous year.

11 **Sec. 34.** NRS 88A.732 is hereby amended to read as follows:

12 88A.732 1. Each foreign business trust doing business in this  
13 State shall, on or before the last day of the first month after the filing  
14 of its application for registration as a foreign business trust with the  
15 Secretary of State, and annually thereafter on or before the last day  
16 of the month in which the anniversary date of its qualification to do  
17 business in this State occurs in each year, file with the Secretary of  
18 State a list, on a form furnished by him, that contains:

- 19 (a) The name of the foreign business trust;  
20 (b) The file number of the foreign business trust, if known;  
21 (c) The name of at least one of its trustees;  
22 (d) The address, either residence or business, of the trustee listed  
23 pursuant to paragraph (c);  
24 (e) The name and *street* address of its lawfully designated  
25 resident agent in this State; and  
26 (f) The signature of a trustee of the foreign business trust  
27 certifying that the list is true, complete and accurate.

28 2. Each list required to be filed pursuant to this section must be  
29 accompanied by a declaration under penalty of perjury that the  
30 foreign business trust:

- 31 (a) Has complied with the provisions of NRS 360.780; and  
32 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 in the Office of the Secretary of State.

35 3. Upon filing:

- 36 (a) The initial list required by this section, the foreign business  
37 trust shall pay to the Secretary of State a fee of \$125.  
38 (b) Each annual list required by this section, the foreign business  
39 trust shall pay to the Secretary of State a fee of \$125.

40 4. If a trustee of a foreign business trust resigns and the  
41 resignation is not ~~[made in conjunction with the filing of an]~~  
42 *reflected on the* annual or amended list of trustees, the foreign  
43 business trust *or the resigning trustee* shall pay to the Secretary of  
44 State a fee of \$75 to file the resignation. ~~[of the trustee.]~~



1       5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
2 for filing each annual list required by subsection 1, cause to be  
3 mailed to each foreign business trust which is required to comply  
4 with the provisions of NRS 88A.732 to 88A.738, inclusive, and  
5 which has not become delinquent, the blank forms to be completed  
6 and filed with him. Failure of any foreign business trust to receive  
7 the forms does not excuse it from the penalty imposed by the  
8 provisions of NRS 88A.732 to 88A.738, inclusive.

9       6. If the list to be filed pursuant to the provisions of subsection  
10 1 is defective or the fee required by subsection 3 is not paid, the  
11 Secretary of State may return the list for correction or payment.

12       7. An annual list for a foreign business trust not in default  
13 which is received by the Secretary of State more than 90 days before  
14 its due date must be deemed an amended list for the previous year  
15 and does not satisfy the requirements of subsection 1 for the year to  
16 which the due date is applicable.

17       **Sec. 35.** NRS 89.250 is hereby amended to read as follows:

18       89.250 1. Except as otherwise provided in subsection 2, a  
19 professional association shall, on or before the last day of the first  
20 month after the filing of its articles of association with the Secretary  
21 of State, and annually thereafter on or before the last day of the  
22 month in which the anniversary date of its organization occurs in  
23 each year, ~~[furnish a statement to]~~ *file with* the Secretary of State *a*  
24 *list* showing the names and addresses, either residence or business,  
25 of all members and employees in the professional association and  
26 certifying that all members and employees are licensed to render  
27 professional service in this State.

28       2. A professional association organized and practicing pursuant  
29 to the provisions of this chapter and NRS 623.349 shall, on or  
30 before the last day of the first month after the filing of its articles of  
31 association with the Secretary of State, and annually thereafter on or  
32 before the last day of the month in which the anniversary date of its  
33 organization occurs in each year, ~~[furnish a statement to]~~ *file with*  
34 the Secretary of State ~~[:]~~ *a list:*

35       (a) Showing the names and addresses, either residence or  
36 business, of all members and employees of the professional  
37 association who are licensed or otherwise authorized by law to  
38 render professional service in this State;

39       (b) Certifying that all members and employees who render  
40 professional service are licensed or otherwise authorized by law to  
41 render professional service in this State; and

42       (c) Certifying that all members who are not licensed to render  
43 professional service in this State do not render professional service  
44 on behalf of the professional association except as authorized by  
45 law.



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1       3. Each **[statement] list** filed pursuant to this section must be:  
2       (a) Made on a form **[prescribed] furnished** by the Secretary of  
3 State and must not contain any fiscal or other information except  
4 that expressly called for by this section.

5       (b) Signed by the chief executive officer of the professional  
6 association.

7       (c) Accompanied by a declaration under penalty of perjury that  
8 the professional association:

9           (1) Has complied with the provisions of NRS 360.780; and

10           (2) Acknowledges that pursuant to NRS 239.330, it is a  
11 category C felony to knowingly offer any false or forged instrument  
12 for filing in the Office of the Secretary of State.

13       4. Upon filing:

14       (a) The initial **[statement] list** required by this section, the  
15 professional association shall pay to the Secretary of State a fee of  
16 \$125.

17       (b) Each annual **[statement] list** required by this section, the  
18 professional association shall pay to the Secretary of State a fee of  
19 \$125.

20       **Sec. 36.** NRS 89.256 is hereby amended to read as follows:

21       89.256 1. Except as otherwise provided in subsections 3 and  
22 4, the Secretary of State shall reinstate any professional association  
23 which has forfeited its right to transact business under the provisions  
24 of this chapter and restore the right to carry on business in this State  
25 and exercise its privileges and immunities if it:

26       (a) Files with the Secretary of State:

27           (1) The **[statement] list** and certification required by NRS  
28 89.250; and

29           (2) A certificate of acceptance of appointment signed by its  
30 resident agent; and

31       (b) Pays to the Secretary of State:

32           (1) The filing fee and penalty set forth in NRS 89.250 and  
33 89.252 for each year or portion thereof during which the articles of  
34 association have been revoked; and

35           (2) A fee of \$300 for reinstatement.

36       2. When the Secretary of State reinstates the professional  
37 association, he shall issue to the professional association a  
38 certificate of reinstatement if the professional association:

39       (a) Requests a certificate of reinstatement; and

40       (b) Pays the required fees pursuant to subsection 8 of  
41 NRS 78.785.

42       3. The Secretary of State shall not order a reinstatement unless  
43 all delinquent fees and penalties have been paid, and the revocation  
44 of the articles of association occurred only by reason of the failure  
45 to pay the fees and penalties.



1 4. If the articles of association of a professional association  
2 have been revoked pursuant to the provisions of this chapter and  
3 have remained revoked for 10 consecutive years, the articles must  
4 not be reinstated.

5 **Sec. 37.** NRS 21.075 is hereby amended to read as follows:

6 21.075 1. Execution on the writ of execution by levying on  
7 the property of the judgment debtor may occur only if the sheriff  
8 serves the judgment debtor with a notice of the writ of execution  
9 pursuant to NRS 21.076 and a copy of the writ. The notice must  
10 describe the types of property exempt from execution and explain  
11 the procedure for claiming those exemptions in the manner required  
12 in subsection 2. The clerk of the court shall attach the notice to the  
13 writ of execution at the time the writ is issued.

14 2. The notice required pursuant to subsection 1 must be  
15 substantially in the following form:

16  
17 NOTICE OF EXECUTION

18  
19 YOUR PROPERTY IS BEING ATTACHED OR  
20 YOUR WAGES ARE BEING GARNISHED  
21

22 A court has determined that you owe money to  
23 .....(name of person), the judgment creditor. He has  
24 begun the procedure to collect that money by garnishing your  
25 wages, bank account and other personal property held by  
26 third persons or by taking money or other property in your  
27 possession.

28 Certain benefits and property owned by you may be  
29 exempt from execution and may not be taken from you. The  
30 following is a partial list of exemptions:

- 31 1. Payments received under the Social Security Act.
- 32 2. Payments for benefits or the return of contributions  
33 under the Public Employees' Retirement System.
- 34 3. Payments for public assistance granted through the  
35 Welfare Division of the Department of Human Resources or a  
36 local governmental entity.
- 37 4. Proceeds from a policy of life insurance.
- 38 5. Payments of benefits under a program of industrial  
39 insurance.
- 40 6. Payments received as disability, illness or  
41 unemployment benefits.
- 42 7. Payments received as unemployment compensation.
- 43 8. Veteran's benefits.
- 44 9. A homestead in a dwelling or a mobile home, not to  
45 exceed \$200,000, unless:



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1 (a) The judgment is for a medical bill, in which case all of  
2 the primary dwelling, including a mobile or manufactured  
3 home, may be exempt.

4 (b) Allodial title has been established and not relinquished  
5 for the dwelling or mobile home, in which case all of the  
6 dwelling or mobile home and its appurtenances are exempt,  
7 including the land on which they are located, unless a valid  
8 waiver executed pursuant to NRS 115.010 is applicable to the  
9 judgment.

10 10. A vehicle, if your equity in the vehicle is less than  
11 \$15,000.

12 11. Seventy-five percent of the take-home pay for any  
13 pay period, unless the weekly take-home pay is less than 30  
14 times the federal minimum wage, in which case the entire  
15 amount may be exempt.

16 12. Money, not to exceed \$500,000 in present value,  
17 held in:

18 (a) An individual retirement arrangement which conforms  
19 with the applicable limitations and requirements of 26 U.S.C.  
20 § 408;

21 (b) A written simplified employee pension plan which  
22 conforms with the applicable limitations and requirements of  
23 26 U.S.C. § 408;

24 (c) A cash or deferred arrangement that is a qualified plan  
25 pursuant to the Internal Revenue Code;

26 (d) A trust forming part of a stock bonus, pension or  
27 profit-sharing plan that is a qualified plan pursuant to sections  
28 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et  
29 seq.; and

30 (e) A trust forming part of a qualified tuition program  
31 pursuant to chapter 353B of NRS, any applicable regulations  
32 adopted pursuant to chapter 353B of NRS and section 529 of  
33 the Internal Revenue Code, 26 U.S.C. § 529, unless the  
34 money is deposited after the entry of a judgment against the  
35 purchaser or account owner or the money will not be used by  
36 any beneficiary to attend a college or university.

37 13. All money and other benefits paid pursuant to the  
38 order of a court of competent jurisdiction for the support,  
39 education and maintenance of a child, whether collected by  
40 the judgment debtor or the State.

41 14. All money and other benefits paid pursuant to the  
42 order of a court of competent jurisdiction for the support and  
43 maintenance of a former spouse, including the amount of any  
44 arrearages in the payment of such support and maintenance to  
45 which the former spouse may be entitled.



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1 15. A vehicle for use by you or your dependent which is  
2 specially equipped or modified to provide mobility for a  
3 person with a permanent disability.

4 16. A prosthesis or any equipment prescribed by a  
5 physician or dentist for you or your dependent.

6 17. Payments, in an amount not to exceed \$16,150,  
7 received as compensation for personal injury, not including  
8 compensation for pain and suffering or actual pecuniary loss,  
9 by the judgment debtor or by a person upon whom the  
10 judgment debtor is dependent at the time the payment is  
11 received.

12 18. Payments received as compensation for the wrongful  
13 death of a person upon whom the judgment debtor was  
14 dependent at the time of the wrongful death, to the extent  
15 reasonably necessary for the support of the judgment debtor  
16 and any dependent of the judgment debtor.

17 19. Payments received as compensation for the loss of  
18 future earnings of the judgment debtor or of a person upon  
19 whom the judgment debtor is dependent at the time the  
20 payment is received, to the extent reasonably necessary for  
21 the support of the judgment debtor and any dependent of the  
22 judgment debtor.

23 20. Payments received as restitution for a criminal act.

24 ***21. Stock of certain corporations, subject to the***  
25 ***provisions of section 1 of this act.***

26 ↪ These exemptions may not apply in certain cases such as a  
27 proceeding to enforce a judgment for support of a person or a  
28 judgment of foreclosure on a mechanic's lien. You should  
29 consult an attorney immediately to assist you in determining  
30 whether your property or money is exempt from execution. If  
31 you cannot afford an attorney, you may be eligible for  
32 assistance through .....(name of organization in  
33 county providing legal services to indigent or elderly  
34 persons).

35  
36 **PROCEDURE FOR CLAIMING EXEMPT PROPERTY**

37  
38 If you believe that the money or property taken from you  
39 is exempt, you must complete and file with the clerk of the  
40 court a notarized affidavit claiming the exemption. A copy of  
41 the affidavit must be served upon the sheriff and the judgment  
42 creditor within 8 days after the notice of execution is mailed.  
43 The property must be returned to you within 5 days after you  
44 file the affidavit unless you or the judgment creditor files a  
45 motion for a hearing to determine the issue of exemption. If



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1 this happens, a hearing will be held to determine whether the  
2 property or money is exempt. The motion for the hearing to  
3 determine the issue of exemption must be filed within 10 days  
4 after the affidavit claiming exemption is filed. The hearing to  
5 determine whether the property or money is exempt must be  
6 held within 10 days after the motion for the hearing is filed.

7 IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE  
8 TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD  
9 AND THE MONEY GIVEN TO THE JUDGMENT  
10 CREDITOR, EVEN IF THE PROPERTY OR MONEY IS  
11 EXEMPT.

12 **Sec. 38.** NRS 21.090 is hereby amended to read as follows:  
13 21.090 1. The following property is exempt from execution,  
14 except as otherwise specifically provided in this section:

15 (a) Private libraries not to exceed \$1,500 in value, and all family  
16 pictures and keepsakes.

17 (b) Necessary household goods, as defined in 16 C.F.R. §  
18 444.1(i) as that section existed on January 1, 1987, and yard  
19 equipment, not to exceed \$10,000 in value, belonging to the  
20 judgment debtor to be selected by him.

21 (c) Farm trucks, farm stock, farm tools, farm equipment,  
22 supplies and seed not to exceed \$4,500 in value, belonging to the  
23 judgment debtor to be selected by him.

24 (d) Professional libraries, office equipment, office supplies and  
25 the tools, instruments and materials used to carry on the trade of the  
26 judgment debtor for the support of himself and his family not to  
27 exceed \$4,500 in value.

28 (e) The cabin or dwelling of a miner or prospector, his cars,  
29 implements and appliances necessary for carrying on any mining  
30 operations and his mining claim actually worked by him, not  
31 exceeding \$4,500 in total value.

32 (f) Except as otherwise provided in paragraph (o), one vehicle if  
33 the judgment debtor's equity does not exceed \$15,000 or the  
34 creditor is paid an amount equal to any excess above that equity.

35 (g) For any pay period, 75 percent of the disposable earnings of  
36 a judgment debtor during that period, or for each week of the period  
37 30 times the minimum hourly wage prescribed by section 6(a)(1) of  
38 the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1),  
39 and in effect at the time the earnings are payable, whichever is  
40 greater. Except as otherwise provided in paragraphs (n), (r) and (s),  
41 the exemption provided in this paragraph does not apply in the case  
42 of any order of a court of competent jurisdiction for the support of  
43 any person, any order of a court of bankruptcy or of any debt due for  
44 any state or federal tax. As used in this paragraph, "disposable



1 earnings” means that part of the earnings of a judgment debtor  
2 remaining after the deduction from those earnings of any amounts  
3 required by law, to be withheld.

4 (h) All fire engines, hooks and ladders, with the carts, trucks and  
5 carriages, hose, buckets, implements and apparatus thereunto  
6 appertaining, and all furniture and uniforms of any fire company or  
7 department organized under the laws of this State.

8 (i) All arms, uniforms and accouterments required by law to be  
9 kept by any person, and also one gun, to be selected by the debtor.

10 (j) All courthouses, jails, public offices and buildings, lots,  
11 grounds and personal property, the fixtures, furniture, books, papers  
12 and appurtenances belonging and pertaining to the courthouse, jail  
13 and public offices belonging to any county of this State, all  
14 cemeteries, public squares, parks and places, public buildings, town  
15 halls, markets, buildings for the use of fire departments and military  
16 organizations, and the lots and grounds thereto belonging and  
17 appertaining, owned or held by any town or incorporated city, or  
18 dedicated by the town or city to health, ornament or public use, or  
19 for the use of any fire or military company organized under the laws  
20 of this State and all lots, buildings and other school property owned  
21 by a school district and devoted to public school purposes.

22 (k) All money, benefits, privileges or immunities accruing or in  
23 any manner growing out of any life insurance, if the annual  
24 premium paid does not exceed \$1,000. If the premium exceeds that  
25 amount, a similar exemption exists which bears the same proportion  
26 to the money, benefits, privileges and immunities so accruing or  
27 growing out of the insurance that the \$1,000 bears to the whole  
28 annual premium paid.

29 (l) The homestead as provided for by law, including a  
30 homestead for which allodial title has been established and not  
31 relinquished and for which a waiver executed pursuant to NRS  
32 115.010 is not applicable.

33 (m) The dwelling of the judgment debtor occupied as a home for  
34 himself and family, where the amount of equity held by the  
35 judgment debtor in the home does not exceed \$200,000 in value and  
36 the dwelling is situated upon lands not owned by him.

37 (n) All property in this State of the judgment debtor where the  
38 judgment is in favor of any state for failure to pay that state’s  
39 income tax on benefits received from a pension or other retirement  
40 plan.

41 (o) Any vehicle owned by the judgment debtor for use by him or  
42 his dependent that is equipped or modified to provide mobility for a  
43 person with a permanent disability.

44 (p) Any prosthesis or equipment prescribed by a physician or  
45 dentist for the judgment debtor or a dependent of the debtor.



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- 1 (q) Money, not to exceed \$500,000 in present value, held in:  
2 (1) An individual retirement arrangement which conforms  
3 with the applicable limitations and requirements of 26 U.S.C. § 408;  
4 (2) A written simplified employee pension plan which  
5 conforms with the applicable limitations and requirements of 26  
6 U.S.C. § 408;  
7 (3) A cash or deferred arrangement which is a qualified plan  
8 pursuant to the Internal Revenue Code;  
9 (4) A trust forming part of a stock bonus, pension or profit-  
10 sharing plan which is a qualified plan pursuant to sections 401 et  
11 seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and  
12 (5) A trust forming part of a qualified tuition program  
13 pursuant to chapter 353B of NRS, any applicable regulations  
14 adopted pursuant to chapter 353B of NRS and section 529 of the  
15 Internal Revenue Code, 26 U.S.C. § 529, unless the money is  
16 deposited after the entry of a judgment against the purchaser or  
17 account owner or the money will not be used by any beneficiary to  
18 attend a college or university.  
19 (r) All money and other benefits paid pursuant to the order of a  
20 court of competent jurisdiction for the support, education and  
21 maintenance of a child, whether collected by the judgment debtor or  
22 the State.  
23 (s) All money and other benefits paid pursuant to the order of a  
24 court of competent jurisdiction for the support and maintenance of a  
25 former spouse, including the amount of any arrearages in the  
26 payment of such support and maintenance to which the former  
27 spouse may be entitled.  
28 (t) Payments, in an amount not to exceed \$16,150, received as  
29 compensation for personal injury, not including compensation for  
30 pain and suffering or actual pecuniary loss, by the judgment debtor  
31 or by a person upon whom the judgment debtor is dependent at the  
32 time the payment is received.  
33 (u) Payments received as compensation for the wrongful death  
34 of a person upon whom the judgment debtor was dependent at the  
35 time of the wrongful death, to the extent reasonably necessary for  
36 the support of the judgment debtor and any dependent of the  
37 judgment debtor.  
38 (v) Payments received as compensation for the loss of future  
39 earnings of the judgment debtor or of a person upon whom the  
40 judgment debtor is dependent at the time the payment is received, to  
41 the extent reasonably necessary for the support of the judgment  
42 debtor and any dependent of the judgment debtor.  
43 (w) Payments received as restitution for a criminal act.  
44 *(x) Stock of certain corporations, subject to the provisions of*  
45 *section 1 of this act.*



1 2. Except as otherwise provided in NRS 115.010, no article or  
2 species of property mentioned in this section is exempt from  
3 execution issued upon a judgment to recover for its price, or upon a  
4 judgment of foreclosure of a mortgage or other lien thereon.

5 3. Any exemptions specified in subsection (d) of section 522 of  
6 the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to  
7 property owned by a resident of this State unless conferred also by  
8 subsection 1, as limited by subsection 2.

9 **Sec. 39.** NRS 31.045 is hereby amended to read as follows:

10 31.045 1. Execution on the writ of attachment by attaching  
11 property of the defendant may occur only if:

12 (a) The judgment creditor serves the defendant with notice of  
13 the execution when the notice of the hearing is served pursuant to  
14 NRS 31.013; or

15 (b) Pursuant to an ex parte hearing, the sheriff serves upon the  
16 judgment debtor notice of the execution and a copy of the writ at the  
17 same time and in the same manner as set forth in NRS 21.076.

18 ↪ If the attachment occurs pursuant to an ex parte hearing, the clerk  
19 of the court shall attach the notice to the writ of attachment at the  
20 time the writ is issued.

21 2. The notice required pursuant to subsection 1 must be  
22 substantially in the following form:

23  
24 **NOTICE OF EXECUTION**

25  
26 **YOUR PROPERTY IS BEING ATTACHED OR**  
27 **YOUR WAGES ARE BEING GARNISHED**

28  
29 Plaintiff, ..... (name of person), alleges that you  
30 owe him money. He has begun the procedure to collect that  
31 money. To secure satisfaction of judgment the court has  
32 ordered the garnishment of your wages, bank account or other  
33 personal property held by third persons or the taking of  
34 money or other property in your possession.

35 Certain benefits and property owned by you may be  
36 exempt from execution and may not be taken from you. The  
37 following is a partial list of exemptions:

- 38 1. Payments received under the Social Security Act.  
39 2. Payments for benefits or the return of contributions  
40 under the Public Employees' Retirement System.  
41 3. Payments for public assistance granted through the  
42 Welfare Division of the Department of Human Resources or a  
43 local governmental entity.  
44 4. Proceeds from a policy of life insurance.





- 1           5. Payments of benefits under a program of industrial
- 2 insurance.
- 3           6. Payments received as disability, illness or
- 4 unemployment benefits.
- 5           7. Payments received as unemployment compensation.
- 6           8. Veteran's benefits.
- 7           9. A homestead in a dwelling or a mobile home, not to
- 8 exceed \$200,000, unless:
- 9           (a) The judgment is for a medical bill, in which case all of
- 10 the primary dwelling, including a mobile or manufactured
- 11 home, may be exempt.
- 12           (b) Allodial title has been established and not relinquished
- 13 for the dwelling or mobile home, in which case all of the
- 14 dwelling or mobile home and its appurtenances are exempt,
- 15 including the land on which they are located, unless a valid
- 16 waiver executed pursuant to NRS 115.010 is applicable to the
- 17 judgment.
- 18           10. A vehicle, if your equity in the vehicle is less than
- 19 \$15,000.
- 20           11. Seventy-five percent of the take-home pay for any
- 21 pay period, unless the weekly take-home pay is less than 30
- 22 times the federal minimum wage, in which case the entire
- 23 amount may be exempt.
- 24           12. Money, not to exceed \$500,000 in present value,
- 25 held in:
- 26           (a) An individual retirement arrangement which conforms
- 27 with the applicable limitations and requirements of 26 U.S.C.
- 28 § 408;
- 29           (b) A written simplified employee pension plan which
- 30 conforms with the applicable limitations and requirements of
- 31 26 U.S.C. § 408;
- 32           (c) A cash or deferred arrangement that is a qualified plan
- 33 pursuant to the Internal Revenue Code;
- 34           (d) A trust forming part of a stock bonus, pension or
- 35 profit-sharing plan that is a qualified plan pursuant to sections
- 36 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et
- 37 seq.; and
- 38           (e) A trust forming part of a qualified tuition program
- 39 pursuant to chapter 353B of NRS, any applicable regulations
- 40 adopted pursuant to chapter 353B of NRS and section 529 of
- 41 the Internal Revenue Code, 26 U.S.C. § 529, unless the
- 42 money is deposited after the entry of a judgment against the
- 43 purchaser or account owner or the money will not be used by
- 44 any beneficiary to attend a college or university.



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1 13. All money and other benefits paid pursuant to the  
2 order of a court of competent jurisdiction for the support,  
3 education and maintenance of a child, whether collected by  
4 the judgment debtor or the State.

5 14. All money and other benefits paid pursuant to the  
6 order of a court of competent jurisdiction for the support and  
7 maintenance of a former spouse, including the amount of any  
8 arrearages in the payment of such support and maintenance to  
9 which the former spouse may be entitled.

10 15. A vehicle for use by you or your dependent which is  
11 specially equipped or modified to provide mobility for a  
12 person with a permanent disability.

13 16. A prosthesis or any equipment prescribed by a  
14 physician or dentist for you or your dependent.

15 17. Payments, in an amount not to exceed \$16,150,  
16 received as compensation for personal injury, not including  
17 compensation for pain and suffering or actual pecuniary loss,  
18 by the judgment debtor or by a person upon whom the  
19 judgment debtor is dependent at the time the payment is  
20 received.

21 18. Payments received as compensation for the wrongful  
22 death of a person upon whom the judgment debtor was  
23 dependent at the time of the wrongful death, to the extent  
24 reasonably necessary for the support of the judgment debtor  
25 and any dependent of the judgment debtor.

26 19. Payments received as compensation for the loss of  
27 future earnings of the judgment debtor or of a person upon  
28 whom the judgment debtor is dependent at the time the  
29 payment is received, to the extent reasonably necessary for  
30 the support of the judgment debtor and any dependent of the  
31 judgment debtor.

32 20. Payments received as restitution for a criminal act.

33 ***21. Stock of certain corporations, subject to the***  
34 ***provisions of section 1 of this act.***

35 ➔ These exemptions may not apply in certain cases such as  
36 proceedings to enforce a judgment for support of a child or a  
37 judgment of foreclosure on a mechanic's lien. You should  
38 consult an attorney immediately to assist you in determining  
39 whether your property or money is exempt from execution. If  
40 you cannot afford an attorney, you may be eligible for  
41 assistance through ..... (name of organization in  
42 county providing legal services to the indigent or elderly  
43 persons).

44 **PROCEDURE FOR CLAIMING EXEMPT PROPERTY**  
45



\* S B 4 5 3 R 1 \*



1           If you believe that the money or property taken from you  
 2 is exempt or necessary for the support of you or your family,  
 3 you must file with the clerk of the court on a form provided  
 4 by the clerk a notarized affidavit claiming the exemption. A  
 5 copy of the affidavit must be served upon the sheriff and the  
 6 judgment creditor within 8 days after the notice of execution  
 7 is mailed. The property must be returned to you within 5 days  
 8 after you file the affidavit unless the judgment creditor files a  
 9 motion for a hearing to determine the issue of exemption. If  
 10 this happens, a hearing will be held to determine whether the  
 11 property or money is exempt. The hearing must be held  
 12 within 10 days after the motion for a hearing is filed.

13  
 14           **IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE**  
 15 **TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD**  
 16 **AND THE MONEY GIVEN TO THE JUDGMENT**  
 17 **CREDITOR, EVEN IF THE PROPERTY OR MONEY IS**  
 18 **EXEMPT.**

19  
 20           If you received this notice with a notice of a hearing for  
 21 attachment and you believe that the money or property which  
 22 would be taken from you by a writ of attachment is exempt or  
 23 necessary for the support of you or your family, you are  
 24 entitled to describe to the court at the hearing why you  
 25 believe your property is exempt. You may also file a motion  
 26 with the court for a discharge of the writ of attachment. You  
 27 may make that motion any time before trial. A hearing will be  
 28 held on that motion.

29  
 30           **IF YOU DO NOT FILE THE MOTION BEFORE**  
 31 **THE TRIAL, YOUR PROPERTY MAY BE SOLD AND**  
 32 **THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE**  
 33 **PROPERTY OR MONEY IS EXEMPT OR NECESSARY**  
 34 **FOR THE SUPPORT OF YOU OR YOUR FAMILY.**

35           **Sec. 40.** NRS 31.050 is hereby amended to read as follows:  
 36           31.050 Subject to the order for attachment and the provisions  
 37 of *section 1 of this act and* chapter 104 of NRS, the right of shares  
 38 which the defendant may have in the stock of any corporation or  
 39 company, together with the interest and profits therein, and all debts  
 40 due such defendant, and all other property in this State of such  
 41 defendant not exempt from execution, may be attached, and if  
 42 judgment be recovered, be sold to satisfy the judgment and  
 43 execution.



1       **Sec. 41.** Chapter 225 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3       **1. A person shall not willfully file, promote the filing of, or**  
4 **cause to be filed, or attempt or conspire to file, promote the filing**  
5 **of, or cause to be filed, any record in the Office of the Secretary of**  
6 **State if the person has actual knowledge that the record:**

7       **(a) Is forged or fraudulently altered;**

8       **(b) Contains a false statement of material fact; or**

9       **(c) Is being filed in bad faith or for the purpose of harassing**  
10 **or defrauding any person.**

11       **2. Any person who violates this section is liable in a civil**  
12 **action brought pursuant to this section for:**

13       **(a) Actual damages caused by each separate violation of this**  
14 **section, or \$10,000 for each separate violation of this section,**  
15 **whichever is greater;**

16       **(b) All costs of bringing and maintaining the action, including**  
17 **investigative expenses and fees for expert witnesses;**

18       **(c) Reasonable attorney's fees; and**

19       **(d) Any punitive damages that the facts may warrant.**

20       **3. A civil action may be brought pursuant to this section by:**

21       **(a) Any person who is damaged by a violation of this section,**  
22 **including, without limitation, any person who is damaged as the**  
23 **result of an action taken in reliance on a record filed in violation**  
24 **of this section; or**

25       **(b) The Attorney General, in the name of the State of Nevada,**  
26 **if the matter is referred to the Attorney General by the Secretary of**  
27 **State and if the Attorney General, after due inquiry, determines**  
28 **that a civil action should be brought pursuant to this section. Any**  
29 **money recovered by the Attorney General pursuant to this**  
30 **paragraph, after deducting all costs and expenses incurred by the**  
31 **Attorney General and the Secretary of State to investigate and act**  
32 **upon the violation, must be deposited in the State General Fund.**

33       **4. For the purposes of this section, each filing of a single**  
34 **record that constitutes a violation of this section shall be deemed**  
35 **to be a separate violation.**

36       **5. The rights, remedies and penalties provided pursuant to**  
37 **this section are cumulative and do not abrogate and are in**  
38 **addition to any other rights, remedies and penalties that may exist**  
39 **at law or in equity, including, without limitation, any criminal**  
40 **penalty that may be imposed pursuant to NRS 239.330.**

41       **6. As used in this section, "record" means information that is**  
42 **inscribed on a tangible medium or that is stored in an electronic or**  
43 **other medium and is retrievable in perceivable form. The term**  
44 **includes, without limitation, a financing statement as defined in**  
45 **NRS 104.9102.**



1       **Sec. 42.** NRS 225.140 is hereby amended to read as follows:  
2       225.140 1. Except as otherwise provided in subsection 2, in  
3 addition to other fees authorized by law, the Secretary of State shall  
4 charge and collect the following fees:

- 5
- 6           For certifying to a copy of any law, joint resolution,
- 7           transcript of record or other paper on file or of
- 8           record with the Secretary of State, including, but
- 9           not limited to, a document required to be filed
- 10          pursuant to title 24 of NRS, and use of the State
- 11          Seal, for each impression ..... \$20
- 12          For each passport or other document signed by the
- 13          Governor and attested by the Secretary of State ..... 10
- 14

- 15       2. The Secretary of State:
- 16       (a) Shall charge a reasonable fee for searching records and
- 17       documents kept in his office, including, but not limited to, records
- 18       and documents that are stored on a computer database.
- 19       (b) May charge or collect any filing or other fees for services
- 20       rendered by him to the State of Nevada, any local governmental
- 21       agency or agency of the Federal Government, or any officer thereof
- 22       in his official capacity or respecting his office or official duties.
- 23       (c) May not charge or collect a filing or other fee for:
- 24       (1) Attesting extradition papers or executive warrants for
- 25       other states.
- 26       (2) Any commission or appointment issued or made by the
- 27       Governor, either for the use of the State Seal or otherwise.
- 28       (d) May charge a reasonable fee, not to exceed:
- 29       (1) *One thousand dollars, for providing service within 1*
- 30       *hour after the time service is requested;*
- 31       (2) Five hundred dollars, for providing service *more than 1*
- 32       *hour but* within 2 hours after the time the service is requested; and
- 33       ~~(2)~~ (3) One hundred twenty-five dollars, for providing any
- 34       other special service, including, but not limited to, providing service
- 35       more than 2 hours but within 24 hours after the time the service is
- 36       requested, accepting documents filed by facsimile machine and
- 37       other use of new technology.
- 38       (e) Shall charge a person, for each check or other negotiable
- 39       instrument returned to the Office of the Secretary of State because
- 40       the person had insufficient money or credit with the drawee to pay
- 41       the check or other instrument or because the person stopped
- 42       payment on the check or other instrument:
- 43       (1) A fee of \$25; and
- 44       (2) If the check or other instrument that was returned had
- 45       been presented for the payment of a filing fee for more than one



1 entity, an additional fee in an amount equal to the actual cost  
2 incurred by the Office of the Secretary of State to perform the  
3 following actions as a result of the returned check or instrument:

4 (I) Reversing the status of the entities in the records of the  
5 Office of the Secretary of State; and

6 (II) Recouping any fees charged for services rendered by  
7 the Office of the Secretary of State to the entities, including, without  
8 limitation, fees charged for providing service pursuant to paragraph  
9 (d), providing copies or issuing certificates.

10 ➔ The Secretary of State shall, by regulation, establish procedures  
11 for the imposition of the fees authorized by this paragraph and the  
12 manner in which a fee authorized by subparagraph (2) will be  
13 calculated.

14 *(f) May charge a reasonable fee for searching for and*  
15 *cancelling or removing, if requested, any filing that has been*  
16 *submitted to him but not yet processed.*

17 3. From each fee collected pursuant to paragraph (d) of  
18 subsection 2:

19 (a) ~~[The entire amount or \$62.50, whichever is less, of the fee~~  
20 ~~collected pursuant to subparagraph (1) of that paragraph and one-~~  
21 ~~half] *One-half* of the fee collected ~~[pursuant to subparagraph (2) of~~~~  
22 ~~that paragraph]~~ must be deposited with the State Treasurer for credit  
23 to the Account for Special Services of the Secretary of State in the  
24 State General Fund. Any amount remaining in the Account at the  
25 end of a fiscal year in excess of \$2,000,000 must be transferred to  
26 the State General Fund. Money in the Account may be transferred to  
27 the Secretary of State's Operating General Fund Budget Account  
28 and must only be used to create and maintain the capability of the  
29 Office of the Secretary of State to provide special services,  
30 including, but not limited to, providing service:

31 (1) On the day it is requested or within 24 hours; or

32 (2) Necessary to increase or maintain the efficiency of the  
33 Office.

34 ➔ Any transfer of money from the Account for expenditure by the  
35 Secretary of State must be approved by the Interim Finance  
36 Committee.

37 (b) After deducting the amount required pursuant to paragraph  
38 (a), the remainder must be deposited with the State Treasurer for  
39 credit to the State General Fund.

40 4. The Secretary of State shall post a schedule of the fees  
41 authorized to be charged pursuant to this section in a conspicuous  
42 place at each office at which such fees are collected.

43 **Sec. 43.** NRS 600.340 is hereby amended to read as follows:

44 600.340 1. A person who has adopted and is using a mark in  
45 this State may file in the Office of the Secretary of State, on a form





1 to be furnished by the Secretary of State, an application for  
2 registration of that mark setting forth, but not limited to, the  
3 following information:

4 (a) Whether the mark to be registered is a trademark, trade name  
5 or service mark;

6 (b) A description of the mark by name, words displayed in it or  
7 other information;

8 (c) The name and business address of the person applying for  
9 the registration and, if it is a corporation, limited-liability company,  
10 limited partnership or registered limited-liability partnership, the  
11 state of incorporation or organization;

12 (d) The specific goods or services in connection with which the  
13 mark is used and the mode or manner in which the mark is used in  
14 connection with those goods or services and the class as designated  
15 by the Secretary of State which includes those goods or services;

16 (e) The date when the mark was first used anywhere and the  
17 date when it was first used in this State by the applicant or his  
18 predecessor in business which must precede the filing of the  
19 application; and

20 (f) A statement that the applicant is the owner of the mark and  
21 that no other person has the right to use the mark in this State either  
22 in the form set forth in the application or in such near resemblance  
23 to it as might deceive or cause mistake.

24 2. The application must:

25 (a) Be signed and verified by the applicant or by a member of  
26 the firm or an officer of the corporation or association applying.

27 (b) Be accompanied by a specimen or facsimile of the mark ~~in~~  
28 ~~duplicate~~ *on white paper that is 8 1/2 inches by 11 inches in size*  
29 and by a filing fee of \$100 payable to the Secretary of State.

30 3. If the application fails to comply with this section or NRS  
31 600.343, the Secretary of State shall return it for correction.



Amendment No. 293

Senate Amendment to Senate Bill No. 453	(BDR 7-576)
<b>Proposed by:</b> Committee on Judiciary	
<b>Amendment Box:</b>	
<b>Resolves Conflicts with:</b> N/A	
<b>Amends:</b> Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: No	

Adoption of this amendment will MAINTAIN a 2/3s majority vote requirement for final passage of SB453 (§ 42).

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"/>	_____

Amend the bill as a whole by renumbering sections 1 through 9 as sections 2 through 10 and adding a new section designated section 1, following the enacting clause, to read as follows:

“Section 1. Chapter 78 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *On application to a court of competent jurisdiction by a judgment creditor of a stockholder, the court may charge the stockholder’s stock with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the stockholder’s stock.*

2. *This section:*

(a) *Applies only to a corporation that:*

BAW

Date: 4/19/2005

S.B. No. 453—Revises various provisions concerning filings in Office of the Secretary of State.

*(1) Has more than one, but fewer than 75 stockholders of record at any time;*

*(2) Is not a subsidiary of a publicly traded corporation, either in whole or in part; and*

*(3) Is not a professional corporation, as defined in NRS 89.020.*

*(b) Does not apply to any liability of a stockholder that exists as the result of an action filed before October 1, 2005.*

*(c) Provides the exclusive remedy by which a judgment creditor of a stockholder or an assignee of a stockholder may satisfy a judgment out of the stockholder's stock of the corporation.*

*(d) Does not deprive any stockholder of the benefit of any exemption applicable to the stockholder's stock.*

*(e) Does not supersede any private agreement between a stockholder and a creditor.”.*

Amend sec. 6, page 7, line 17, by deleting:

“7, 8 and 9” and inserting:

“8, 9 and 10”.

Amend the bill as a whole by deleting sec. 10.

Amend sec. 11, page 9, line 42, by deleting “7” and inserting “8”.

Amend sec. 11, page 10, line 2, by deleting “7” and inserting “8”.

Amend sec. 12, page 10, lines 15 and 20, by deleting “8” and inserting “9”.

Amend sec. 13, page 10, line 26, by deleting “8” and inserting “9”.

Amend sec. 14, page 11, lines 11, 15, 17 and 20, by deleting “9” and inserting “10”.

Amend the bill as a whole by deleting sec. 16 and renumbering sec. 17 as sec. 16.

Amend the bill as a whole by deleting sections 18 and 19 and renumbering sections 20 through 34 as sections 17 through 31.



Amend the bill as a whole by deleting sec. 35, renumbering sections 36 through 40 as sections 32 through 36 and adding new sections designated sections 37 through 40, following sec. 40, to read as follows:

“**Sec. 37.** NRS 21.075 is hereby amended to read as follows:

21.075 1. Execution on the writ of execution by levying on the property of the judgment debtor may occur only if the sheriff serves the judgment debtor with a notice of the writ of execution pursuant to NRS 21.076 and a copy of the writ. The notice must describe the types of property exempt from execution and explain the procedure for claiming those exemptions in the manner required in subsection 2. The clerk of the court shall attach the notice to the writ of execution at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION

YOUR PROPERTY IS BEING ATTACHED OR

YOUR WAGES ARE BEING GARNISHED

A court has determined that you owe money to .....(name of person), the judgment creditor. He has begun the procedure to collect that money by garnishing your wages, bank account and other personal property held by third persons or by taking money or other property in your possession.



Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received under the Social Security Act.
2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
3. Payments for public assistance granted through the Welfare Division of the Department of Human Resources or a local governmental entity.
4. Proceeds from a policy of life insurance.
5. Payments of benefits under a program of industrial insurance.
6. Payments received as disability, illness or unemployment benefits.
7. Payments received as unemployment compensation.
8. Veteran's benefits.
9. A homestead in a dwelling or a mobile home, not to exceed \$200,000, unless:
  - (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
  - (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.
10. A vehicle, if your equity in the vehicle is less than \$15,000.



11. Seventy-five percent of the take-home pay for any pay period, unless the weekly take-home pay is less than 30 times the federal minimum wage, in which case the entire amount may be exempt.

12. Money, not to exceed \$500,000 in present value, held in:

(a) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;

(d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

13. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.





15. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.

16. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.

17. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

20. Payments received as restitution for a criminal act.

**21. *Stock of certain corporations, subject to the provisions of section 1 of this act.***

↳ These exemptions may not apply in certain cases such as a proceeding to enforce a judgment for support of a person or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through .....(name of organization in county providing legal services to indigent or elderly persons).



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PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt, you must complete and file with the clerk of the court a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless you or the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The motion for the hearing to determine the issue of exemption must be filed within 10 days after the affidavit claiming exemption is filed. The hearing to determine whether the property or money is exempt must be held within 10 days after the motion for the hearing is filed.

IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

**Sec. 38.** NRS 21.090 is hereby amended to read as follows:

21.090 1. The following property is exempt from execution, except as otherwise specifically provided in this section:

- (a) Private libraries not to exceed \$1,500 in value, and all family pictures and keepsakes.
- (b) Necessary household goods, as defined in 16 C.F.R. § 444.1(i) as that section existed on January 1, 1987, and yard equipment, not to exceed \$10,000 in value, belonging to the judgment debtor to be selected by him.



(c) Farm trucks, farm stock, farm tools, farm equipment, supplies and seed not to exceed \$4,500 in value, belonging to the judgment debtor to be selected by him.

(d) Professional libraries, office equipment, office supplies and the tools, instruments and materials used to carry on the trade of the judgment debtor for the support of himself and his family not to exceed \$4,500 in value.

(e) The cabin or dwelling of a miner or prospector, his cars, implements and appliances necessary for carrying on any mining operations and his mining claim actually worked by him, not exceeding \$4,500 in total value.

(f) Except as otherwise provided in paragraph (o), one vehicle if the judgment debtor's equity does not exceed \$15,000 or the creditor is paid an amount equal to any excess above that equity.

(g) For any pay period, 75 percent of the disposable earnings of a judgment debtor during that period, or for each week of the period 30 times the minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), and in effect at the time the earnings are payable, whichever is greater. Except as otherwise provided in paragraphs (n), (r) and (s), the exemption provided in this paragraph does not apply in the case of any order of a court of competent jurisdiction for the support of any person, any order of a court of bankruptcy or of any debt due for any state or federal tax. As used in this paragraph, "disposable earnings" means that part of the earnings of a judgment debtor remaining after the deduction from those earnings of any amounts required by law, to be withheld.

(h) All fire engines, hooks and ladders, with the carts, trucks and carriages, hose, buckets, implements and apparatus thereunto appertaining, and all furniture and uniforms of any fire company or department organized under the laws of this State.



(i) All arms, uniforms and accouterments required by law to be kept by any person, and also one gun, to be selected by the debtor.

(j) All courthouses, jails, public offices and buildings, lots, grounds and personal property, the fixtures, furniture, books, papers and appurtenances belonging and pertaining to the courthouse, jail and public offices belonging to any county of this State, all cemeteries, public squares, parks and places, public buildings, town halls, markets, buildings for the use of fire departments and military organizations, and the lots and grounds thereto belonging and appertaining, owned or held by any town or incorporated city, or dedicated by the town or city to health, ornament or public use, or for the use of any fire or military company organized under the laws of this State and all lots, buildings and other school property owned by a school district and devoted to public school purposes.

(k) All money, benefits, privileges or immunities accruing or in any manner growing out of any life insurance, if the annual premium paid does not exceed \$1,000. If the premium exceeds that amount, a similar exemption exists which bears the same proportion to the money, benefits, privileges and immunities so accruing or growing out of the insurance that the \$1,000 bears to the whole annual premium paid.

(l) The homestead as provided for by law, including a homestead for which allodial title has been established and not relinquished and for which a waiver executed pursuant to NRS 115.010 is not applicable.

(m) The dwelling of the judgment debtor occupied as a home for himself and family, where the amount of equity held by the judgment debtor in the home does not exceed \$200,000 in value and the dwelling is situated upon lands not owned by him.



(n) All property in this State of the judgment debtor where the judgment is in favor of any state for failure to pay that state's income tax on benefits received from a pension or other retirement plan.

(o) Any vehicle owned by the judgment debtor for use by him or his dependent that is equipped or modified to provide mobility for a person with a permanent disability.

(p) Any prosthesis or equipment prescribed by a physician or dentist for the judgment debtor or a dependent of the debtor.

(q) Money, not to exceed \$500,000 in present value, held in:

(1) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(2) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(3) A cash or deferred arrangement which is a qualified plan pursuant to the Internal Revenue Code;

(4) A trust forming part of a stock bonus, pension or profit-sharing plan which is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(5) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.



(r) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

(s) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.

(t) Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

(u) Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(v) Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(w) Payments received as restitution for a criminal act.

(x) *Stock of certain corporations, subject to the provisions of section 1 of this act.*

2. Except as otherwise provided in NRS 115.010, no article or species of property mentioned in this section is exempt from execution issued upon a judgment to recover for its price, or upon a judgment of foreclosure of a mortgage or other lien thereon.





3. Any exemptions specified in subsection (d) of section 522 of the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to property owned by a resident of this State unless conferred also by subsection 1, as limited by subsection 2.

**Sec. 39.** NRS 31.045 is hereby amended to read as follows:

31.045 1. Execution on the writ of attachment by attaching property of the defendant may occur only if:

(a) The judgment creditor serves the defendant with notice of the execution when the notice of the hearing is served pursuant to NRS 31.013; or

(b) Pursuant to an ex parte hearing, the sheriff serves upon the judgment debtor notice of the execution and a copy of the writ at the same time and in the same manner as set forth in NRS 21.076.

↪ If the attachment occurs pursuant to an ex parte hearing, the clerk of the court shall attach the notice to the writ of attachment at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION

YOUR PROPERTY IS BEING ATTACHED OR  
YOUR WAGES ARE BEING GARNISHED

Plaintiff, ..... (name of person), alleges that you owe him money. He has begun the procedure to collect that money. To secure satisfaction of judgment the court has ordered the



garnishment of your wages, bank account or other personal property held by third persons or the taking of money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received under the Social Security Act.
2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
3. Payments for public assistance granted through the Welfare Division of the Department of Human Resources or a local governmental entity.
4. Proceeds from a policy of life insurance.
5. Payments of benefits under a program of industrial insurance.
6. Payments received as disability, illness or unemployment benefits.
7. Payments received as unemployment compensation.
8. Veteran's benefits.
9. A homestead in a dwelling or a mobile home, not to exceed \$200,000, unless:
  - (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
  - (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.
10. A vehicle, if your equity in the vehicle is less than \$15,000.



11. Seventy-five percent of the take-home pay for any pay period, unless the weekly take-home pay is less than 30 times the federal minimum wage, in which case the entire amount may be exempt.

12. Money, not to exceed \$500,000 in present value, held in:

(a) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;

(c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;

(d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

13. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.



15. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.

16. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.

17. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

20. Payments received as restitution for a criminal act.

**21. *Stock of certain corporations, subject to the provisions of section 1 of this act.***

↳ These exemptions may not apply in certain cases such as proceedings to enforce a judgment for support of a child or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through ..... (name of organization in county providing legal services to the indigent or elderly persons).



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**PROCEDURE FOR CLAIMING EXEMPT PROPERTY**

If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The hearing must be held within 10 days after the motion for a hearing is filed.

**IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.**

If you received this notice with a notice of a hearing for attachment and you believe that the money or property which would be taken from you by a writ of attachment is exempt or necessary for the support of you or your family, you are entitled to describe to the court at the hearing why you believe your property is exempt. You may also file a motion with the court for a discharge of the writ of attachment. You may make that motion any time before trial. A hearing will be held on that motion.



IF YOU DO NOT FILE THE MOTION BEFORE THE TRIAL, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE PROPERTY OR MONEY IS EXEMPT OR NECESSARY FOR THE SUPPORT OF YOU OR YOUR FAMILY.

**Sec. 40.** NRS 31.050 is hereby amended to read as follows:

31.050 Subject to the order for attachment and the provisions of *section 1 of this act and* chapter 104 of NRS, the right of shares which the defendant may have in the stock of any corporation or company, together with the interest and profits therein, and all debts due such defendant, and all other property in this State of such defendant not exempt from execution, may be attached, and if judgment be recovered, be sold to satisfy the judgment and execution.”.

Amend the bill as a whole by deleting sections 41 and 42 and renumbering sections 43 through 45 as sections 41 through 43.

Amend sec. 43, page 34, line 1, by deleting “*and*” and inserting “*or*”.

Amend sec. 44, page 35, line 6, by deleting “[~~\$20~~] **\$30**” and inserting “\$20”.

Amend sec. 44, page 36, by deleting lines 14 through 17 and inserting:

“(a) [~~The entire amount or \$62.50, whichever is less, of the fee collected pursuant to subparagraph (1) of that paragraph and one-half~~] **One-half** of the fee collected [~~pursuant to subparagraph (2) of that paragraph~~] must be deposited with the State Treasurer for credit”.

Amend the title of the bill to read as follows:

“AN ACT relating to business entities; providing for a charging order by the court concerning a stockholder’s stock under certain circumstances; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners’ associations must



comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; and providing other matters properly relating thereto.”.

Amend the summary of the bill to read as follows:

“SUMMARY—Makes various changes concerning business entities. (BDR 7-576)”.



SENATE BILL NO. 453—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 29, 2005

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning business entities.  
(BDR 7-576)

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

~

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

AN ACT relating to business entities; providing for a charging order by the court concerning a stockholder's stock under certain circumstances; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; 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 78 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3     ***1. On application to a court of competent jurisdiction by a***  
4 ***judgment creditor of a stockholder, the court may charge the***  
5 ***stockholder's stock with payment of the unsatisfied amount of the***  
6 ***judgment with interest. To the extent so charged, the judgment***  
7 ***creditor has only the rights of an assignee of the stockholder's***  
8 ***stock.***



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- 1       **2. This section:**  
2       **(a) Applies only to a corporation that:**  
3           **(1) Has more than one, but fewer than 75 stockholders of**  
4 **record at any time;**  
5           **(2) Is not a subsidiary of a publicly traded corporation,**  
6 **either in whole or in part; and**  
7           **(3) Is not a professional corporation, as defined in**  
8 **NRS 89.020.**  
9       **(b) Does not apply to any liability of a stockholder that exists**  
10 **as the result of an action filed before October 1, 2005.**  
11       **(c) Provides the exclusive remedy by which a judgment**  
12 **creditor of a stockholder or an assignee of a stockholder may**  
13 **satisfy a judgment out of the stockholder's stock of the**  
14 **corporation.**  
15       **(d) Does not deprive any stockholder of the benefit of any**  
16 **exemption applicable to the stockholder's stock.**  
17       **(e) Does not supersede any private agreement between a**  
18 **stockholder and a creditor.**

19       **Sec. 2.** NRS 78.150 is hereby amended to read as follows:  
20       78.150 1. A corporation organized pursuant to the laws of  
21 this State shall, on or before the last day of the first month after the  
22 filing of its articles of incorporation with the Secretary of State, file  
23 with the Secretary of State a list, on a form furnished by him,  
24 containing:

- 25       (a) The name of the corporation;  
26       (b) The file number of the corporation, if known;  
27       (c) The names and titles of the president, secretary and treasurer,  
28 or the equivalent thereof, and of all the directors of the corporation;  
29       (d) The address, either residence or business, of each officer and  
30 director listed, following the name of the officer or director;  
31       (e) The name and address of the lawfully designated resident  
32 agent of the corporation ~~in~~ **in this State;** and  
33       (f) The signature of an officer of the corporation certifying that  
34 the list is true, complete and accurate.

35       2. The corporation shall annually thereafter, on or before the  
36 last day of the month in which the anniversary date of incorporation  
37 occurs in each year, file with the Secretary of State, on a form  
38 furnished by him, an annual list containing all of the information  
39 required in subsection 1.

40       3. Each list required by subsection 1 or 2 must be accompanied  
41 by:

- 42       (a) A declaration under penalty of perjury that the corporation:  
43           (1) Has complied with the provisions of NRS 360.780; and



1 (2) Acknowledges that pursuant to NRS 239.330, it is a  
2 category C felony to knowingly offer any false or forged instrument  
3 for filing with the Office of the Secretary of State.

4 (b) A statement as to whether the corporation is a publicly  
5 traded company. If the corporation is a publicly traded company, the  
6 corporation must list its Central Index Key. The Secretary of State  
7 shall include on his Internet website the Central Index Key of a  
8 corporation provided pursuant to this paragraph and instructions  
9 describing the manner in which a member of the public may obtain  
10 information concerning the corporation from the Securities and  
11 Exchange Commission.

12 4. Upon filing the list required by:

13 (a) Subsection 1, the corporation shall pay to the Secretary of  
14 State a fee of \$125.

15 (b) Subsection 2, the corporation shall pay to the Secretary of  
16 State, if the amount represented by the total number of shares  
17 provided for in the articles is:

18		
19	\$75,000 or less .....	\$125
20	Over \$75,000 and not over \$200,000.....	175
21	Over \$200,000 and not over \$500,000.....	275
22	Over \$500,000 and not over \$1,000,000.....	375
23	Over \$1,000,000:	
24	For the first \$1,000,000 .....	375
25	For each additional \$500,000 or fraction thereof.....	275

26 The maximum fee which may be charged pursuant to paragraph (b)  
27 for filing the annual list is \$11,100.

28  
29 5. If a director or officer of a corporation resigns and the  
30 resignation is not ~~made in conjunction with the filing of an~~  
31 *reflected on the* annual or amended list of directors and officers, the  
32 corporation *or the resigning director or officer* shall pay to the  
33 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
34 ~~director or officer.~~

35 6. The Secretary of State shall, ~~60~~ **90** days before the last day  
36 for filing each annual list required by subsection 2, cause to be  
37 mailed to each corporation which is required to comply with the  
38 provisions of NRS 78.150 to 78.185, inclusive, and which has not  
39 become delinquent, a notice of the fee due pursuant to subsection 4  
40 and a reminder to file the annual list required by subsection 2.  
41 Failure of any corporation to receive a notice or form does not  
42 excuse it from the penalty imposed by law.

43 7. If the list to be filed pursuant to the provisions of subsection  
44 1 or 2 is defective in any respect or the fee required by subsection 4



1 is not paid, the Secretary of State may return the list for correction  
2 or payment.

3 8. An annual list for a corporation not in default which is  
4 received by the Secretary of State more than 90 days before its due  
5 date shall be deemed an amended list for the previous year and must  
6 be accompanied by the appropriate fee as provided in subsection 4  
7 for filing. A payment submitted pursuant to this subsection does not  
8 satisfy the requirements of subsection 2 for the year to which the  
9 due date is applicable.

10 **Sec. 3.** NRS 78.1955 is hereby amended to read as follows:

11 78.1955 1. If the voting powers, designations, preferences,  
12 limitations, restrictions and relative rights of any class or series of  
13 stock have been established by a resolution of the board of directors  
14 pursuant to a provision in the articles of incorporation, a certificate  
15 of designation setting forth the resolution *and stating the number of*  
16 *shares for each designation* must be signed by an officer of the  
17 corporation and filed with the Secretary of State. A certificate of  
18 designation signed and filed pursuant to this section must become  
19 effective before the issuance of any shares of the class or series.

20 2. Unless otherwise provided in the articles of incorporation or  
21 the certificate of designation being amended, if no shares of a class  
22 or series of stock established by a resolution of the board of  
23 directors have been issued, the designation of the class or series, the  
24 number of the class or series and the voting powers, designations,  
25 preferences, limitations, restrictions and relative rights of the class  
26 or series may be amended by a resolution of the board of directors  
27 pursuant to a certificate of amendment filed in the manner provided  
28 in subsection 4.

29 3. Unless otherwise provided in the articles of incorporation or  
30 the certificate of designation, if shares of a class or series of stock  
31 established by a resolution of the board of directors have been  
32 issued, the designation of the class or series, the number of the class  
33 or series and the voting powers, designations, preferences,  
34 limitations, restrictions and relative rights of the class or series may  
35 be amended by a resolution of the board of directors only if the  
36 amendment is approved as provided in this subsection. Unless  
37 otherwise provided in the articles of incorporation or the certificate  
38 of designation, the proposed amendment adopted by the board of  
39 directors must be approved by the vote of stockholders holding  
40 shares in the corporation entitling them to exercise a majority of the  
41 voting power, or such greater proportion of the voting power as may  
42 be required by the articles of incorporation or the certificate of  
43 designation, of:

44 (a) The class or series of stock being amended; and



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1 (b) Each class and each series of stock which, before  
2 amendment, is senior to the class or series being amended as to the  
3 payment of distributions upon dissolution of the corporation,  
4 regardless of any limitations or restrictions on the voting power of  
5 that class or series.

6 4. A certificate of amendment to a certificate of designation  
7 must be signed by an officer of the corporation and filed with the  
8 Secretary of State and must:

9 (a) Set forth the original designation and the new designation, if  
10 the designation of the class or series is being amended;

11 (b) State that no shares of the class or series have been issued or  
12 state that the approval of the stockholders required pursuant to  
13 subsection 3 has been obtained; and

14 (c) Set forth the amendment to the class or series or set forth the  
15 designation of the class or series, the number of the class or series  
16 and the voting powers, designations, preferences, limitations,  
17 restrictions and relative rights of the class or series, as amended.

18 5. A certificate filed pursuant to subsection 1 or 4 becomes  
19 effective upon filing with the Secretary of State or upon a later date  
20 specified in the certificate, which must not be later than 90 days  
21 after the certificate is filed.

22 6. If shares of a class or series of stock established by a  
23 certificate of designation are not outstanding, the corporation may  
24 file a certificate which states that no shares of the class or series are  
25 outstanding and which contains the resolution of the board of  
26 directors authorizing the withdrawal of the certificate of designation  
27 establishing the class or series of stock. The certificate *must identify*  
28 *the date and certificate of designation being withdrawn and* must  
29 be signed by an officer of the corporation and filed with the  
30 Secretary of State. Upon filing the certificate and payment of the fee  
31 required pursuant to NRS 78.765, all matters contained in the  
32 certificate of designation regarding the class or series of stock are  
33 eliminated from the articles of incorporation.

34 7. NRS 78.380, 78.385 and 78.390 do not apply to certificates  
35 of amendment filed pursuant to this section.

36 **Sec. 4.** NRS 78.780 is hereby amended to read as follows:

37 78.780 ~~[1.—The fee for filing a certificate of extension of~~  
38 ~~corporate existence of any corporation is an amount equal to one-~~  
39 ~~fourth of the fee computed at the rates specified in NRS 78.760 for~~  
40 ~~filing articles of incorporation.~~

41 ~~—2.]~~ The fee for filing a certificate of dissolution whether it  
42 occurs before or after payment of capital and beginning of business  
43 is \$75.





- 1       **Sec. 5.** NRS 78.785 is hereby amended to read as follows:  
2       78.785 1. The fee for filing a certificate of change of location  
3 of a corporation's registered office and resident agent, or a new  
4 designation of resident agent, is \$60.  
5       2. The fee for certifying *a copy of* articles of incorporation  
6 ~~{where a copy is provided}~~ is \$30.  
7       3. The fee for certifying a copy of an amendment to articles of  
8 incorporation, or to a copy of the articles as amended, ~~{where a copy~~  
9 ~~is furnished,}~~ is \$30.  
10      4. The fee for certifying an authorized printed copy of the  
11 general corporation law as compiled by the Secretary of State is  
12 \$30.  
13      5. The fee for reserving a corporate name is \$25.  
14      6. The fee for signing a certificate of corporate existence which  
15 does not list the previous records relating to the corporation, or a  
16 certificate of change in a corporate name, is \$50.  
17      7. The fee for signing a certificate of corporate existence which  
18 lists the previous records relating to the corporation is \$50.  
19      8. The fee for signing, certifying or filing any certificate or  
20 record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.  
21      9. The fee for copies ~~{made at}~~ *provided by* the Office of the  
22 Secretary of State is \$2 per page.  
23      10. The fees for filing articles of incorporation, articles of  
24 merger, or certificates of amendment increasing the basic surplus of  
25 a mutual or reciprocal insurer must be computed pursuant to NRS  
26 78.760, 78.765 and 92A.210, on the basis of the amount of basic  
27 surplus of the insurer.  
28      11. The fee for examining and provisionally approving any  
29 record at any time before the record is presented for filing is \$125.

- 30       **Sec. 6.** NRS 80.110 is hereby amended to read as follows:  
31       80.110 1. Each foreign corporation doing business in this  
32 State shall, on or before the last day of the first month after the filing  
33 of its certificate of corporate existence with the Secretary of State,  
34 and annually thereafter on or before the last day of the month in  
35 which the anniversary date of its qualification to do business in this  
36 State occurs in each year, file with the Secretary of State a list, on a  
37 form furnished by him, that contains:  
38       (a) The names and addresses, either residence or business, of its  
39 president, secretary and treasurer, or the equivalent thereof, and all  
40 of its directors;  
41       (b) The name and street address of the lawfully designated  
42 resident agent of the corporation in this State; and  
43       (c) The signature of an officer of the corporation.  
44       ↪ Each list filed pursuant to this subsection must be accompanied  
45 by a declaration under penalty of perjury that the foreign





1 corporation has complied with the provisions of NRS 360.780 and  
2 which acknowledges that pursuant to NRS 239.330, it is a category  
3 C felony to knowingly offer any false or forged instrument for filing  
4 with the Office of the Secretary of State. Each list filed pursuant to  
5 this subsection must also be accompanied by a statement as to  
6 whether the corporation is a publicly traded company. If the  
7 corporation is a publicly traded company, the corporation must list  
8 its Central Index Key. The Secretary of State shall include on his  
9 Internet website the Central Index Key of a corporation provided  
10 pursuant to this subsection and instructions describing the manner in  
11 which a member of the public may obtain information concerning  
12 the corporation from the Securities and Exchange Commission.

13 2. Upon filing:

14 (a) The initial list required by subsection 1, the corporation shall  
15 pay to the Secretary of State a fee of \$125.

16 (b) Each annual list required by subsection 1, the corporation  
17 shall pay to the Secretary of State, if the amount represented by the  
18 total number of shares provided for in the articles is:

19		
20	\$75,000 or less .....	\$125
21	Over \$75,000 and not over \$200,000.....	175
22	Over \$200,000 and not over \$500,000.....	275
23	Over \$500,000 and not over \$1,000,000.....	375
24	Over \$1,000,000:	
25	For the first \$1,000,000.....	375
26	For each additional \$500,000 or fraction thereof.....	275

27 The maximum fee which may be charged pursuant to paragraph (b)  
28 for filing the annual list is \$11,100.

29  
30 3. If a director or officer of a corporation resigns and the  
31 resignation is not ~~made in conjunction with the filing of an~~  
32 *reflected on the* annual or amended list of directors and officers, the  
33 corporation *or the resigning director or officer* shall pay to the  
34 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
35 ~~director or officer.~~

36 4. The Secretary of State shall, ~~60~~ 90 days before the last day  
37 for filing each annual list required by subsection 1, cause to be  
38 mailed to each corporation which is required to comply with the  
39 provisions of NRS 80.110 to 80.175, inclusive, and which has not  
40 become delinquent, the blank forms to be completed and filed with  
41 him. Failure of any corporation to receive the forms does not excuse  
42 it from the penalty imposed by the provisions of NRS 80.110 to  
43 80.175, inclusive.

44 5. An annual list for a corporation not in default which is  
45 received by the Secretary of State more than 90 days before its due



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1 date shall be deemed an amended list for the previous year and does  
2 not satisfy the requirements of subsection 1 for the year to which the  
3 due date is applicable.

4 **Sec. 7.** Chapter 81 of NRS is hereby amended by adding  
5 thereto the provisions set forth as sections 8, 9 and 10 of this act.

6 **Sec. 8. 1.** *The Secretary of State shall not accept for filing*  
7 *any articles of incorporation or any certificate of amendment of*  
8 *articles of incorporation of any corporation formed under the*  
9 *provisions of NRS 81.010 to 81.160, inclusive, and this section*  
10 *which provides that the name of the corporation contains the*  
11 *words "unit-owners' association" or "homeowners' association"*  
12 *or if it appears in the articles of incorporation or certificate of*  
13 *amendment of articles of incorporation that the purpose of the*  
14 *corporation is to operate as a unit-owners' association pursuant to*  
15 *chapter 116 of NRS unless the Administrator of the Real Estate*  
16 *Division of the Department of Business and Industry certifies that*  
17 *the corporation has:*

18 (a) *Registered with the Ombudsman for Owners in Common-*  
19 *Interest Communities pursuant to NRS 116.31158; and*

20 (b) *Paid to the Administrator of the Real Estate Division the*  
21 *fees required pursuant to NRS 116.31155.*

22 **2.** *Upon notification from the Administrator of the Real*  
23 *Estate Division of the Department of Business and Industry that a*  
24 *corporation which is a unit-owners' association as defined in NRS*  
25 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
26 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
27 *shall deem the corporation to be in default. If, after the*  
28 *corporation is deemed to be in default, the Administrator notifies*  
29 *the Secretary of State that the corporation has registered pursuant*  
30 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
31 *the Secretary of State shall reinstate the corporation if the*  
32 *corporation complies with the requirements for reinstatement as*  
33 *provided in this section and NRS 78.180 and 78.185.*

34 **Sec. 9. 1.** *The Secretary of State shall not accept for filing*  
35 *any articles of association or any certificate of amendment of*  
36 *articles of association of any association formed under the*  
37 *provisions of NRS 81.170 to 81.270, inclusive, and this section*  
38 *which provides that the name of the association contains the*  
39 *words "unit-owners' association" or "homeowners' association"*  
40 *or if it appears in the articles of association or certificate of*  
41 *amendment of articles of association that the purpose of the*  
42 *association is to operate as a unit-owners' association pursuant to*  
43 *chapter 116 of NRS unless the Administrator of the Real Estate*  
44 *Division of the Department of Business and Industry certifies that*  
45 *the association has:*



1       (a) Registered with the Ombudsman for Owners in Common-  
2       Interest Communities pursuant to NRS 116.31158; and

3       (b) Paid to the Administrator of the Real Estate Division the  
4       fees required pursuant to NRS 116.31155.

5       2. Upon notification from the Administrator of the Real  
6       Estate Division of the Department of Business and Industry that  
7       an association which is a unit-owners' association as defined in  
8       NRS 116.011 has failed to register pursuant to NRS 116.31158 or  
9       failed to pay the fees pursuant to NRS 116.31155, the Secretary of  
10      State shall deem the association to be in default. If, after the  
11      association is deemed to be in default, the Administrator notifies  
12      the Secretary of State that the association has registered pursuant  
13      to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
14      the Secretary of State shall reinstate the association if the  
15      association complies with the requirements for reinstatement as  
16      provided in this section and NRS 78.180 and 78.185 and pays the  
17      fees required pursuant to NRS 82.193.

18      **Sec. 10. 1.** The Secretary of State shall not accept for filing  
19      any articles of incorporation or any certificate of amendment of  
20      articles of incorporation of any corporation formed under the  
21      provisions of NRS 81.410 to 81.540, inclusive, and this section  
22      which provides that the name of the corporation contains the  
23      words "unit-owners' association" or "homeowners' association"  
24      or if it appears in the articles of incorporation or certificate of  
25      amendment of articles of incorporation that the purpose of the  
26      corporation is to operate as a unit-owners' association pursuant to  
27      chapter 116 of NRS unless the Administrator of the Real Estate  
28      Division of the Department of Business and Industry certifies that  
29      the corporation has:

30      (a) Registered with the Ombudsman for Owners in Common-  
31      Interest Communities pursuant to NRS 116.31158; and

32      (b) Paid to the Administrator of the Real Estate Division the  
33      fees required pursuant to NRS 116.31155.

34      2. Upon notification from the Administrator of the Real  
35      Estate Division of the Department of Business and Industry that a  
36      corporation which is a unit-owners' association as defined in NRS  
37      116.011 has failed to register pursuant to NRS 116.31158 or failed  
38      to pay the fees pursuant to NRS 116.31155, the Secretary of State  
39      shall deem the corporation to be in default. If, after the  
40      corporation is deemed to be in default, the Administrator notifies  
41      the Secretary of State that the corporation has registered pursuant  
42      to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
43      the Secretary of State shall reinstate the corporation if the  
44      corporation complies with the requirements for reinstatement as



1 *provided in this section and NRS 78.180 and 78.185 and pays the*  
2 *fees required pursuant to NRS 82.193.*

3 **Sec. 11.** NRS 81.010 is hereby amended to read as follows:

4 81.010 1. Nonprofit cooperative corporations may be formed  
5 by the voluntary association of any three or more persons in the  
6 manner prescribed in NRS 81.010 to 81.160, inclusive ~~§~~, *and*  
7 *section 8 of this act.* A majority of the persons must be residents of  
8 this State, and such a corporation has and may exercise the powers  
9 necessarily incident thereto. Except as otherwise provided in  
10 subsection 2, the provisions of chapter 78 of NRS govern each  
11 nonprofit cooperative corporation organized pursuant to NRS  
12 81.010 to 81.160, inclusive ~~§~~, *and section 8 of this act.* If such a  
13 nonprofit cooperative corporation is organized without shares of  
14 stock, the members shall be deemed to be “shareholders” or  
15 “stockholders” as these terms are used in chapter 78 of NRS.

16 2. If the term for which a nonprofit cooperative corporation  
17 was to exist has expired but the corporation has continued to  
18 perform the activities authorized by its original articles of  
19 incorporation or any amendment thereto, revival of its corporate  
20 existence does not require the consent of its members or  
21 stockholders. Each required action to accomplish a revival may be  
22 taken by a majority of the surviving directors. The revival is  
23 effective as of the date of expiration of the original term.

24 **Sec. 12.** NRS 81.170 is hereby amended to read as follows:

25 81.170 1. NRS 81.170 to 81.270, inclusive, *and section 9 of*  
26 *this act* being passed to promote association for mutual welfare, the  
27 words “lawful business” extend to every kind of lawful effort for  
28 business, education, industrial, benevolent, social or political  
29 purposes, whether conducted for profit or not.

30 2. NRS 81.170 to 81.270, inclusive, *and section 9 of this act*  
31 must not be strictly construed, but their provisions must at all times  
32 be liberally construed with a view to effect their object and to  
33 promote their purposes.

34 **Sec. 13.** NRS 81.200 is hereby amended to read as follows:

35 81.200 1. Each association formed under NRS 81.170 to  
36 81.270, inclusive, *and section 9 of this act* shall prepare articles of  
37 association in writing, setting forth:

- 38 (a) The name of the association.  
39 (b) The purpose for which it is formed.  
40 (c) The name of the person designated as the resident agent, the  
41 street address for service of process, and the mailing address if  
42 different from the street address.  
43 (d) The term for which it is to exist, which may be perpetual.  
44 (e) The names and addresses, either residence or business, of the  
45 directors selected for the first year.



1 (f) The amount which each member is to pay upon admission as  
2 a fee for membership, and that each member signing the articles has  
3 actually paid the fee.

4 (g) That the interest and right of each member therein is to be  
5 equal.

6 (h) The name and address, either residence or business, of each  
7 of the persons signing the articles of association.

8 2. The articles of association must be signed by the original  
9 associates or members.

10 3. The articles so signed must be filed, together with a  
11 certificate of acceptance of appointment signed by the resident agent  
12 for the association, in the Office of the Secretary of State . ~~[, who~~  
13 ~~shall furnish a certified copy thereof.]~~ From the time of the filing in  
14 the Office of the Secretary of State, the association may exercise all  
15 the powers for which it was formed.

16 **Sec. 14.** NRS 81.410 is hereby amended to read as follows:

17 81.410 1. Nonprofit cooperative corporations may be formed  
18 by the voluntary association of any three or more persons in the  
19 manner prescribed in NRS 81.410 to 81.540, inclusive ~~[,]~~ , and  
20 *section 10 of this act.*

21 2. Except as otherwise provided in subsection 3, the provisions  
22 of chapter 82 of NRS govern a nonprofit cooperative corporation  
23 organized pursuant to NRS 81.410 to 81.540, inclusive, *and section*  
24 *10 of this act,* except to the extent that the provisions of chapter 82  
25 of NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[,]~~ ,  
26 *and section 10 of this act.*

27 3. NRS 82.081 and 82.136 do not apply to a nonprofit  
28 cooperative corporation organized pursuant to NRS 81.410 to  
29 81.540, inclusive ~~[,]~~ , and *section 10 of this act.*

30 **Sec. 15.** NRS 82.371 is hereby amended to read as follows:

31 82.371 1. A corporation may restate, or amend and restate, in  
32 a single certificate the entire text of its articles as amended by filing  
33 with the Secretary of State a certificate which must set forth the  
34 articles as amended to the date of the certificate. If the certificate  
35 alters or amends the articles in any manner, it must comply with the  
36 provisions of NRS 82.346, 82.351 and 82.356, as applicable, and  
37 must be accompanied by ~~[:~~

38 ~~—(a) A resolution; or~~

39 ~~—(b) A] a~~ form prescribed by the Secretary of State ~~[;~~

40 ~~→]~~ setting forth which provisions of the articles of incorporation on  
41 file with the Secretary of State are being altered or amended.

42 2. If the certificate does not alter or amend the articles, it must  
43 be signed by an officer of the corporation and must state that he has  
44 been authorized to sign the certificate by resolution of the board of  
45 directors adopted on the date stated, and that the certificate correctly





1 sets forth the text of the articles as amended to the date of the  
2 certificate.

3 3. The following may be omitted from the restated articles:

4 (a) The names, addresses, signatures and acknowledgments of  
5 the incorporators;

6 (b) The names and addresses of the members of the past and  
7 present board of directors; and

8 (c) The name and address of the resident agent.

9 4. Whenever a corporation is required to file a certified copy of  
10 its articles, in lieu thereof it may file a certified copy of the most  
11 recent certificate restating its articles as amended, subject to the  
12 provisions of subsection 2, together with certified copies of all  
13 certificates of amendment filed after the restated articles and  
14 certified copies of all certificates supplementary to the original  
15 articles.

16 **Sec. 16.** NRS 82.546 is hereby amended to read as follows:

17 82.546 1. Any corporation which did exist or is existing  
18 pursuant to the laws of this State may, upon complying with the  
19 provisions of NRS 78.150 and 82.193, procure a renewal or revival  
20 of its charter for any period, together with all the rights, franchises,  
21 privileges and immunities, and subject to all its existing and  
22 preexisting debts, duties and liabilities secured or imposed by its  
23 original charter and amendments thereto, or its existing charter, by  
24 filing:

25 (a) A certificate with the Secretary of State, which must set  
26 forth:

27 (1) The name of the corporation, which must be the name of  
28 the corporation at the time of the renewal or revival, or its name at  
29 the time its original charter expired.

30 (2) The name and street address of the lawfully designated  
31 resident agent of the filing corporation, and his mailing address if  
32 different from his street address.

33 (3) The date when the renewal or revival of the charter is to  
34 commence or be effective, which may be, in cases of a revival,  
35 before the date of the certificate.

36 (4) Whether or not the renewal or revival is to be perpetual,  
37 and, if not perpetual, the time for which the renewal or revival is to  
38 continue.

39 (5) That the corporation desiring to renew or revive its  
40 charter is, or has been, organized and carrying on the business  
41 authorized by its existing or original charter and amendments  
42 thereto, and desires to renew or continue through revival its  
43 existence pursuant to and subject to the provisions of this chapter.



1 (b) A list of its president, secretary and treasurer and all of its  
2 directors and their mailing or street addresses, either residence or  
3 business.

4 2. A corporation whose charter has not expired and is being  
5 renewed shall cause the certificate to be signed by ~~its president or~~  
6 ~~vice president and secretary or assistant secretary.~~ *an officer of the*  
7 *corporation.* The certificate must be approved by a majority of the  
8 last-appointed surviving directors.

9 3. A corporation seeking to revive its original or amended  
10 charter shall cause the certificate to be signed by its president or  
11 vice president and secretary or assistant secretary. The signing and  
12 filing of the certificate must be approved unanimously by the last-  
13 appointed surviving directors of the corporation and must contain a  
14 recital that unanimous consent was secured. The corporation shall  
15 pay to the Secretary of State the fee required to establish a new  
16 corporation pursuant to the provisions of this chapter.

17 4. The filed certificate, or a copy thereof which has been  
18 certified under the hand and seal of the Secretary of State, must be  
19 received in all courts and places as prima facie evidence of the facts  
20 therein stated and of the existence and incorporation of the  
21 corporation named therein.

22 **Sec. 17.** NRS 86.141 is hereby amended to read as follows:

23 86.141 ~~[A]~~

24 *1. Except as otherwise provided in subsection 2, a limited-*  
25 *liability company may be organized under this chapter for any*  
26 *lawful purpose. ~~[-except insurance.]~~*

27 *2. A limited-liability company may not be organized for the*  
28 *purpose of insurance unless approved to do so by the*  
29 *Commissioner of Insurance.*

30 **Sec. 18.** NRS 86.171 is hereby amended to read as follows:

31 86.171 1. The name of a limited-liability company formed  
32 under the provisions of this chapter must contain the words  
33 "Limited-Liability Company," "Limited Liability Company,"  
34 "Limited Company," or "Limited" or the abbreviations "Ltd.,"  
35 "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be  
36 abbreviated as "Co."

37 2. The name proposed for a limited-liability company must be  
38 distinguishable on the records of the Secretary of State from the  
39 names of all other artificial persons formed, organized, registered or  
40 qualified pursuant to the provisions of this title that are on file in the  
41 Office of the Secretary of State and all names that are reserved in  
42 the Office of the Secretary of State pursuant to the provisions of this  
43 title. If a proposed name is not so distinguishable, the Secretary of  
44 State shall return the articles of organization to the organizer, unless  
45 the written, acknowledged consent of the holder of the name on file



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1 or reserved name to use the same name or the requested similar  
2 name accompanies the articles of organization.

3 3. For the purposes of this section and NRS 86.176, a proposed  
4 name is not distinguishable from a name on file or reserved name  
5 solely because one or the other contains distinctive lettering, a  
6 distinctive mark, a trademark or a trade name, or any combination  
7 thereof.

8 4. The name of a limited-liability company whose charter has  
9 been revoked, which has merged and is not the surviving entity or  
10 whose existence has otherwise terminated is available for use by any  
11 other artificial person.

12 5. The Secretary of State shall not accept for filing any articles  
13 of organization for any limited-liability company if the name of the  
14 limited-liability company contains the word "accountant,"  
15 "accounting," "accountancy," "auditor" or "auditing" unless the  
16 Nevada State Board of Accountancy certifies that the limited-  
17 liability company:

18 (a) Is registered pursuant to the provisions of chapter 628 of  
19 NRS; or

20 (b) Has filed with the Nevada State Board of Accountancy under  
21 penalty of perjury a written statement that the limited-liability  
22 company is not engaged in the practice of accounting and is not  
23 offering to practice accounting in this State.

24 6. The Secretary of State shall not accept for filing any articles  
25 of organization or certificate of amendment of articles of  
26 organization of any limited-liability company formed or existing  
27 pursuant to the laws of this State which provides that the name of  
28 the limited-liability company contains the word "bank" or "trust"  
29 unless:

30 (a) It appears from the articles of organization or the certificate  
31 of amendment that the limited-liability company proposes to carry  
32 on business as a banking or trust company, exclusively or in  
33 connection with its business as a bank, savings and loan association  
34 or thrift company; and

35 (b) The articles of organization or certificate of amendment is  
36 first approved by the Commissioner of Financial Institutions.

37 7. The Secretary of State shall not accept for filing any articles  
38 of organization or certificate of amendment of articles of  
39 organization of any limited-liability company formed or existing  
40 pursuant to the provisions of this chapter if it appears from the  
41 articles or the certificate of amendment that the business to be  
42 carried on by the limited-liability company is subject to supervision  
43 by the Commissioner of Insurance or by the Commissioner of  
44 Financial Institutions unless the articles or certificate of amendment



1 is approved by the Commissioner who will supervise the business of  
2 the ~~foreign~~ limited-liability company.

3 8. Except as otherwise provided in subsection 7, the Secretary  
4 of State shall not accept for filing any articles of organization or  
5 certificate of amendment of articles of organization of any limited-  
6 liability company formed or existing pursuant to the laws of this  
7 State which provides that the name of the limited-liability company  
8 contains the words "engineer," "engineered," "engineering,"  
9 "professional engineer," "registered engineer" or "licensed  
10 engineer" unless:

11 (a) The State Board of Professional Engineers and Land  
12 Surveyors certifies that the principals of the limited-liability  
13 company are licensed to practice engineering pursuant to the laws of  
14 this State; or

15 (b) The State Board of Professional Engineers and Land  
16 Surveyors certifies that the limited-liability company is exempt from  
17 the prohibitions of NRS 625.520.

18 9. The Secretary of State may adopt regulations that interpret  
19 the requirements of this section.

20 **Sec. 19.** NRS 86.221 is hereby amended to read as follows:

21 86.221 1. The articles of organization of a limited-liability  
22 company may be amended for any purpose, not inconsistent with  
23 law, as determined by all of the members or permitted by the articles  
24 or an operating agreement.

25 2. An amendment must be made in the form of a certificate  
26 setting forth:

27 (a) The name of the limited-liability company;

28 (b) Whether the limited-liability company is managed by  
29 managers or members; and

30 (c) The amendment to the articles of organization.

31 3. The certificate of amendment must be signed by a manager  
32 of the company or, if management is not vested in a manager, by a  
33 member.

34 4. Restated articles of organization may be signed and filed in  
35 the same manner as a certificate of amendment. If the certificate  
36 alters or amends the articles in any manner, it must be accompanied  
37 by ~~f~~:

38 ~~(a) A resolution; or~~

39 ~~(b) A} a form prescribed by the Secretary of State ~~f~~,~~

40 ~~↪} setting forth which provisions of the articles of organization on~~  
41 ~~file with the Secretary of State are being altered or amended.~~

42 **Sec. 20.** NRS 86.263 is hereby amended to read as follows:

43 86.263 1. A limited-liability company shall, on or before the  
44 last day of the first month after the filing of its articles of



1 organization with the Secretary of State, file with the Secretary of  
2 State, on a form furnished by him, a list that contains:

- 3 (a) The name of the limited-liability company;
- 4 (b) The file number of the limited-liability company, if known;
- 5 (c) The names and titles of all of its managers or, if there is no  
6 manager, all of its managing members;
- 7 (d) The address, either residence or business, of each manager or  
8 managing member listed, following the name of the manager or  
9 managing member;
- 10 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
11 resident agent ~~[of the limited-liability company;]~~ *in this State;* and
- 12 (f) The signature of a manager or managing member of the  
13 limited-liability company certifying that the list is true, complete  
14 and accurate.

15 2. The limited-liability company shall annually thereafter, on  
16 or before the last day of the month in which the anniversary date of  
17 its organization occurs, file with the Secretary of State, on a form  
18 furnished by him, an amended list containing all of the information  
19 required in subsection 1.

20 3. Each list required by subsections 1 and 2 must be  
21 accompanied by a declaration under penalty of perjury that the  
22 limited-liability company:

- 23 (a) Has complied with the provisions of NRS 360.780; and
- 24 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
25 C felony to knowingly offer any false or forged instrument for filing  
26 in the Office of the Secretary of State.

27 4. Upon filing:

- 28 (a) The initial list required by subsection 1, the limited-liability  
29 company shall pay to the Secretary of State a fee of \$125.
- 30 (b) Each annual list required by subsection 2, the limited-  
31 liability company shall pay to the Secretary of State a fee of \$125.

32 5. If a manager or managing member of a limited-liability  
33 company resigns and the resignation is not ~~[made in conjunction  
34 with the filing of an]~~ *reflected on the* annual or amended list of  
35 managers and managing members, the limited-liability company *or*  
36 *the resigning manager or managing member* shall pay to the  
37 Secretary of State a fee of \$75 to file the resignation . ~~[of the  
38 manager or managing member.]~~

39 6. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
40 for filing each list required by subsection 2, cause to be mailed to  
41 each limited-liability company which is required to comply with the  
42 provisions of this section, and which has not become delinquent, a  
43 notice of the fee due under subsection 4 and a reminder to file a list  
44 required by subsection 2. Failure of any company to receive a notice  
45 or form does not excuse it from the penalty imposed by law.



1 7. If the list to be filed pursuant to the provisions of subsection  
2 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
3 Secretary of State may return the list for correction or payment.

4 8. An annual list for a limited-liability company not in default  
5 received by the Secretary of State more than 90 days before its due  
6 date shall be deemed an amended list for the previous year.

7 **Sec. 21.** NRS 86.5461 is hereby amended to read as follows:

8 86.5461 1. Each foreign limited-liability company doing  
9 business in this State shall, on or before the last day of the first  
10 month after the filing of its application for registration as a foreign  
11 limited-liability company with the Secretary of State, and annually  
12 thereafter on or before the last day of the month in which the  
13 anniversary date of its qualification to do business in this State  
14 occurs in each year, file with the Secretary of State a list on a form  
15 furnished by him that contains:

16 (a) The name of the foreign limited-liability company;

17 (b) The file number of the foreign limited-liability company, if  
18 known;

19 (c) The names and titles of all its managers or, if there is no  
20 manager, all its managing members;

21 (d) The address, either residence or business, of each manager or  
22 managing member listed pursuant to paragraph (c);

23 (e) The name and *street* address of its lawfully designated  
24 resident agent in this State; and

25 (f) The signature of a manager or managing member of the  
26 foreign limited-liability company certifying that the list is true,  
27 complete and accurate.

28 2. Each list filed pursuant to this section must be accompanied  
29 by a declaration under penalty of perjury that the foreign limited-  
30 liability company:

31 (a) Has complied with the provisions of NRS 360.780; and

32 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 with the Office of the Secretary of State.

35 3. Upon filing:

36 (a) The initial list required by this section, the foreign limited-  
37 liability company shall pay to the Secretary of State a fee of \$125.

38 (b) Each annual list required by this section, the foreign limited-  
39 liability company shall pay to the Secretary of State a fee of \$125.

40 4. If a manager or managing member of a foreign limited-  
41 liability company resigns and the resignation is not ~~made in~~  
42 ~~conjunction with the filing of an~~ *reflected on the* annual or  
43 amended list of managers and managing members, the foreign  
44 limited-liability company *or the resigning manager or managing*



1 *member* shall pay to the Secretary of State a fee of \$75 to file the  
2 resignation. ~~[of the manager or managing member.]~~

3 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
4 for filing each annual list required by this section, cause to be  
5 mailed to each foreign limited-liability company which is required  
6 to comply with the provisions of NRS 86.5461 to 86.5468,  
7 inclusive, and which has not become delinquent, the blank forms to  
8 be completed and filed with him. Failure of any foreign limited-  
9 liability company to receive the forms does not excuse it from the  
10 penalty imposed by the provisions of NRS 86.5461 to 86.5468,  
11 inclusive.

12 6. If the list to be filed pursuant to the provisions of subsection  
13 1 is defective or the fee required by subsection 3 is not paid, the  
14 Secretary of State may return the list for correction or payment.

15 7. An annual list for a foreign limited-liability company not in  
16 default which is received by the Secretary of State more than 90  
17 days before its due date must be deemed an amended list for the  
18 previous year and does not satisfy the requirements of this section  
19 for the year to which the due date is applicable.

20 **Sec. 22.** NRS 86.561 is hereby amended to read as follows:

21 86.561 1. The Secretary of State shall charge and collect for:

22 (a) Filing the original articles of organization, or for registration  
23 of a foreign company, \$75;

24 (b) Amending or restating the articles of organization, amending  
25 the registration of a foreign company or filing a certificate of  
26 correction, \$175;

27 (c) Filing the articles of dissolution of a domestic or foreign  
28 company, \$75;

29 (d) Filing a statement of change of address of a records or  
30 registered office, or change of the resident agent, \$60;

31 (e) Certifying *a copy of* articles of organization or an  
32 amendment to the articles, ~~[in both cases where a copy is provided,]~~  
33 \$30;

34 (f) Certifying an authorized printed copy of this chapter, \$30;

35 (g) Reserving a name for a limited-liability company, \$25;

36 (h) Filing a certificate of cancellation, \$75;

37 (i) Signing, filing or certifying any other record, \$50; and

38 (j) Copies ~~[made at]~~ *provided by* the Office of the Secretary of  
39 State, \$2 per page.

40 2. The Secretary of State shall charge and collect, at the time of  
41 any service of process on him as agent for service of process of a  
42 limited-liability company, \$100 which may be recovered as taxable  
43 costs by the party to the action causing the service to be made if the  
44 party prevails in the action.



1 3. Except as otherwise provided in this section, the fees set  
2 forth in NRS 78.785 apply to this chapter.

3 **Sec. 23.** NRS 87.440 is hereby amended to read as follows:

4 87.440 1. To become a registered limited-liability  
5 partnership, a partnership shall file with the Secretary of State a  
6 certificate of registration stating each of the following:

7 (a) The name of the partnership.

8 (b) The street address of its principal office.

9 (c) The name of the person designated as the partnership's  
10 resident agent, the street address of the resident agent where process  
11 may be served upon the partnership and the mailing address of the  
12 resident agent if it is different than his street address.

13 (d) The name and business address of each managing partner in  
14 this State.

15 (e) A brief statement of the professional service rendered by the  
16 partnership.

17 (f) That the partnership thereafter will be a registered limited-  
18 liability partnership.

19 (g) Any other information that the partnership wishes to include.

20 2. The certificate of registration must be signed by a majority  
21 in interest of the partners or by one or more partners authorized to  
22 sign such a certificate.

23 3. The certificate of registration must be accompanied by a fee  
24 of ~~[\$175.]~~ \$75.

25 4. The Secretary of State shall register as a registered limited-  
26 liability partnership any partnership that submits a completed  
27 certificate of registration with the required fee.

28 5. The registration of a registered limited-liability partnership  
29 is effective at the time of the filing of the certificate of registration.

30 **Sec. 24.** NRS 87.510 is hereby amended to read as follows:

31 87.510 1. A registered limited-liability partnership shall, on  
32 or before the last day of the first month after the filing of its  
33 certificate of registration with the Secretary of State, and annually  
34 thereafter on or before the last day of the month in which the  
35 anniversary date of the filing of its certificate of registration with the  
36 Secretary of State occurs, file with the Secretary of State, on a form  
37 furnished by him, a list that contains:

38 (a) The name of the registered limited-liability partnership;

39 (b) The file number of the registered limited-liability  
40 partnership, if known;

41 (c) The names of all of its managing partners;

42 (d) The address, either residence or business, of each managing  
43 partner;





1 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
2 resident agent ~~[of the registered limited-liability partnership;]~~ *in this*  
3 *State;* and

4 (f) The signature of a managing partner of the registered limited-  
5 liability partnership certifying that the list is true, complete and  
6 accurate.

7 ↪ Each list filed pursuant to this subsection must be accompanied  
8 by a declaration under penalty of perjury that the registered limited-  
9 liability partnership has complied with the provisions of NRS  
10 360.780 and which acknowledges that pursuant to NRS 239.330 it is  
11 a category C felony to knowingly offer any false or forged  
12 instrument for filing in the Office of the Secretary of State.

13 2. Upon filing:

14 (a) The initial list required by subsection 1, the registered  
15 limited-liability partnership shall pay to the Secretary of State a fee  
16 of \$125.

17 (b) Each annual list required by subsection 1, the registered  
18 limited-liability partnership shall pay to the Secretary of State a fee  
19 of \$125.

20 3. If a managing partner of a registered limited-liability  
21 partnership resigns and the resignation is not ~~[made in conjunction~~  
22 ~~with the filing of an]~~ *reflected on the* annual or amended list of  
23 managing partners, the registered limited-liability partnership *or the*  
24 *resigning managing partner* shall pay to the Secretary of State a fee  
25 of \$75 to file the resignation . ~~[of the managing partner.]~~

26 4. The Secretary of State shall, at least 90 days before the last  
27 day for filing each annual list required by subsection 1, cause to be  
28 mailed to the registered limited-liability partnership a notice of the  
29 fee due pursuant to subsection 2 and a reminder to file the annual  
30 list required by subsection 1. The failure of any registered limited-  
31 liability partnership to receive a notice or form does not excuse it  
32 from complying with the provisions of this section.

33 5. If the list to be filed pursuant to the provisions of subsection  
34 1 is defective, or the fee required by subsection 2 is not paid, the  
35 Secretary of State may return the list for correction or payment.

36 6. An annual list that is filed by a registered limited-liability  
37 partnership which is not in default more than 90 days before it is due  
38 shall be deemed an amended list for the previous year and does not  
39 satisfy the requirements of subsection 1 for the year to which the  
40 due date is applicable.

41 **Sec. 25.** NRS 87.541 is hereby amended to read as follows:

42 87.541 1. Each foreign registered limited-liability partnership  
43 doing business in this State shall, on or before the last day of the  
44 first month after the filing of its application for registration as a  
45 foreign registered limited-liability partnership with the Secretary of



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1 State, and annually thereafter on or before the last day of the month  
2 in which the anniversary date of its qualification to do business in  
3 this State occurs in each year, file with the Secretary of State a list,  
4 on a form furnished by him, that contains:

5 (a) The name of the foreign registered limited-liability  
6 partnership;

7 (b) The file number of the foreign registered limited-liability  
8 partnership, if known;

9 (c) The names of all its managing partners;

10 (d) The address, either residence or business, of each managing  
11 partner;

12 (e) The name and *street* address of ~~the~~ *its* lawfully designated  
13 resident agent ~~of the foreign registered limited liability~~  
14 ~~partnership;~~ *in this State;* and

15 (f) The signature of a managing partner of the foreign registered  
16 limited-liability partnership certifying that the list is true, complete  
17 and accurate.

18 2. Each list filed pursuant to this section must be accompanied  
19 by a declaration under penalty of perjury that the foreign registered  
20 limited-liability partnership:

21 (a) Has complied with the provisions of NRS 360.780; and

22 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
23 C felony to knowingly offer any false or forged instrument for filing  
24 in the Office of the Secretary of State.

25 3. Upon filing:

26 (a) The initial list required by this section, the foreign registered  
27 limited-liability partnership shall pay to the Secretary of State a fee  
28 of \$125.

29 (b) Each annual list required by this section, the foreign  
30 registered limited-liability partnership shall pay to the Secretary of  
31 State a fee of \$125.

32 4. If a managing partner of a foreign registered limited-liability  
33 partnership resigns and the resignation is not ~~made in conjunction~~  
34 ~~with the filing of an~~ *reflected on the* annual or amended list of  
35 managing partners, the foreign registered limited-liability  
36 partnership *or the managing partner* shall pay to the Secretary of  
37 State a fee of \$75 to file the resignation. ~~of the managing partner.~~

38 5. The Secretary of State shall, ~~60~~ *90* days before the last day  
39 for filing each annual list required by subsection 1, cause to be  
40 mailed to each foreign registered limited-liability partnership which  
41 is required to comply with the provisions of NRS 87.541 to 87.544,  
42 inclusive, and which has not become delinquent, the blank forms to  
43 be completed and filed with him. Failure of any foreign registered  
44 limited-liability partnership to receive the forms does not excuse it



1 from the penalty imposed by the provisions of NRS 87.541 to  
2 87.544, inclusive.

3 6. If the list to be filed pursuant to the provisions of subsection  
4 1 is defective or the fee required by subsection 3 is not paid, the  
5 Secretary of State may return the list for correction or payment.

6 7. An annual list for a foreign registered limited-liability  
7 partnership not in default which is received by the Secretary of State  
8 more than 90 days before its due date must be deemed an amended  
9 list for the previous year and does not satisfy the requirements of  
10 subsection 1 for the year to which the due date is applicable.

11 **Sec. 26.** NRS 87.550 is hereby amended to read as follows:

12 87.550 In addition to any other fees required by NRS 87.440 to  
13 87.540, inclusive, and 87.560, the Secretary of State shall charge  
14 and collect the following fees for services rendered pursuant to  
15 those sections:

16 1. For certifying records required by NRS 87.440 to 87.540,  
17 inclusive, and 87.560, \$30 per certification.

18 2. For signing a certificate verifying the existence of a  
19 registered limited-liability partnership, if the registered limited-  
20 liability partnership has not filed a certificate of amendment, \$50.

21 3. For signing a certificate verifying the existence of a  
22 registered limited-liability partnership, if the registered limited-  
23 liability partnership has filed a certificate of amendment, \$50.

24 4. For signing, certifying or filing any certificate or record not  
25 required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

26 5. For any copies ~~made~~ *provided* by the Office of the  
27 Secretary of State, \$2 per page.

28 6. For examining and provisionally approving any record  
29 before the record is presented for filing, \$125.

30 **Sec. 27.** NRS 88.355 is hereby amended to read as follows:

31 88.355 1. A certificate of limited partnership is amended by  
32 filing a certificate of amendment thereto in the Office of the  
33 Secretary of State. The certificate must set forth:

34 (a) The name of the limited partnership; and

35 (b) The amendment.

36 2. Within 30 days after the happening of any of the following  
37 events an amendment to a certificate of limited partnership  
38 reflecting the occurrence of the event or events must be filed:

39 (a) The admission of a new general partner;

40 (b) The withdrawal of a general partner; or

41 (c) The continuation of the business under NRS 88.550 after an  
42 event of withdrawal of a general partner.

43 3. A general partner who becomes aware that any statement in  
44 a certificate of limited partnership was false when made or that any  
45 arrangements or other facts described, except the address of its



1 office or the name or address of its resident agent, have changed,  
2 making the certificate inaccurate in any respect, shall promptly  
3 amend the certificate.

4 4. A certificate of limited partnership may be amended at any  
5 time for any other proper purpose the general partners determine.

6 5. No person has any liability because an amendment to a  
7 certificate of limited partnership has not been filed to reflect the  
8 occurrence of any event referred to in subsection 2 if the amendment  
9 is filed within the 30-day period specified in subsection 2.

10 6. A restated certificate of limited partnership may be signed  
11 and filed in the same manner as a certificate of amendment. If the  
12 certificate alters or amends the certificate of limited partnership in  
13 any manner, it must be accompanied by ~~f~~:

14 ~~—(a) A resolution; or~~

15 ~~—(b) A~~ **a** form prescribed by the Secretary of State ~~f~~;

16 ~~→~~ setting forth which provisions of the certificate of limited  
17 partnership on file with the Secretary of State are being altered or  
18 amended.

19 **Sec. 28.** NRS 88.375 is hereby amended to read as follows:

20 88.375 1. Each certificate required by NRS 88.350 to 88.390,  
21 inclusive, to be filed in the Office of the Secretary of State must be  
22 signed in the following manner:

23 (a) An original certificate of limited partnership must be signed  
24 by all ~~[general partners;]~~ **organizers;**

25 (b) A certificate of amendment must be signed by at least one  
26 general partner and by each other general partner designated in the  
27 certificate as a new general partner; and

28 (c) A certificate of cancellation must be signed by all general  
29 partners.

30 2. Any person may sign a certificate by an attorney-in-fact, but  
31 a power of attorney to sign a certificate relating to the admission of  
32 a general partner must specifically describe the admission.

33 3. The signing of a certificate by a general partner constitutes  
34 an affirmation under the penalties of perjury that the facts stated  
35 therein are true.

36 **Sec. 29.** NRS 88.395 is hereby amended to read as follows:

37 88.395 1. A limited partnership shall, on or before the last  
38 day of the first month after the filing of its certificate of limited  
39 partnership with the Secretary of State, and annually thereafter on or  
40 before the last day of the month in which the anniversary date of the  
41 filing of its certificate of limited partnership occurs, file with the  
42 Secretary of State, on a form furnished by him, a list that contains:

43 (a) The name of the limited partnership;

44 (b) The file number of the limited partnership, if known;

45 (c) The names of all of its general partners;



- 1 (d) The address, either residence or business, of each general  
2 partner;
- 3 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
4 resident agent ~~[of the limited partnership;]~~ *in this State*; and
- 5 (f) The signature of a general partner of the limited partnership  
6 certifying that the list is true, complete and accurate.
- 7 ↪ Each list filed pursuant to this subsection must be accompanied  
8 by a declaration under penalty of perjury that the limited partnership  
9 has complied with the provisions of NRS 360.780 and which  
10 acknowledges that pursuant to NRS 239.330 it is a category C  
11 felony to knowingly offer any false or forged instrument for filing in  
12 the Office of the Secretary of State.
- 13 2. Except as otherwise provided in subsection 3, a limited  
14 partnership shall, upon filing:
- 15 (a) The initial list required by subsection 1, pay to the Secretary  
16 of State a fee of \$125.
- 17 (b) Each annual list required by subsection 1, pay to the  
18 Secretary of State a fee of \$125.
- 19 3. A registered limited-liability limited partnership shall, upon  
20 filing:
- 21 (a) The initial list required by subsection 1, pay to the Secretary  
22 of State a fee of \$125.
- 23 (b) Each annual list required by subsection 1, pay to the  
24 Secretary of State a fee of \$175.
- 25 4. If a general partner of a limited partnership resigns and the  
26 resignation is not ~~[made in conjunction with the filing of an]~~  
27 *reflected on the* annual or amended list of general partners, the  
28 limited partnership *or the resigning general partner* shall pay to the  
29 Secretary of State a fee of \$75 to file the resignation. ~~[of the general~~  
30 *partner.]*
- 31 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
32 for filing each annual list required by subsection 1, cause to be  
33 mailed to each limited partnership which is required to comply with  
34 the provisions of this section, and which has not become delinquent,  
35 a notice of the fee due pursuant to the provisions of subsection 2 or  
36 3, as appropriate, and a reminder to file the annual list. Failure of  
37 any limited partnership to receive a notice or form does not excuse it  
38 from the penalty imposed by NRS 88.400.
- 39 6. If the list to be filed pursuant to the provisions of subsection  
40 1 is defective or the fee required by subsection 2 or 3 is not paid, the  
41 Secretary of State may return the list for correction or payment.
- 42 7. An annual list for a limited partnership not in default that is  
43 received by the Secretary of State more than 90 days before its due  
44 date shall be deemed an amended list for the previous year and does



1 not satisfy the requirements of subsection 1 for the year to which the  
2 due date is applicable.

3 8. A filing made pursuant to this section does not satisfy the  
4 provisions of NRS 88.355 and may not be substituted for filings  
5 submitted pursuant to NRS 88.355.

6 **Sec. 30.** NRS 88.415 is hereby amended to read as follows:

7 88.415 The Secretary of State, for services relating to his  
8 official duties and the records of his office, shall charge and collect  
9 the following fees:

10 1. For filing a certificate of limited partnership, or for  
11 registering a foreign limited partnership, \$75.

12 2. For filing a certificate of registration of limited-liability  
13 limited partnership, or for registering a foreign registered limited-  
14 liability *limited* partnership, \$100.

15 3. For filing a certificate of amendment of limited partnership  
16 or restated certificate of limited partnership, \$175.

17 4. For filing a certificate of a change of location of the records  
18 office of a limited partnership or the office of its resident agent, or a  
19 designation of a new resident agent, \$60.

20 5. For certifying a *copy of a* certificate of limited partnership,  
21 an amendment to the certificate, or a certificate as amended, [~~where~~  
22 ~~a copy is provided,~~] \$30 per certification.

23 6. For certifying an authorized printed copy of the limited  
24 partnership law, \$30.

25 7. For reserving a limited partnership name, or for signing,  
26 filing or certifying any other record, \$25.

27 8. For copies [~~made at~~] *provided by* the Office of the Secretary  
28 of State, \$2 per page.

29 9. For filing a certificate of cancellation of a limited  
30 partnership, \$75.

31 ↪ Except as otherwise provided in this section, the fees set forth in  
32 NRS 78.785 apply to this chapter.

33 **Sec. 31.** NRS 88.591 is hereby amended to read as follows:

34 88.591 1. Each foreign limited partnership doing business in  
35 this State shall, on or before the last day of the first month after the  
36 filing of its application for registration as a foreign limited  
37 partnership with the Secretary of State, and annually thereafter on or  
38 before the last day of the month in which the anniversary date of its  
39 qualification to do business in this State occurs in each year, file  
40 with the Secretary of State a list, on a form furnished by him, that  
41 contains:

- 42 (a) The name of the foreign limited partnership;
- 43 (b) The file number of the foreign limited partnership, if known;
- 44 (c) The names of all its general partners;





1 (d) The address, either residence or business, of each general  
2 partner;

3 (e) The name and *street* address of its lawfully designated  
4 resident agent in this State; and

5 (f) The signature of a general partner of the foreign limited  
6 partnership certifying that the list is true, complete and accurate.

7 2. Each list filed pursuant to this section must be accompanied  
8 by a declaration under penalty of perjury that the foreign limited  
9 partnership:

10 (a) Has complied with the provisions of NRS 360.780; and

11 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
12 C felony to knowingly offer any false or forged instrument for filing  
13 in the Office of the Secretary of State.

14 3. Upon filing:

15 (a) The initial list required by this section, the foreign limited  
16 partnership shall pay to the Secretary of State a fee of \$125.

17 (b) Each annual list required by this section, the foreign limited  
18 partnership shall pay to the Secretary of State a fee of \$125.

19 4. If a general partner of a foreign limited partnership resigns  
20 and the resignation is not ~~made in conjunction with the filing of an~~  
21 *reflected on the* annual or amended list of general partners, the  
22 foreign limited partnership *or the resigning general partner* shall  
23 pay to the Secretary of State a fee of \$75 to file the resignation of  
24 the general partner.

25 5. The Secretary of State shall, ~~{60}~~ *90* days before the last day  
26 for filing each annual list required by subsection 1, cause to be  
27 mailed to each foreign limited partnership, which is required to  
28 comply with the provisions of NRS 88.591 to 88.5945, inclusive,  
29 and which has not become delinquent, the blank forms to be  
30 completed and filed with him. Failure of any foreign limited  
31 partnership to receive the forms does not excuse it from the penalty  
32 imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

33 6. If the list to be filed pursuant to the provisions of subsection  
34 1 is defective or the fee required by subsection 3 is not paid, the  
35 Secretary of State may return the list for correction or payment.

36 7. An annual list for a foreign limited partnership not in default  
37 which is received by the Secretary of State more than 90 days before  
38 its due date must be deemed an amended list for the previous year  
39 and does not satisfy the requirements of subsection 1 for the year to  
40 which the due date is applicable.

41 **Sec. 32.** NRS 88A.210 is hereby amended to read as follows:

42 88A.210 1. One or more persons may create a business trust  
43 by adopting a governing instrument and signing and filing with the  
44 Secretary of State a certificate of trust and a certificate of acceptance



1 of appointment signed by the resident agent of the business trust.  
2 The certificate of trust must set forth:

- 3 (a) The name of the business trust;
- 4 (b) The name and ~~[the mailing or street]~~ address, either  
5 residence or business, of at least one trustee;
- 6 (c) The name of the person designated as the resident agent for  
7 the business trust, the street address of the resident agent where  
8 process may be served upon the business trust and the mailing  
9 address of the resident agent if different from the street address;
- 10 (d) The name and ~~[mailing or street]~~ address, either residence or  
11 business, of each person signing the certificate of trust; and
- 12 (e) Any other information the trustees determine to include.

13 2. Upon the filing of the certificate of trust and the certificate  
14 of acceptance with the Secretary of State and the payment to him of  
15 the required filing fee, the Secretary of State shall issue to the  
16 business trust a certificate that the required records with the required  
17 content have been filed. From the date of that filing, the business  
18 trust is legally formed pursuant to this chapter.

19 **Sec. 33.** NRS 88A.600 is hereby amended to read as follows:

20 88A.600 1. A business trust formed pursuant to this chapter  
21 shall, on or before the last day of the first month after the filing of  
22 its certificate of trust with the Secretary of State, and annually  
23 thereafter on or before the last day of the month in which the  
24 anniversary date of the filing of its certificate of trust with the  
25 Secretary of State occurs, file with the Secretary of State, on a form  
26 furnished by him, a list signed by at least one trustee that contains  
27 the name and ~~[mailing]~~ *street* address of its lawfully designated  
28 resident agent *in this State* and at least one trustee. Each list filed  
29 pursuant to this subsection must be accompanied by a declaration  
30 under penalty of perjury that the business trust:

- 31 (a) Has complied with the provisions of NRS 360.780; and
- 32 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 in the Office of the Secretary of State.

35 2. Upon filing:

- 36 (a) The initial list required by subsection 1, the business trust  
37 shall pay to the Secretary of State a fee of \$125.
- 38 (b) Each annual list required by subsection 1, the business trust  
39 shall pay to the Secretary of State a fee of \$125.

40 3. If a trustee of a business trust resigns and the resignation is  
41 not ~~[made in conjunction with the filing of an]~~ *reflected on the*  
42 annual or amended list of trustees, the business trust *or the*  
43 *resigning trustee* shall pay to the Secretary of State a fee of \$75 to  
44 file the resignation . ~~[of the trustee.]~~





1 4. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
2 for filing each annual list required by subsection 1, cause to be  
3 mailed to each business trust which is required to comply with the  
4 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
5 not become delinquent, the blank forms to be completed and filed  
6 with him. Failure of a business trust to receive the forms does not  
7 excuse it from the penalty imposed by law.

8 5. An annual list for a business trust not in default which is  
9 received by the Secretary of State more than 90 days before its due  
10 date shall be deemed an amended list for the previous year.

11 **Sec. 34.** NRS 88A.732 is hereby amended to read as follows:

12 88A.732 1. Each foreign business trust doing business in this  
13 State shall, on or before the last day of the first month after the filing  
14 of its application for registration as a foreign business trust with the  
15 Secretary of State, and annually thereafter on or before the last day  
16 of the month in which the anniversary date of its qualification to do  
17 business in this State occurs in each year, file with the Secretary of  
18 State a list, on a form furnished by him, that contains:

- 19 (a) The name of the foreign business trust;  
20 (b) The file number of the foreign business trust, if known;  
21 (c) The name of at least one of its trustees;  
22 (d) The address, either residence or business, of the trustee listed  
23 pursuant to paragraph (c);  
24 (e) The name and *street* address of its lawfully designated  
25 resident agent in this State; and  
26 (f) The signature of a trustee of the foreign business trust  
27 certifying that the list is true, complete and accurate.

28 2. Each list required to be filed pursuant to this section must be  
29 accompanied by a declaration under penalty of perjury that the  
30 foreign business trust:

- 31 (a) Has complied with the provisions of NRS 360.780; and  
32 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
33 C felony to knowingly offer any false or forged instrument for filing  
34 in the Office of the Secretary of State.

35 3. Upon filing:

- 36 (a) The initial list required by this section, the foreign business  
37 trust shall pay to the Secretary of State a fee of \$125.  
38 (b) Each annual list required by this section, the foreign business  
39 trust shall pay to the Secretary of State a fee of \$125.

40 4. If a trustee of a foreign business trust resigns and the  
41 resignation is not ~~[made in conjunction with the filing of an]~~  
42 *reflected on the* annual or amended list of trustees, the foreign  
43 business trust *or the resigning trustee* shall pay to the Secretary of  
44 State a fee of \$75 to file the resignation. ~~[of the trustee.]~~



1       5. The Secretary of State shall, ~~[60]~~ **90** days before the last day  
2 for filing each annual list required by subsection 1, cause to be  
3 mailed to each foreign business trust which is required to comply  
4 with the provisions of NRS 88A.732 to 88A.738, inclusive, and  
5 which has not become delinquent, the blank forms to be completed  
6 and filed with him. Failure of any foreign business trust to receive  
7 the forms does not excuse it from the penalty imposed by the  
8 provisions of NRS 88A.732 to 88A.738, inclusive.

9       6. If the list to be filed pursuant to the provisions of subsection  
10 1 is defective or the fee required by subsection 3 is not paid, the  
11 Secretary of State may return the list for correction or payment.

12       7. An annual list for a foreign business trust not in default  
13 which is received by the Secretary of State more than 90 days before  
14 its due date must be deemed an amended list for the previous year  
15 and does not satisfy the requirements of subsection 1 for the year to  
16 which the due date is applicable.

17       **Sec. 35.** NRS 89.250 is hereby amended to read as follows:

18       89.250 1. Except as otherwise provided in subsection 2, a  
19 professional association shall, on or before the last day of the first  
20 month after the filing of its articles of association with the Secretary  
21 of State, and annually thereafter on or before the last day of the  
22 month in which the anniversary date of its organization occurs in  
23 each year, ~~[furnish a statement to]~~ **file with** the Secretary of State **a**  
24 **list** showing the names and addresses, either residence or business,  
25 of all members and employees in the professional association and  
26 certifying that all members and employees are licensed to render  
27 professional service in this State.

28       2. A professional association organized and practicing pursuant  
29 to the provisions of this chapter and NRS 623.349 shall, on or  
30 before the last day of the first month after the filing of its articles of  
31 association with the Secretary of State, and annually thereafter on or  
32 before the last day of the month in which the anniversary date of its  
33 organization occurs in each year, ~~[furnish a statement to]~~ **file with**  
34 the Secretary of State **[:]** **a list:**

35       (a) Showing the names and addresses, either residence or  
36 business, of all members and employees of the professional  
37 association who are licensed or otherwise authorized by law to  
38 render professional service in this State;

39       (b) Certifying that all members and employees who render  
40 professional service are licensed or otherwise authorized by law to  
41 render professional service in this State; and

42       (c) Certifying that all members who are not licensed to render  
43 professional service in this State do not render professional service  
44 on behalf of the professional association except as authorized by  
45 law.



1       3. Each **[statement] list** filed pursuant to this section must be:  
2       (a) Made on a form **[prescribed] furnished** by the Secretary of  
3 State and must not contain any fiscal or other information except  
4 that expressly called for by this section.

5       (b) Signed by the chief executive officer of the professional  
6 association.

7       (c) Accompanied by a declaration under penalty of perjury that  
8 the professional association:

9           (1) Has complied with the provisions of NRS 360.780; and

10           (2) Acknowledges that pursuant to NRS 239.330, it is a  
11 category C felony to knowingly offer any false or forged instrument  
12 for filing in the Office of the Secretary of State.

13       4. Upon filing:

14       (a) The initial **[statement] list** required by this section, the  
15 professional association shall pay to the Secretary of State a fee of  
16 \$125.

17       (b) Each annual **[statement] list** required by this section, the  
18 professional association shall pay to the Secretary of State a fee of  
19 \$125.

20       **Sec. 36.** NRS 89.256 is hereby amended to read as follows:

21       89.256 1. Except as otherwise provided in subsections 3 and  
22 4, the Secretary of State shall reinstate any professional association  
23 which has forfeited its right to transact business under the provisions  
24 of this chapter and restore the right to carry on business in this State  
25 and exercise its privileges and immunities if it:

26       (a) Files with the Secretary of State:

27           (1) The **[statement] list** and certification required by NRS  
28 89.250; and

29           (2) A certificate of acceptance of appointment signed by its  
30 resident agent; and

31       (b) Pays to the Secretary of State:

32           (1) The filing fee and penalty set forth in NRS 89.250 and  
33 89.252 for each year or portion thereof during which the articles of  
34 association have been revoked; and

35           (2) A fee of \$300 for reinstatement.

36       2. When the Secretary of State reinstates the professional  
37 association, he shall issue to the professional association a  
38 certificate of reinstatement if the professional association:

39       (a) Requests a certificate of reinstatement; and

40       (b) Pays the required fees pursuant to subsection 8 of  
41 NRS 78.785.

42       3. The Secretary of State shall not order a reinstatement unless  
43 all delinquent fees and penalties have been paid, and the revocation  
44 of the articles of association occurred only by reason of the failure  
45 to pay the fees and penalties.



1 4. If the articles of association of a professional association  
2 have been revoked pursuant to the provisions of this chapter and  
3 have remained revoked for 10 consecutive years, the articles must  
4 not be reinstated.

5 **Sec. 37.** NRS 21.075 is hereby amended to read as follows:

6 21.075 1. Execution on the writ of execution by levying on  
7 the property of the judgment debtor may occur only if the sheriff  
8 serves the judgment debtor with a notice of the writ of execution  
9 pursuant to NRS 21.076 and a copy of the writ. The notice must  
10 describe the types of property exempt from execution and explain  
11 the procedure for claiming those exemptions in the manner required  
12 in subsection 2. The clerk of the court shall attach the notice to the  
13 writ of execution at the time the writ is issued.

14 2. The notice required pursuant to subsection 1 must be  
15 substantially in the following form:

16  
17 NOTICE OF EXECUTION

18  
19 YOUR PROPERTY IS BEING ATTACHED OR  
20 YOUR WAGES ARE BEING GARNISHED  
21

22 A court has determined that you owe money to  
23 .....(name of person), the judgment creditor. He has  
24 begun the procedure to collect that money by garnishing your  
25 wages, bank account and other personal property held by  
26 third persons or by taking money or other property in your  
27 possession.

28 Certain benefits and property owned by you may be  
29 exempt from execution and may not be taken from you. The  
30 following is a partial list of exemptions:

- 31 1. Payments received under the Social Security Act.
- 32 2. Payments for benefits or the return of contributions
- 33 under the Public Employees' Retirement System.
- 34 3. Payments for public assistance granted through the
- 35 Welfare Division of the Department of Human Resources or a
- 36 local governmental entity.
- 37 4. Proceeds from a policy of life insurance.
- 38 5. Payments of benefits under a program of industrial
- 39 insurance.
- 40 6. Payments received as disability, illness or
- 41 unemployment benefits.
- 42 7. Payments received as unemployment compensation.
- 43 8. Veteran's benefits.
- 44 9. A homestead in a dwelling or a mobile home, not to
- 45 exceed \$200,000, unless:



\* S B 4 5 3 R 2 \*



1 (a) The judgment is for a medical bill, in which case all of  
2 the primary dwelling, including a mobile or manufactured  
3 home, may be exempt.

4 (b) Allodial title has been established and not relinquished  
5 for the dwelling or mobile home, in which case all of the  
6 dwelling or mobile home and its appurtenances are exempt,  
7 including the land on which they are located, unless a valid  
8 waiver executed pursuant to NRS 115.010 is applicable to the  
9 judgment.

10 10. A vehicle, if your equity in the vehicle is less than  
11 \$15,000.

12 11. Seventy-five percent of the take-home pay for any  
13 pay period, unless the weekly take-home pay is less than 30  
14 times the federal minimum wage, in which case the entire  
15 amount may be exempt.

16 12. Money, not to exceed \$500,000 in present value,  
17 held in:

18 (a) An individual retirement arrangement which conforms  
19 with the applicable limitations and requirements of 26 U.S.C.  
20 § 408;

21 (b) A written simplified employee pension plan which  
22 conforms with the applicable limitations and requirements of  
23 26 U.S.C. § 408;

24 (c) A cash or deferred arrangement that is a qualified plan  
25 pursuant to the Internal Revenue Code;

26 (d) A trust forming part of a stock bonus, pension or  
27 profit-sharing plan that is a qualified plan pursuant to sections  
28 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et  
29 seq.; and

30 (e) A trust forming part of a qualified tuition program  
31 pursuant to chapter 353B of NRS, any applicable regulations  
32 adopted pursuant to chapter 353B of NRS and section 529 of  
33 the Internal Revenue Code, 26 U.S.C. § 529, unless the  
34 money is deposited after the entry of a judgment against the  
35 purchaser or account owner or the money will not be used by  
36 any beneficiary to attend a college or university.

37 13. All money and other benefits paid pursuant to the  
38 order of a court of competent jurisdiction for the support,  
39 education and maintenance of a child, whether collected by  
40 the judgment debtor or the State.

41 14. All money and other benefits paid pursuant to the  
42 order of a court of competent jurisdiction for the support and  
43 maintenance of a former spouse, including the amount of any  
44 arrearages in the payment of such support and maintenance to  
45 which the former spouse may be entitled.



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1 15. A vehicle for use by you or your dependent which is  
2 specially equipped or modified to provide mobility for a  
3 person with a permanent disability.

4 16. A prosthesis or any equipment prescribed by a  
5 physician or dentist for you or your dependent.

6 17. Payments, in an amount not to exceed \$16,150,  
7 received as compensation for personal injury, not including  
8 compensation for pain and suffering or actual pecuniary loss,  
9 by the judgment debtor or by a person upon whom the  
10 judgment debtor is dependent at the time the payment is  
11 received.

12 18. Payments received as compensation for the wrongful  
13 death of a person upon whom the judgment debtor was  
14 dependent at the time of the wrongful death, to the extent  
15 reasonably necessary for the support of the judgment debtor  
16 and any dependent of the judgment debtor.

17 19. Payments received as compensation for the loss of  
18 future earnings of the judgment debtor or of a person upon  
19 whom the judgment debtor is dependent at the time the  
20 payment is received, to the extent reasonably necessary for  
21 the support of the judgment debtor and any dependent of the  
22 judgment debtor.

23 20. Payments received as restitution for a criminal act.

24 ***21. Stock of certain corporations, subject to the***  
25 ***provisions of section 1 of this act.***

26 ↪ These exemptions may not apply in certain cases such as a  
27 proceeding to enforce a judgment for support of a person or a  
28 judgment of foreclosure on a mechanic's lien. You should  
29 consult an attorney immediately to assist you in determining  
30 whether your property or money is exempt from execution. If  
31 you cannot afford an attorney, you may be eligible for  
32 assistance through .....(name of organization in  
33 county providing legal services to indigent or elderly  
34 persons).

35  
36 **PROCEDURE FOR CLAIMING EXEMPT PROPERTY**

37  
38 If you believe that the money or property taken from you  
39 is exempt, you must complete and file with the clerk of the  
40 court a notarized affidavit claiming the exemption. A copy of  
41 the affidavit must be served upon the sheriff and the judgment  
42 creditor within 8 days after the notice of execution is mailed.  
43 The property must be returned to you within 5 days after you  
44 file the affidavit unless you or the judgment creditor files a  
45 motion for a hearing to determine the issue of exemption. If



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1 this happens, a hearing will be held to determine whether the  
2 property or money is exempt. The motion for the hearing to  
3 determine the issue of exemption must be filed within 10 days  
4 after the affidavit claiming exemption is filed. The hearing to  
5 determine whether the property or money is exempt must be  
6 held within 10 days after the motion for the hearing is filed.

7 IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE  
8 TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD  
9 AND THE MONEY GIVEN TO THE JUDGMENT  
10 CREDITOR, EVEN IF THE PROPERTY OR MONEY IS  
11 EXEMPT.

12 **Sec. 38.** NRS 21.090 is hereby amended to read as follows:  
13 21.090 1. The following property is exempt from execution,  
14 except as otherwise specifically provided in this section:

15 (a) Private libraries not to exceed \$1,500 in value, and all family  
16 pictures and keepsakes.

17 (b) Necessary household goods, as defined in 16 C.F.R. §  
18 444.1(i) as that section existed on January 1, 1987, and yard  
19 equipment, not to exceed \$10,000 in value, belonging to the  
20 judgment debtor to be selected by him.

21 (c) Farm trucks, farm stock, farm tools, farm equipment,  
22 supplies and seed not to exceed \$4,500 in value, belonging to the  
23 judgment debtor to be selected by him.

24 (d) Professional libraries, office equipment, office supplies and  
25 the tools, instruments and materials used to carry on the trade of the  
26 judgment debtor for the support of himself and his family not to  
27 exceed \$4,500 in value.

28 (e) The cabin or dwelling of a miner or prospector, his cars,  
29 implements and appliances necessary for carrying on any mining  
30 operations and his mining claim actually worked by him, not  
31 exceeding \$4,500 in total value.

32 (f) Except as otherwise provided in paragraph (o), one vehicle if  
33 the judgment debtor's equity does not exceed \$15,000 or the  
34 creditor is paid an amount equal to any excess above that equity.

35 (g) For any pay period, 75 percent of the disposable earnings of  
36 a judgment debtor during that period, or for each week of the period  
37 30 times the minimum hourly wage prescribed by section 6(a)(1) of  
38 the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1),  
39 and in effect at the time the earnings are payable, whichever is  
40 greater. Except as otherwise provided in paragraphs (n), (r) and (s),  
41 the exemption provided in this paragraph does not apply in the case  
42 of any order of a court of competent jurisdiction for the support of  
43 any person, any order of a court of bankruptcy or of any debt due for  
44 any state or federal tax. As used in this paragraph, "disposable



1 earnings” means that part of the earnings of a judgment debtor  
2 remaining after the deduction from those earnings of any amounts  
3 required by law, to be withheld.

4 (h) All fire engines, hooks and ladders, with the carts, trucks and  
5 carriages, hose, buckets, implements and apparatus thereunto  
6 appertaining, and all furniture and uniforms of any fire company or  
7 department organized under the laws of this State.

8 (i) All arms, uniforms and accouterments required by law to be  
9 kept by any person, and also one gun, to be selected by the debtor.

10 (j) All courthouses, jails, public offices and buildings, lots,  
11 grounds and personal property, the fixtures, furniture, books, papers  
12 and appurtenances belonging and pertaining to the courthouse, jail  
13 and public offices belonging to any county of this State, all  
14 cemeteries, public squares, parks and places, public buildings, town  
15 halls, markets, buildings for the use of fire departments and military  
16 organizations, and the lots and grounds thereto belonging and  
17 appertaining, owned or held by any town or incorporated city, or  
18 dedicated by the town or city to health, ornament or public use, or  
19 for the use of any fire or military company organized under the laws  
20 of this State and all lots, buildings and other school property owned  
21 by a school district and devoted to public school purposes.

22 (k) All money, benefits, privileges or immunities accruing or in  
23 any manner growing out of any life insurance, if the annual  
24 premium paid does not exceed \$1,000. If the premium exceeds that  
25 amount, a similar exemption exists which bears the same proportion  
26 to the money, benefits, privileges and immunities so accruing or  
27 growing out of the insurance that the \$1,000 bears to the whole  
28 annual premium paid.

29 (l) The homestead as provided for by law, including a  
30 homestead for which allodial title has been established and not  
31 relinquished and for which a waiver executed pursuant to NRS  
32 115.010 is not applicable.

33 (m) The dwelling of the judgment debtor occupied as a home for  
34 himself and family, where the amount of equity held by the  
35 judgment debtor in the home does not exceed \$200,000 in value and  
36 the dwelling is situated upon lands not owned by him.

37 (n) All property in this State of the judgment debtor where the  
38 judgment is in favor of any state for failure to pay that state’s  
39 income tax on benefits received from a pension or other retirement  
40 plan.

41 (o) Any vehicle owned by the judgment debtor for use by him or  
42 his dependent that is equipped or modified to provide mobility for a  
43 person with a permanent disability.

44 (p) Any prosthesis or equipment prescribed by a physician or  
45 dentist for the judgment debtor or a dependent of the debtor.



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- 1 (q) Money, not to exceed \$500,000 in present value, held in:  
2 (1) An individual retirement arrangement which conforms  
3 with the applicable limitations and requirements of 26 U.S.C. § 408;  
4 (2) A written simplified employee pension plan which  
5 conforms with the applicable limitations and requirements of 26  
6 U.S.C. § 408;  
7 (3) A cash or deferred arrangement which is a qualified plan  
8 pursuant to the Internal Revenue Code;  
9 (4) A trust forming part of a stock bonus, pension or profit-  
10 sharing plan which is a qualified plan pursuant to sections 401 et  
11 seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and  
12 (5) A trust forming part of a qualified tuition program  
13 pursuant to chapter 353B of NRS, any applicable regulations  
14 adopted pursuant to chapter 353B of NRS and section 529 of the  
15 Internal Revenue Code, 26 U.S.C. § 529, unless the money is  
16 deposited after the entry of a judgment against the purchaser or  
17 account owner or the money will not be used by any beneficiary to  
18 attend a college or university.  
19 (r) All money and other benefits paid pursuant to the order of a  
20 court of competent jurisdiction for the support, education and  
21 maintenance of a child, whether collected by the judgment debtor or  
22 the State.  
23 (s) All money and other benefits paid pursuant to the order of a  
24 court of competent jurisdiction for the support and maintenance of a  
25 former spouse, including the amount of any arrearages in the  
26 payment of such support and maintenance to which the former  
27 spouse may be entitled.  
28 (t) Payments, in an amount not to exceed \$16,150, received as  
29 compensation for personal injury, not including compensation for  
30 pain and suffering or actual pecuniary loss, by the judgment debtor  
31 or by a person upon whom the judgment debtor is dependent at the  
32 time the payment is received.  
33 (u) Payments received as compensation for the wrongful death  
34 of a person upon whom the judgment debtor was dependent at the  
35 time of the wrongful death, to the extent reasonably necessary for  
36 the support of the judgment debtor and any dependent of the  
37 judgment debtor.  
38 (v) Payments received as compensation for the loss of future  
39 earnings of the judgment debtor or of a person upon whom the  
40 judgment debtor is dependent at the time the payment is received, to  
41 the extent reasonably necessary for the support of the judgment  
42 debtor and any dependent of the judgment debtor.  
43 (w) Payments received as restitution for a criminal act.  
44 *(x) Stock of certain corporations, subject to the provisions of*  
45 *section 1 of this act.*



1 2. Except as otherwise provided in NRS 115.010, no article or  
2 species of property mentioned in this section is exempt from  
3 execution issued upon a judgment to recover for its price, or upon a  
4 judgment of foreclosure of a mortgage or other lien thereon.

5 3. Any exemptions specified in subsection (d) of section 522 of  
6 the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to  
7 property owned by a resident of this State unless conferred also by  
8 subsection 1, as limited by subsection 2.

9 **Sec. 39.** NRS 31.045 is hereby amended to read as follows:

10 31.045 1. Execution on the writ of attachment by attaching  
11 property of the defendant may occur only if:

12 (a) The judgment creditor serves the defendant with notice of  
13 the execution when the notice of the hearing is served pursuant to  
14 NRS 31.013; or

15 (b) Pursuant to an ex parte hearing, the sheriff serves upon the  
16 judgment debtor notice of the execution and a copy of the writ at the  
17 same time and in the same manner as set forth in NRS 21.076.

18 ↪ If the attachment occurs pursuant to an ex parte hearing, the clerk  
19 of the court shall attach the notice to the writ of attachment at the  
20 time the writ is issued.

21 2. The notice required pursuant to subsection 1 must be  
22 substantially in the following form:

23  
24 **NOTICE OF EXECUTION**

25  
26 **YOUR PROPERTY IS BEING ATTACHED OR**  
27 **YOUR WAGES ARE BEING GARNISHED**

28  
29 Plaintiff, ..... (name of person), alleges that you  
30 owe him money. He has begun the procedure to collect that  
31 money. To secure satisfaction of judgment the court has  
32 ordered the garnishment of your wages, bank account or other  
33 personal property held by third persons or the taking of  
34 money or other property in your possession.

35 Certain benefits and property owned by you may be  
36 exempt from execution and may not be taken from you. The  
37 following is a partial list of exemptions:

- 38 1. Payments received under the Social Security Act.  
39 2. Payments for benefits or the return of contributions  
40 under the Public Employees' Retirement System.  
41 3. Payments for public assistance granted through the  
42 Welfare Division of the Department of Human Resources or a  
43 local governmental entity.  
44 4. Proceeds from a policy of life insurance.



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- 1           5. Payments of benefits under a program of industrial  
2 insurance.
- 3           6. Payments received as disability, illness or  
4 unemployment benefits.
- 5           7. Payments received as unemployment compensation.
- 6           8. Veteran's benefits.
- 7           9. A homestead in a dwelling or a mobile home, not to  
8 exceed \$200,000, unless:  
9           (a) The judgment is for a medical bill, in which case all of  
10 the primary dwelling, including a mobile or manufactured  
11 home, may be exempt.  
12           (b) Allodial title has been established and not relinquished  
13 for the dwelling or mobile home, in which case all of the  
14 dwelling or mobile home and its appurtenances are exempt,  
15 including the land on which they are located, unless a valid  
16 waiver executed pursuant to NRS 115.010 is applicable to the  
17 judgment.
- 18           10. A vehicle, if your equity in the vehicle is less than  
19 \$15,000.
- 20           11. Seventy-five percent of the take-home pay for any  
21 pay period, unless the weekly take-home pay is less than 30  
22 times the federal minimum wage, in which case the entire  
23 amount may be exempt.
- 24           12. Money, not to exceed \$500,000 in present value,  
25 held in:  
26           (a) An individual retirement arrangement which conforms  
27 with the applicable limitations and requirements of 26 U.S.C.  
28 § 408;  
29           (b) A written simplified employee pension plan which  
30 conforms with the applicable limitations and requirements of  
31 26 U.S.C. § 408;  
32           (c) A cash or deferred arrangement that is a qualified plan  
33 pursuant to the Internal Revenue Code;  
34           (d) A trust forming part of a stock bonus, pension or  
35 profit-sharing plan that is a qualified plan pursuant to sections  
36 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et  
37 seq.; and  
38           (e) A trust forming part of a qualified tuition program  
39 pursuant to chapter 353B of NRS, any applicable regulations  
40 adopted pursuant to chapter 353B of NRS and section 529 of  
41 the Internal Revenue Code, 26 U.S.C. § 529, unless the  
42 money is deposited after the entry of a judgment against the  
43 purchaser or account owner or the money will not be used by  
44 any beneficiary to attend a college or university.



1           13. All money and other benefits paid pursuant to the  
2 order of a court of competent jurisdiction for the support,  
3 education and maintenance of a child, whether collected by  
4 the judgment debtor or the State.

5           14. All money and other benefits paid pursuant to the  
6 order of a court of competent jurisdiction for the support and  
7 maintenance of a former spouse, including the amount of any  
8 arrearages in the payment of such support and maintenance to  
9 which the former spouse may be entitled.

10          15. A vehicle for use by you or your dependent which is  
11 specially equipped or modified to provide mobility for a  
12 person with a permanent disability.

13          16. A prosthesis or any equipment prescribed by a  
14 physician or dentist for you or your dependent.

15          17. Payments, in an amount not to exceed \$16,150,  
16 received as compensation for personal injury, not including  
17 compensation for pain and suffering or actual pecuniary loss,  
18 by the judgment debtor or by a person upon whom the  
19 judgment debtor is dependent at the time the payment is  
20 received.

21          18. Payments received as compensation for the wrongful  
22 death of a person upon whom the judgment debtor was  
23 dependent at the time of the wrongful death, to the extent  
24 reasonably necessary for the support of the judgment debtor  
25 and any dependent of the judgment debtor.

26          19. Payments received as compensation for the loss of  
27 future earnings of the judgment debtor or of a person upon  
28 whom the judgment debtor is dependent at the time the  
29 payment is received, to the extent reasonably necessary for  
30 the support of the judgment debtor and any dependent of the  
31 judgment debtor.

32          20. Payments received as restitution for a criminal act.

33          ***21. Stock of certain corporations, subject to the***  
34 ***provisions of section 1 of this act.***

35          ➔ These exemptions may not apply in certain cases such as  
36 proceedings to enforce a judgment for support of a child or a  
37 judgment of foreclosure on a mechanic's lien. You should  
38 consult an attorney immediately to assist you in determining  
39 whether your property or money is exempt from execution. If  
40 you cannot afford an attorney, you may be eligible for  
41 assistance through ..... (name of organization in  
42 county providing legal services to the indigent or elderly  
43 persons).





PROCEDURE FOR CLAIMING EXEMPT PROPERTY

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If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The hearing must be held within 10 days after the motion for a hearing is filed.

IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.

If you received this notice with a notice of a hearing for attachment and you believe that the money or property which would be taken from you by a writ of attachment is exempt or necessary for the support of you or your family, you are entitled to describe to the court at the hearing why you believe your property is exempt. You may also file a motion with the court for a discharge of the writ of attachment. You may make that motion any time before trial. A hearing will be held on that motion.

IF YOU DO NOT FILE THE MOTION BEFORE THE TRIAL, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE PROPERTY OR MONEY IS EXEMPT OR NECESSARY FOR THE SUPPORT OF YOU OR YOUR FAMILY.

**Sec. 40.** NRS 31.050 is hereby amended to read as follows:

31.050 Subject to the order for attachment and the provisions of *section 1 of this act and* chapter 104 of NRS, the right of shares which the defendant may have in the stock of any corporation or company, together with the interest and profits therein, and all debts due such defendant, and all other property in this State of such defendant not exempt from execution, may be attached, and if judgment be recovered, be sold to satisfy the judgment and execution.



1       **Sec. 41.** Chapter 225 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3       **1. A person shall not willfully file, promote the filing of, or**  
4 **cause to be filed, or attempt or conspire to file, promote the filing**  
5 **of, or cause to be filed, any record in the Office of the Secretary of**  
6 **State if the person has actual knowledge that the record:**

7       **(a) Is forged or fraudulently altered;**

8       **(b) Contains a false statement of material fact; or**

9       **(c) Is being filed in bad faith or for the purpose of harassing**  
10 **or defrauding any person.**

11       **2. Any person who violates this section is liable in a civil**  
12 **action brought pursuant to this section for:**

13       **(a) Actual damages caused by each separate violation of this**  
14 **section, or \$10,000 for each separate violation of this section,**  
15 **whichever is greater;**

16       **(b) All costs of bringing and maintaining the action, including**  
17 **investigative expenses and fees for expert witnesses;**

18       **(c) Reasonable attorney's fees; and**

19       **(d) Any punitive damages that the facts may warrant.**

20       **3. A civil action may be brought pursuant to this section by:**

21       **(a) Any person who is damaged by a violation of this section,**  
22 **including, without limitation, any person who is damaged as the**  
23 **result of an action taken in reliance on a record filed in violation**  
24 **of this section; or**

25       **(b) The Attorney General, in the name of the State of Nevada,**  
26 **if the matter is referred to the Attorney General by the Secretary of**  
27 **State and if the Attorney General, after due inquiry, determines**  
28 **that a civil action should be brought pursuant to this section. Any**  
29 **money recovered by the Attorney General pursuant to this**  
30 **paragraph, after deducting all costs and expenses incurred by the**  
31 **Attorney General and the Secretary of State to investigate and act**  
32 **upon the violation, must be deposited in the State General Fund.**

33       **4. For the purposes of this section, each filing of a single**  
34 **record that constitutes a violation of this section shall be deemed**  
35 **to be a separate violation.**

36       **5. The rights, remedies and penalties provided pursuant to**  
37 **this section are cumulative and do not abrogate and are in**  
38 **addition to any other rights, remedies and penalties that may exist**  
39 **at law or in equity, including, without limitation, any criminal**  
40 **penalty that may be imposed pursuant to NRS 239.330.**

41       **6. As used in this section, "record" means information that**  
42 **is:**

43       **(a) Inscribed on a tangible medium or that is stored in an**  
44 **electronic or other medium and is retrievable in perceivable form;**  
45 **and**



1 *(b) Filed or offered for filing by a person pursuant to any*  
2 *provision of title 7 of NRS or article 9 of the Uniform Commercial*  
3 *Code.*

4 **Sec. 42.** NRS 225.140 is hereby amended to read as follows:

5 225.140 1. Except as otherwise provided in subsection 2, in  
6 addition to other fees authorized by law, the Secretary of State shall  
7 charge and collect the following fees:

- 8
- 9 For certifying to a copy of any law, joint resolution,
- 10 transcript of record or other paper on file or of
- 11 record with the Secretary of State, including, but
- 12 not limited to, a document required to be filed
- 13 pursuant to title 24 of NRS, and use of the State
- 14 Seal, for each impression ..... \$20
- 15 For each passport or other document signed by the
- 16 Governor and attested by the Secretary of State ..... 10
- 17

18 2. The Secretary of State:

19 (a) Shall charge a reasonable fee for searching records and  
20 documents kept in his office, including, but not limited to, records  
21 and documents that are stored on a computer database.

22 (b) May charge or collect any filing or other fees for services  
23 rendered by him to the State of Nevada, any local governmental  
24 agency or agency of the Federal Government, or any officer thereof  
25 in his official capacity or respecting his office or official duties.

26 (c) May not charge or collect a filing or other fee for:

27 (1) Attesting extradition papers or executive warrants for  
28 other states.

29 (2) Any commission or appointment issued or made by the  
30 Governor, either for the use of the State Seal or otherwise.

31 (d) May charge a reasonable fee, not to exceed:

32 (1) *One thousand dollars, for providing service within 1*  
33 *hour after the time service is requested;*

34 (2) Five hundred dollars, for providing service *more than 1*  
35 *hour but* within 2 hours after the time the service is requested; and

36 ~~(2)~~ (3) One hundred twenty-five dollars, for providing any  
37 other special service, including, but not limited to, providing service  
38 more than 2 hours but within 24 hours after the time the service is  
39 requested, accepting documents filed by facsimile machine and  
40 other use of new technology.

41 (e) Shall charge a person, for each check or other negotiable  
42 instrument returned to the Office of the Secretary of State because  
43 the person had insufficient money or credit with the drawee to pay  
44 the check or other instrument or because the person stopped  
45 payment on the check or other instrument:



1 (1) A fee of \$25; and  
 2 (2) If the check or other instrument that was returned had  
 3 been presented for the payment of a filing fee for more than one  
 4 entity, an additional fee in an amount equal to the actual cost  
 5 incurred by the Office of the Secretary of State to perform the  
 6 following actions as a result of the returned check or instrument:

7 (I) Reversing the status of the entities in the records of the  
 8 Office of the Secretary of State; and

9 (II) Recouping any fees charged for services rendered by  
 10 the Office of the Secretary of State to the entities, including, without  
 11 limitation, fees charged for providing service pursuant to paragraph  
 12 (d), providing copies or issuing certificates.

13 ➔ The Secretary of State shall, by regulation, establish procedures  
 14 for the imposition of the fees authorized by this paragraph and the  
 15 manner in which a fee authorized by subparagraph (2) will be  
 16 calculated.

17 *(f) May charge a reasonable fee for searching for and*  
 18 *cancelling or removing, if requested, any filing that has been*  
 19 *submitted to him but not yet processed.*

20 3. From each fee collected pursuant to paragraph (d) of  
 21 subsection 2:

22 (a) ~~[/The entire amount or \$62.50, whichever is less, of the fee~~  
 23 ~~collected pursuant to subparagraph (1) of that paragraph and one-~~  
 24 ~~half] One-half~~ of the fee collected ~~[/pursuant to subparagraph (2) of~~  
 25 ~~that paragraph]~~ must be deposited with the State Treasurer for credit  
 26 to the Account for Special Services of the Secretary of State in the  
 27 State General Fund. Any amount remaining in the Account at the  
 28 end of a fiscal year in excess of \$2,000,000 must be transferred to  
 29 the State General Fund. Money in the Account may be transferred to  
 30 the Secretary of State's Operating General Fund Budget Account  
 31 and must only be used to create and maintain the capability of the  
 32 Office of the Secretary of State to provide special services,  
 33 including, but not limited to, providing service:

34 (1) On the day it is requested or within 24 hours; or

35 (2) Necessary to increase or maintain the efficiency of the  
 36 Office.

37 ➔ Any transfer of money from the Account for expenditure by the  
 38 Secretary of State must be approved by the Interim Finance  
 39 Committee.

40 (b) After deducting the amount required pursuant to paragraph  
 41 (a), the remainder must be deposited with the State Treasurer for  
 42 credit to the State General Fund.

43 4. The Secretary of State shall post a schedule of the fees  
 44 authorized to be charged pursuant to this section in a conspicuous  
 45 place at each office at which such fees are collected.



1       **Sec. 43.** NRS 600.340 is hereby amended to read as follows:  
2       600.340 1. A person who has adopted and is using a mark in  
3 this State may file in the Office of the Secretary of State, on a form  
4 to be furnished by the Secretary of State, an application for  
5 registration of that mark setting forth, but not limited to, the  
6 following information:  
7       (a) Whether the mark to be registered is a trademark, trade name  
8 or service mark;  
9       (b) A description of the mark by name, words displayed in it or  
10 other information;  
11       (c) The name and business address of the person applying for  
12 the registration and, if it is a corporation, limited-liability company,  
13 limited partnership or registered limited-liability partnership, the  
14 state of incorporation or organization;  
15       (d) The specific goods or services in connection with which the  
16 mark is used and the mode or manner in which the mark is used in  
17 connection with those goods or services and the class as designated  
18 by the Secretary of State which includes those goods or services;  
19       (e) The date when the mark was first used anywhere and the  
20 date when it was first used in this State by the applicant or his  
21 predecessor in business which must precede the filing of the  
22 application; and  
23       (f) A statement that the applicant is the owner of the mark and  
24 that no other person has the right to use the mark in this State either  
25 in the form set forth in the application or in such near resemblance  
26 to it as might deceive or cause mistake.  
27       2. The application must:  
28       (a) Be signed and verified by the applicant or by a member of  
29 the firm or an officer of the corporation or association applying.  
30       (b) Be accompanied by a specimen or facsimile of the mark ~~in~~  
31 ~~duplicate~~ *on white paper that is 8 1/2 inches by 11 inches in size*  
32 and by a filing fee of \$100 payable to the Secretary of State.  
33       3. If the application fails to comply with this section or NRS  
34 600.343, the Secretary of State shall return it for correction.



Amendment No. 638

Senate Amendment to Senate Bill No. 453 First Reprint	(BDR 7-576)
<b>Proposed by:</b> Senators Amodei and Care	
<b>Amendment Box:</b>	
<b>Resolves Conflicts with:</b> N/A	
<b>Amends:</b> Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No	

Adoption of this amendment will MAINTAIN a 2/3s majority vote requirement for final passage of SB453 R1 (§ 42).

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"/>	_____

Amend sec. 41, page 41, by deleting lines 41 through 45 and inserting:

*“6. As used in this section, “record” means information that is:*

*(a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and*

*(b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or article 9 of the Uniform Commercial Code.”.*

BAW

Date: 4/26/2005

S.B. No. 453—Makes various changes concerning business entities.



SENATE BILL NO. 453—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 29, 2005

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning business entities and notaries public. (BDR 7-576)

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

~

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

AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; 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 78.150 is hereby amended to read as follows:  
2     78.150 1. A corporation organized pursuant to the laws of  
3 this State shall, on or before the last day of the first month after the  
4 filing of its articles of incorporation with the Secretary of State, file  
5 with the Secretary of State a list, on a form furnished by him,  
6 containing:



\* S B 4 5 3 R 3 \*





- 1 (a) The name of the corporation;
- 2 (b) The file number of the corporation, if known;
- 3 (c) The names and titles of the president, secretary and treasurer,
- 4 or the equivalent thereof, and of all the directors of the corporation;
- 5 (d) The address, either residence or business, of each officer and
- 6 director listed, following the name of the officer or director;
- 7 (e) The name and address of the lawfully designated resident
- 8 agent of the corporation ~~in~~ *in this State*; and
- 9 (f) The signature of an officer of the corporation certifying that
- 10 the list is true, complete and accurate.

11 2. The corporation shall annually thereafter, on or before the  
 12 last day of the month in which the anniversary date of incorporation  
 13 occurs in each year, file with the Secretary of State, on a form  
 14 furnished by him, an annual list containing all of the information  
 15 required in subsection 1.

16 3. Each list required by subsection 1 or 2 must be accompanied  
 17 by:

- 18 (a) A declaration under penalty of perjury that the corporation:
  - 19 (1) Has complied with the provisions of NRS 360.780; and
  - 20 (2) Acknowledges that pursuant to NRS 239.330, it is a
  - 21 category C felony to knowingly offer any false or forged instrument
  - 22 for filing with the Office of the Secretary of State.

23 (b) A statement as to whether the corporation is a publicly  
 24 traded company. If the corporation is a publicly traded company, the  
 25 corporation must list its Central Index Key. The Secretary of State  
 26 shall include on his Internet website the Central Index Key of a  
 27 corporation provided pursuant to this paragraph and instructions  
 28 describing the manner in which a member of the public may obtain  
 29 information concerning the corporation from the Securities and  
 30 Exchange Commission.

31 4. Upon filing the list required by:

32 (a) Subsection 1, the corporation shall pay to the Secretary of  
 33 State a fee of \$125.

34 (b) Subsection 2, the corporation shall pay to the Secretary of  
 35 State, if the amount represented by the total number of shares  
 36 provided for in the articles is:

37

38	\$75,000 or less .....	\$125
39	Over \$75,000 and not over \$200,000.....	175
40	Over \$200,000 and not over \$500,000.....	275
41	Over \$500,000 and not over \$1,000,000.....	375
42	Over \$1,000,000:	
43	For the first \$1,000,000 .....	375
44	For each additional \$500,000 or fraction thereof.....	275



1 The maximum fee which may be charged pursuant to paragraph (b)  
2 for filing the annual list is \$11,100.

3  
4 5. If a director or officer of a corporation resigns and the  
5 resignation is not ~~made in conjunction with the filing of an~~  
6 *reflected on the* annual or amended list of directors and officers, the  
7 corporation *or the resigning director or officer* shall pay to the  
8 Secretary of State a fee of \$75 to file the resignation . ~~[of the~~  
9 ~~director or officer.]~~

10 6. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
11 for filing each annual list required by subsection 2, cause to be  
12 mailed to each corporation which is required to comply with the  
13 provisions of NRS 78.150 to 78.185, inclusive, and which has not  
14 become delinquent, a notice of the fee due pursuant to subsection 4  
15 and a reminder to file the annual list required by subsection 2.  
16 Failure of any corporation to receive a notice or form does not  
17 excuse it from the penalty imposed by law.

18 7. If the list to be filed pursuant to the provisions of subsection  
19 1 or 2 is defective in any respect or the fee required by subsection 4  
20 is not paid, the Secretary of State may return the list for correction  
21 or payment.

22 8. An annual list for a corporation not in default which is  
23 received by the Secretary of State more than 90 days before its due  
24 date shall be deemed an amended list for the previous year and must  
25 be accompanied by the appropriate fee as provided in subsection 4  
26 for filing. A payment submitted pursuant to this subsection does not  
27 satisfy the requirements of subsection 2 for the year to which the  
28 due date is applicable.

29 **Sec. 2.** NRS 78.1955 is hereby amended to read as follows:

30 78.1955 1. If the voting powers, designations, preferences,  
31 limitations, restrictions and relative rights of any class or series of  
32 stock have been established by a resolution of the board of directors  
33 pursuant to a provision in the articles of incorporation, a certificate  
34 of designation setting forth the resolution *and stating the number of*  
35 *shares for each designation* must be signed by an officer of the  
36 corporation and filed with the Secretary of State. A certificate of  
37 designation signed and filed pursuant to this section must become  
38 effective before the issuance of any shares of the class or series.

39 2. Unless otherwise provided in the articles of incorporation or  
40 the certificate of designation being amended, if no shares of a class  
41 or series of stock established by a resolution of the board of  
42 directors have been issued, the designation of the class or series, the  
43 number of the class or series and the voting powers, designations,  
44 preferences, limitations, restrictions and relative rights of the class  
45 or series may be amended by a resolution of the board of directors



1 pursuant to a certificate of amendment filed in the manner provided  
2 in subsection 4.

3 3. Unless otherwise provided in the articles of incorporation or  
4 the certificate of designation, if shares of a class or series of stock  
5 established by a resolution of the board of directors have been  
6 issued, the designation of the class or series, the number of the class  
7 or series and the voting powers, designations, preferences,  
8 limitations, restrictions and relative rights of the class or series may  
9 be amended by a resolution of the board of directors only if the  
10 amendment is approved as provided in this subsection. Unless  
11 otherwise provided in the articles of incorporation or the certificate  
12 of designation, the proposed amendment adopted by the board of  
13 directors must be approved by the vote of stockholders holding  
14 shares in the corporation entitling them to exercise a majority of the  
15 voting power, or such greater proportion of the voting power as may  
16 be required by the articles of incorporation or the certificate of  
17 designation, of:

18 (a) The class or series of stock being amended; and

19 (b) Each class and each series of stock which, before  
20 amendment, is senior to the class or series being amended as to the  
21 payment of distributions upon dissolution of the corporation,  
22 regardless of any limitations or restrictions on the voting power of  
23 that class or series.

24 4. A certificate of amendment to a certificate of designation  
25 must be signed by an officer of the corporation and filed with the  
26 Secretary of State and must:

27 (a) Set forth the original designation and the new designation, if  
28 the designation of the class or series is being amended;

29 (b) State that no shares of the class or series have been issued or  
30 state that the approval of the stockholders required pursuant to  
31 subsection 3 has been obtained; and

32 (c) Set forth the amendment to the class or series or set forth the  
33 designation of the class or series, the number of the class or series  
34 and the voting powers, designations, preferences, limitations,  
35 restrictions and relative rights of the class or series, as amended.

36 5. A certificate filed pursuant to subsection 1 or 4 becomes  
37 effective upon filing with the Secretary of State or upon a later date  
38 specified in the certificate, which must not be later than 90 days  
39 after the certificate is filed.

40 6. If shares of a class or series of stock established by a  
41 certificate of designation are not outstanding, the corporation may  
42 file a certificate which states that no shares of the class or series are  
43 outstanding and which contains the resolution of the board of  
44 directors authorizing the withdrawal of the certificate of designation  
45 establishing the class or series of stock. The certificate *must identify*



1 *the date and certificate of designation being withdrawn and* must  
2 be signed by an officer of the corporation and filed with the  
3 Secretary of State. Upon filing the certificate and payment of the fee  
4 required pursuant to NRS 78.765, all matters contained in the  
5 certificate of designation regarding the class or series of stock are  
6 eliminated from the articles of incorporation.

7 7. NRS 78.380, 78.385 and 78.390 do not apply to certificates  
8 of amendment filed pursuant to this section.

9 **Sec. 3.** NRS 78.780 is hereby amended to read as follows:

10 78.780 ~~[1.—The fee for filing a certificate of extension of~~  
11 ~~corporate existence of any corporation is an amount equal to one-~~  
12 ~~fourth of the fee computed at the rates specified in NRS 78.760 for~~  
13 ~~filing articles of incorporation.~~

14 ~~—2.]~~ The fee for filing a certificate of dissolution whether it  
15 occurs before or after payment of capital and beginning of business  
16 is \$75.

17 **Sec. 4.** NRS 78.785 is hereby amended to read as follows:

18 78.785 1. The fee for filing a certificate of change of location  
19 of a corporation's registered office and resident agent, or a new  
20 designation of resident agent, is \$60.

21 2. The fee for certifying *a copy of* articles of incorporation  
22 ~~[where a copy is provided]~~ is \$30.

23 3. The fee for certifying a copy of an amendment to articles of  
24 incorporation, or to a copy of the articles as amended, ~~[where a copy~~  
25 ~~is furnished,]~~ is \$30.

26 4. The fee for certifying an authorized printed copy of the  
27 general corporation law as compiled by the Secretary of State is  
28 \$30.

29 5. The fee for reserving a corporate name is \$25.

30 6. The fee for signing a certificate of corporate existence which  
31 does not list the previous records relating to the corporation, or a  
32 certificate of change in a corporate name, is \$50.

33 7. The fee for signing a certificate of corporate existence which  
34 lists the previous records relating to the corporation is \$50.

35 8. The fee for signing, certifying or filing any certificate or  
36 record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.

37 9. The fee for copies ~~[made at]~~ *provided by* the Office of the  
38 Secretary of State is \$2 per page.

39 10. The fees for filing articles of incorporation, articles of  
40 merger, or certificates of amendment increasing the basic surplus of  
41 a mutual or reciprocal insurer must be computed pursuant to NRS  
42 78.760, 78.765 and 92A.210, on the basis of the amount of basic  
43 surplus of the insurer.

44 11. The fee for examining and provisionally approving any  
45 record at any time before the record is presented for filing is \$125.



1       **Sec. 5.** NRS 80.110 is hereby amended to read as follows:  
 2       80.110 1. Each foreign corporation doing business in this  
 3 State shall, on or before the last day of the first month after the filing  
 4 of its certificate of corporate existence with the Secretary of State,  
 5 and annually thereafter on or before the last day of the month in  
 6 which the anniversary date of its qualification to do business in this  
 7 State occurs in each year, file with the Secretary of State a list, on a  
 8 form furnished by him, that contains:

9       (a) The names and addresses, either residence or business, of its  
 10 president, secretary and treasurer, or the equivalent thereof, and all  
 11 of its directors;

12       (b) The name and street address of the lawfully designated  
 13 resident agent of the corporation in this State; and

14       (c) The signature of an officer of the corporation.

15       ↪ Each list filed pursuant to this subsection must be accompanied  
 16 by a declaration under penalty of perjury that the foreign  
 17 corporation has complied with the provisions of NRS 360.780 and  
 18 which acknowledges that pursuant to NRS 239.330, it is a category  
 19 C felony to knowingly offer any false or forged instrument for filing  
 20 with the Office of the Secretary of State. Each list filed pursuant to  
 21 this subsection must also be accompanied by a statement as to  
 22 whether the corporation is a publicly traded company. If the  
 23 corporation is a publicly traded company, the corporation must list  
 24 its Central Index Key. The Secretary of State shall include on his  
 25 Internet website the Central Index Key of a corporation provided  
 26 pursuant to this subsection and instructions describing the manner in  
 27 which a member of the public may obtain information concerning  
 28 the corporation from the Securities and Exchange Commission.

29       2. Upon filing:

30       (a) The initial list required by subsection 1, the corporation shall  
 31 pay to the Secretary of State a fee of \$125.

32       (b) Each annual list required by subsection 1, the corporation  
 33 shall pay to the Secretary of State, if the amount represented by the  
 34 total number of shares provided for in the articles is:

35

36	\$75,000 or less .....	\$125
37	Over \$75,000 and not over \$200,000.....	175
38	Over \$200,000 and not over \$500,000.....	275
39	Over \$500,000 and not over \$1,000,000.....	375
40	Over \$1,000,000:	
41	For the first \$1,000,000.....	375
42	For each additional \$500,000 or fraction thereof.....	275

43       The maximum fee which may be charged pursuant to paragraph (b)  
 44 for filing the annual list is \$11,100.



1 3. If a director or officer of a corporation resigns and the  
2 resignation is not ~~made in conjunction with the filing of an~~  
3 *reflected on the* annual or amended list of directors and officers, the  
4 corporation *or the resigning director or officer* shall pay to the  
5 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
6 ~~director or officer.~~

7 4. The Secretary of State shall, ~~60~~ *90* days before the last day  
8 for filing each annual list required by subsection 1, cause to be  
9 mailed to each corporation which is required to comply with the  
10 provisions of NRS 80.110 to 80.175, inclusive, and which has not  
11 become delinquent, the blank forms to be completed and filed with  
12 him. Failure of any corporation to receive the forms does not excuse  
13 it from the penalty imposed by the provisions of NRS 80.110 to  
14 80.175, inclusive.

15 5. An annual list for a corporation not in default which is  
16 received by the Secretary of State more than 90 days before its due  
17 date shall be deemed an amended list for the previous year and does  
18 not satisfy the requirements of subsection 1 for the year to which the  
19 due date is applicable.

20 **Sec. 6.** Chapter 81 of NRS is hereby amended by adding  
21 thereto the provisions set forth as sections 8, 9 and 10 of this act.

22 **Sec. 7. 1.** *The Secretary of State shall not accept for filing*  
23 *any articles of incorporation or any certificate of amendment of*  
24 *articles of incorporation of any corporation formed under the*  
25 *provisions of NRS 81.010 to 81.160, inclusive, and this section*  
26 *which provides that the name of the corporation contains the*  
27 *words "unit-owners' association" or "homeowners' association"*  
28 *or if it appears in the articles of incorporation or certificate of*  
29 *amendment of articles of incorporation that the purpose of the*  
30 *corporation is to operate as a unit-owners' association pursuant to*  
31 *chapter 116 of NRS unless the Administrator of the Real Estate*  
32 *Division of the Department of Business and Industry certifies that*  
33 *the corporation has:*

34 (a) *Registered with the Ombudsman for Owners in Common-*  
35 *Interest Communities pursuant to NRS 116.31158; and*

36 (b) *Paid to the Administrator of the Real Estate Division the*  
37 *fees required pursuant to NRS 116.31155.*

38 2. *Upon notification from the Administrator of the Real*  
39 *Estate Division of the Department of Business and Industry that a*  
40 *corporation which is a unit-owners' association as defined in NRS*  
41 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
42 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
43 *shall deem the corporation to be in default. If, after the*  
44 *corporation is deemed to be in default, the Administrator notifies*  
45 *the Secretary of State that the corporation has registered pursuant*





1 to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
2 the Secretary of State shall reinstate the corporation if the  
3 corporation complies with the requirements for reinstatement as  
4 provided in this section and NRS 78.180 and 78.185.

5 **Sec. 8. 1.** The Secretary of State shall not accept for filing  
6 any articles of association or any certificate of amendment of  
7 articles of association of any association formed under the  
8 provisions of NRS 81.170 to 81.270, inclusive, and this section  
9 which provides that the name of the association contains the  
10 words "unit-owners' association" or "homeowners' association"  
11 or if it appears in the articles of association or certificate of  
12 amendment of articles of association that the purpose of the  
13 association is to operate as a unit-owners' association pursuant to  
14 chapter 116 of NRS unless the Administrator of the Real Estate  
15 Division of the Department of Business and Industry certifies that  
16 the association has:

17 (a) Registered with the Ombudsman for Owners in Common-  
18 Interest Communities pursuant to NRS 116.31158; and

19 (b) Paid to the Administrator of the Real Estate Division the  
20 fees required pursuant to NRS 116.31155.

21 2. Upon notification from the Administrator of the Real  
22 Estate Division of the Department of Business and Industry that  
23 an association which is a unit-owners' association as defined in  
24 NRS 116.011 has failed to register pursuant to NRS 116.31158 or  
25 failed to pay the fees pursuant to NRS 116.31155, the Secretary of  
26 State shall deem the association to be in default. If, after the  
27 association is deemed to be in default, the Administrator notifies  
28 the Secretary of State that the association has registered pursuant  
29 to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,  
30 the Secretary of State shall reinstate the association if the  
31 association complies with the requirements for reinstatement as  
32 provided in this section and NRS 78.180 and 78.185 and pays the  
33 fees required pursuant to NRS 82.193.

34 **Sec. 9. 1.** The Secretary of State shall not accept for filing  
35 any articles of incorporation or any certificate of amendment of  
36 articles of incorporation of any corporation formed under the  
37 provisions of NRS 81.410 to 81.540, inclusive, and this section  
38 which provides that the name of the corporation contains the  
39 words "unit-owners' association" or "homeowners' association"  
40 or if it appears in the articles of incorporation or certificate of  
41 amendment of articles of incorporation that the purpose of the  
42 corporation is to operate as a unit-owners' association pursuant to  
43 chapter 116 of NRS unless the Administrator of the Real Estate  
44 Division of the Department of Business and Industry certifies that  
45 the corporation has:





1 (a) *Registered with the Ombudsman for Owners in Common-*  
2 *Interest Communities pursuant to NRS 116.31158; and*

3 (b) *Paid to the Administrator of the Real Estate Division the*  
4 *fees required pursuant to NRS 116.31155.*

5 2. *Upon notification from the Administrator of the Real*  
6 *Estate Division of the Department of Business and Industry that a*  
7 *corporation which is a unit-owners' association as defined in NRS*  
8 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
9 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
10 *shall deem the corporation to be in default. If, after the*  
11 *corporation is deemed to be in default, the Administrator notifies*  
12 *the Secretary of State that the corporation has registered pursuant*  
13 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
14 *the Secretary of State shall reinstate the corporation if the*  
15 *corporation complies with the requirements for reinstatement as*  
16 *provided in this section and NRS 78.180 and 78.185 and pays the*  
17 *fees required pursuant to NRS 82.193.*

18 **Sec. 10.** NRS 81.010 is hereby amended to read as follows:

19 81.010 1. Nonprofit cooperative corporations may be formed  
20 by the voluntary association of any three or more persons in the  
21 manner prescribed in NRS 81.010 to 81.160, inclusive ~~§~~, *and*  
22 *section 7 of this act.* A majority of the persons must be residents of  
23 this State, and such a corporation has and may exercise the powers  
24 necessarily incident thereto. Except as otherwise provided in  
25 subsection 2, the provisions of chapter 78 of NRS govern each  
26 nonprofit cooperative corporation organized pursuant to NRS  
27 81.010 to 81.160, inclusive ~~§~~, *and section 7 of this act.* If such a  
28 nonprofit cooperative corporation is organized without shares of  
29 stock, the members shall be deemed to be “shareholders” or  
30 “stockholders” as these terms are used in chapter 78 of NRS.

31 2. If the term for which a nonprofit cooperative corporation  
32 was to exist has expired but the corporation has continued to  
33 perform the activities authorized by its original articles of  
34 incorporation or any amendment thereto, revival of its corporate  
35 existence does not require the consent of its members or  
36 stockholders. Each required action to accomplish a revival may be  
37 taken by a majority of the surviving directors. The revival is  
38 effective as of the date of expiration of the original term.

39 **Sec. 11.** NRS 81.170 is hereby amended to read as follows:

40 81.170 1. NRS 81.170 to 81.270, inclusive, *and section 8 of*  
41 *this act* being passed to promote association for mutual welfare, the  
42 words “lawful business” extend to every kind of lawful effort for  
43 business, education, industrial, benevolent, social or political  
44 purposes, whether conducted for profit or not.



1       2. NRS 81.170 to 81.270, inclusive, *and section 8 of this act*  
2 must not be strictly construed, but their provisions must at all times  
3 be liberally construed with a view to effect their object and to  
4 promote their purposes.

5       **Sec. 12.** NRS 81.200 is hereby amended to read as follows:

6       81.200 1. Each association formed under NRS 81.170 to  
7 81.270, inclusive, *and section 8 of this act* shall prepare articles of  
8 association in writing, setting forth:

9       (a) The name of the association.

10       (b) The purpose for which it is formed.

11       (c) The name of the person designated as the resident agent, the  
12 street address for service of process, and the mailing address if  
13 different from the street address.

14       (d) The term for which it is to exist, which may be perpetual.

15       (e) The names and addresses, either residence or business, of the  
16 directors selected for the first year.

17       (f) The amount which each member is to pay upon admission as  
18 a fee for membership, and that each member signing the articles has  
19 actually paid the fee.

20       (g) That the interest and right of each member therein is to be  
21 equal.

22       (h) The name and address, either residence or business, of each  
23 of the persons signing the articles of association.

24       2. The articles of association must be signed by the original  
25 associates or members.

26       3. The articles so signed must be filed, together with a  
27 certificate of acceptance of appointment signed by the resident agent  
28 for the association, in the Office of the Secretary of State . ~~[, who~~  
29 ~~shall furnish a certified copy thereof.]~~ From the time of the filing in  
30 the Office of the Secretary of State, the association may exercise all  
31 the powers for which it was formed.

32       **Sec. 13.** NRS 81.410 is hereby amended to read as follows:

33       81.410 1. Nonprofit cooperative corporations may be formed  
34 by the voluntary association of any three or more persons in the  
35 manner prescribed in NRS 81.410 to 81.540, inclusive ~~[,]~~ , *and*  
36 *section 9 of this act.*

37       2. Except as otherwise provided in subsection 3, the provisions  
38 of chapter 82 of NRS govern a nonprofit cooperative corporation  
39 organized pursuant to NRS 81.410 to 81.540, inclusive, *and section*  
40 *9 of this act*, except to the extent that the provisions of chapter 82 of  
41 NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[,]~~ , *and*  
42 *section 9 of this act.*

43       3. NRS 82.081 and 82.136 do not apply to a nonprofit  
44 cooperative corporation organized pursuant to NRS 81.410 to  
45 81.540, inclusive ~~[,]~~ , *and section 9 of this act.*



1       **Sec. 14.** NRS 82.371 is hereby amended to read as follows:  
 2       82.371 1. A corporation may restate, or amend and restate, in  
 3 a single certificate the entire text of its articles as amended by filing  
 4 with the Secretary of State a certificate which must set forth the  
 5 articles as amended to the date of the certificate. If the certificate  
 6 alters or amends the articles in any manner, it must comply with the  
 7 provisions of NRS 82.346, 82.351 and 82.356, as applicable, and  
 8 must be accompanied by ~~§~~

9       ~~(a) A resolution; or~~  
 10       ~~(b) A} a~~ form prescribed by the Secretary of State ~~§~~  
 11       ~~→}~~ setting forth which provisions of the articles of incorporation on  
 12 file with the Secretary of State are being altered or amended.

13       2. If the certificate does not alter or amend the articles, it must  
 14 be signed by an officer of the corporation and must state that he has  
 15 been authorized to sign the certificate by resolution of the board of  
 16 directors adopted on the date stated, and that the certificate correctly  
 17 sets forth the text of the articles as amended to the date of the  
 18 certificate.

19       3. The following may be omitted from the restated articles:

- 20       (a) The names, addresses, signatures and acknowledgments of
- 21 the incorporators;
- 22       (b) The names and addresses of the members of the past and
- 23 present board of directors; and
- 24       (c) The name and address of the resident agent.

25       4. Whenever a corporation is required to file a certified copy of  
 26 its articles, in lieu thereof it may file a certified copy of the most  
 27 recent certificate restating its articles as amended, subject to the  
 28 provisions of subsection 2, together with certified copies of all  
 29 certificates of amendment filed after the restated articles and  
 30 certified copies of all certificates supplementary to the original  
 31 articles.

32       **Sec. 15.** NRS 82.546 is hereby amended to read as follows:

33       82.546 1. Any corporation which did exist or is existing  
 34 pursuant to the laws of this State may, upon complying with the  
 35 provisions of NRS 78.150 and 82.193, procure a renewal or revival  
 36 of its charter for any period, together with all the rights, franchises,  
 37 privileges and immunities, and subject to all its existing and  
 38 preexisting debts, duties and liabilities secured or imposed by its  
 39 original charter and amendments thereto, or its existing charter, by  
 40 filing:

41       (a) A certificate with the Secretary of State, which must set  
 42 forth:

- 43       (1) The name of the corporation, which must be the name of
- 44 the corporation at the time of the renewal or revival, or its name at
- 45 the time its original charter expired.



1 (2) The name and street address of the lawfully designated  
2 resident agent of the filing corporation, and his mailing address if  
3 different from his street address.

4 (3) The date when the renewal or revival of the charter is to  
5 commence or be effective, which may be, in cases of a revival,  
6 before the date of the certificate.

7 (4) Whether or not the renewal or revival is to be perpetual,  
8 and, if not perpetual, the time for which the renewal or revival is to  
9 continue.

10 (5) That the corporation desiring to renew or revive its  
11 charter is, or has been, organized and carrying on the business  
12 authorized by its existing or original charter and amendments  
13 thereto, and desires to renew or continue through revival its  
14 existence pursuant to and subject to the provisions of this chapter.

15 (b) A list of its president, secretary and treasurer and all of its  
16 directors and their mailing or street addresses, either residence or  
17 business.

18 2. A corporation whose charter has not expired and is being  
19 renewed shall cause the certificate to be signed by ~~its president or~~  
20 ~~vice president and secretary or assistant secretary.~~ *an officer of the*  
21 *corporation.* The certificate must be approved by a majority of the  
22 last-appointed surviving directors.

23 3. A corporation seeking to revive its original or amended  
24 charter shall cause the certificate to be signed by its president or  
25 vice president and secretary or assistant secretary. The signing and  
26 filing of the certificate must be approved unanimously by the last-  
27 appointed surviving directors of the corporation and must contain a  
28 recital that unanimous consent was secured. The corporation shall  
29 pay to the Secretary of State the fee required to establish a new  
30 corporation pursuant to the provisions of this chapter.

31 4. The filed certificate, or a copy thereof which has been  
32 certified under the hand and seal of the Secretary of State, must be  
33 received in all courts and places as prima facie evidence of the facts  
34 therein stated and of the existence and incorporation of the  
35 corporation named therein.

36 **Sec. 16.** NRS 86.141 is hereby amended to read as follows:

37 86.141 **[A]**

38 *1. Except as otherwise provided in subsection 2, a limited-*  
39 *liability company may be organized under this chapter for any*  
40 *lawful purpose. ~~[-except insurance.]~~*

41 *2. A limited-liability company may not be organized for the*  
42 *purpose of insurance unless approved to do so by the*  
43 *Commissioner of Insurance.*



1       **Sec. 17.** NRS 86.171 is hereby amended to read as follows:

2       86.171 1. The name of a limited-liability company formed  
3 under the provisions of this chapter must contain the words  
4 “Limited-Liability Company,” “Limited Liability Company,”  
5 “Limited Company,” or “Limited” or the abbreviations “Ltd.,”  
6 “L.L.C.,” “L.C.,” “LLC” or “LC.” The word “Company” may be  
7 abbreviated as “Co.”

8       2. The name proposed for a limited-liability company must be  
9 distinguishable on the records of the Secretary of State from the  
10 names of all other artificial persons formed, organized, registered or  
11 qualified pursuant to the provisions of this title that are on file in the  
12 Office of the Secretary of State and all names that are reserved in  
13 the Office of the Secretary of State pursuant to the provisions of this  
14 title. If a proposed name is not so distinguishable, the Secretary of  
15 State shall return the articles of organization to the organizer, unless  
16 the written, acknowledged consent of the holder of the name on file  
17 or reserved name to use the same name or the requested similar  
18 name accompanies the articles of organization.

19       3. For the purposes of this section and NRS 86.176, a proposed  
20 name is not distinguishable from a name on file or reserved name  
21 solely because one or the other contains distinctive lettering, a  
22 distinctive mark, a trademark or a trade name, or any combination  
23 thereof.

24       4. The name of a limited-liability company whose charter has  
25 been revoked, which has merged and is not the surviving entity or  
26 whose existence has otherwise terminated is available for use by any  
27 other artificial person.

28       5. The Secretary of State shall not accept for filing any articles  
29 of organization for any limited-liability company if the name of the  
30 limited-liability company contains the word “accountant,”  
31 “accounting,” “accountancy,” “auditor” or “auditing” unless the  
32 Nevada State Board of Accountancy certifies that the limited-  
33 liability company:

34       (a) Is registered pursuant to the provisions of chapter 628 of  
35 NRS; or

36       (b) Has filed with the Nevada State Board of Accountancy under  
37 penalty of perjury a written statement that the limited-liability  
38 company is not engaged in the practice of accounting and is not  
39 offering to practice accounting in this State.

40       6. The Secretary of State shall not accept for filing any articles  
41 of organization or certificate of amendment of articles of  
42 organization of any limited-liability company formed or existing  
43 pursuant to the laws of this State which provides that the name of  
44 the limited-liability company contains the word “bank” or “trust”  
45 unless:



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1 (a) It appears from the articles of organization or the certificate  
2 of amendment that the limited-liability company proposes to carry  
3 on business as a banking or trust company, exclusively or in  
4 connection with its business as a bank, savings and loan association  
5 or thrift company; and

6 (b) The articles of organization or certificate of amendment is  
7 first approved by the Commissioner of Financial Institutions.

8 7. The Secretary of State shall not accept for filing any articles  
9 of organization or certificate of amendment of articles of  
10 organization of any limited-liability company formed or existing  
11 pursuant to the provisions of this chapter if it appears from the  
12 articles or the certificate of amendment that the business to be  
13 carried on by the limited-liability company is subject to supervision  
14 by the Commissioner of Insurance or by the Commissioner of  
15 Financial Institutions unless the articles or certificate of amendment  
16 is approved by the Commissioner who will supervise the business of  
17 the ~~foreign~~ limited-liability company.

18 8. Except as otherwise provided in subsection 7, the Secretary  
19 of State shall not accept for filing any articles of organization or  
20 certificate of amendment of articles of organization of any limited-  
21 liability company formed or existing pursuant to the laws of this  
22 State which provides that the name of the limited-liability company  
23 contains the words "engineer," "engineered," "engineering,"  
24 "professional engineer," "registered engineer" or "licensed  
25 engineer" unless:

26 (a) The State Board of Professional Engineers and Land  
27 Surveyors certifies that the principals of the limited-liability  
28 company are licensed to practice engineering pursuant to the laws of  
29 this State; or

30 (b) The State Board of Professional Engineers and Land  
31 Surveyors certifies that the limited-liability company is exempt from  
32 the prohibitions of NRS 625.520.

33 9. The Secretary of State may adopt regulations that interpret  
34 the requirements of this section.

35 **Sec. 18.** NRS 86.221 is hereby amended to read as follows:

36 86.221 1. The articles of organization of a limited-liability  
37 company may be amended for any purpose, not inconsistent with  
38 law, as determined by all of the members or permitted by the articles  
39 or an operating agreement.

40 2. An amendment must be made in the form of a certificate  
41 setting forth:

42 (a) The name of the limited-liability company;

43 (b) Whether the limited-liability company is managed by  
44 managers or members; and

45 (c) The amendment to the articles of organization.





1 3. The certificate of amendment must be signed by a manager  
2 of the company or, if management is not vested in a manager, by a  
3 member.

4 4. Restated articles of organization may be signed and filed in  
5 the same manner as a certificate of amendment. If the certificate  
6 alters or amends the articles in any manner, it must be accompanied  
7 by ~~f~~:

- 8 ~~(a) A resolution; or~~
- 9 ~~(b) A~~ **a** form prescribed by the Secretary of State ~~f~~;
- 10 ~~→~~ setting forth which provisions of the articles of organization on  
11 file with the Secretary of State are being altered or amended.

12 **Sec. 19.** NRS 86.263 is hereby amended to read as follows:

13 86.263 1. A limited-liability company shall, on or before the  
14 last day of the first month after the filing of its articles of  
15 organization with the Secretary of State, file with the Secretary of  
16 State, on a form furnished by him, a list that contains:

- 17 (a) The name of the limited-liability company;
- 18 (b) The file number of the limited-liability company, if known;
- 19 (c) The names and titles of all of its managers or, if there is no  
20 manager, all of its managing members;
- 21 (d) The address, either residence or business, of each manager or  
22 managing member listed, following the name of the manager or  
23 managing member;
- 24 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
25 resident agent ~~[of the limited-liability company;]~~ *in this State;* and
- 26 (f) The signature of a manager or managing member of the  
27 limited-liability company certifying that the list is true, complete  
28 and accurate.

29 2. The limited-liability company shall annually thereafter, on  
30 or before the last day of the month in which the anniversary date of  
31 its organization occurs, file with the Secretary of State, on a form  
32 furnished by him, an amended list containing all of the information  
33 required in subsection 1.

34 3. Each list required by subsections 1 and 2 must be  
35 accompanied by a declaration under penalty of perjury that the  
36 limited-liability company:

- 37 (a) Has complied with the provisions of NRS 360.780; and
- 38 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
39 C felony to knowingly offer any false or forged instrument for filing  
40 in the Office of the Secretary of State.

41 4. Upon filing:

- 42 (a) The initial list required by subsection 1, the limited-liability  
43 company shall pay to the Secretary of State a fee of \$125.
- 44 (b) Each annual list required by subsection 2, the limited-  
45 liability company shall pay to the Secretary of State a fee of \$125.



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1 5. If a manager or managing member of a limited-liability  
2 company resigns and the resignation is not ~~made in conjunction~~  
3 ~~with the filing of an~~ *reflected on the* annual or amended list of  
4 managers and managing members, the limited-liability company *or*  
5 *the resigning manager or managing member* shall pay to the  
6 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
7 ~~manager or managing member.~~

8 6. The Secretary of State shall, ~~60~~ *90* days before the last day  
9 for filing each list required by subsection 2, cause to be mailed to  
10 each limited-liability company which is required to comply with the  
11 provisions of this section, and which has not become delinquent, a  
12 notice of the fee due under subsection 4 and a reminder to file a list  
13 required by subsection 2. Failure of any company to receive a notice  
14 or form does not excuse it from the penalty imposed by law.

15 7. If the list to be filed pursuant to the provisions of subsection  
16 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
17 Secretary of State may return the list for correction or payment.

18 8. An annual list for a limited-liability company not in default  
19 received by the Secretary of State more than 90 days before its due  
20 date shall be deemed an amended list for the previous year.

21 **Sec. 20.** NRS 86.5461 is hereby amended to read as follows:

22 86.5461 1. Each foreign limited-liability company doing  
23 business in this State shall, on or before the last day of the first  
24 month after the filing of its application for registration as a foreign  
25 limited-liability company with the Secretary of State, and annually  
26 thereafter on or before the last day of the month in which the  
27 anniversary date of its qualification to do business in this State  
28 occurs in each year, file with the Secretary of State a list on a form  
29 furnished by him that contains:

- 30 (a) The name of the foreign limited-liability company;
- 31 (b) The file number of the foreign limited-liability company, if  
32 known;
- 33 (c) The names and titles of all its managers or, if there is no  
34 manager, all its managing members;
- 35 (d) The address, either residence or business, of each manager or  
36 managing member listed pursuant to paragraph (c);
- 37 (e) The name and *street* address of its lawfully designated  
38 resident agent in this State; and
- 39 (f) The signature of a manager or managing member of the  
40 foreign limited-liability company certifying that the list is true,  
41 complete and accurate.

42 2. Each list filed pursuant to this section must be accompanied  
43 by a declaration under penalty of perjury that the foreign limited-  
44 liability company:

- 45 (a) Has complied with the provisions of NRS 360.780; and



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1 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 with the Office of the Secretary of State.

4 3. Upon filing:

5 (a) The initial list required by this section, the foreign limited-  
6 liability company shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by this section, the foreign limited-  
8 liability company shall pay to the Secretary of State a fee of \$125.

9 4. If a manager or managing member of a foreign limited-  
10 liability company resigns and the resignation is not ~~made in~~  
11 ~~conjunction with the filing of an~~ *reflected on the* annual or  
12 amended list of managers and managing members, the foreign  
13 limited-liability company *or the resigning manager or managing*  
14 *member* shall pay to the Secretary of State a fee of \$75 to file the  
15 resignation. ~~[of the manager or managing member.]~~

16 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
17 for filing each annual list required by this section, cause to be  
18 mailed to each foreign limited-liability company which is required  
19 to comply with the provisions of NRS 86.5461 to 86.5468,  
20 inclusive, and which has not become delinquent, the blank forms to  
21 be completed and filed with him. Failure of any foreign limited-  
22 liability company to receive the forms does not excuse it from the  
23 penalty imposed by the provisions of NRS 86.5461 to 86.5468,  
24 inclusive.

25 6. If the list to be filed pursuant to the provisions of subsection  
26 1 is defective or the fee required by subsection 3 is not paid, the  
27 Secretary of State may return the list for correction or payment.

28 7. An annual list for a foreign limited-liability company not in  
29 default which is received by the Secretary of State more than 90  
30 days before its due date must be deemed an amended list for the  
31 previous year and does not satisfy the requirements of this section  
32 for the year to which the due date is applicable.

33 **Sec. 21.** NRS 86.561 is hereby amended to read as follows:

34 86.561 1. The Secretary of State shall charge and collect for:

35 (a) Filing the original articles of organization, or for registration  
36 of a foreign company, \$75;

37 (b) Amending or restating the articles of organization, amending  
38 the registration of a foreign company or filing a certificate of  
39 correction, \$175;

40 (c) Filing the articles of dissolution of a domestic or foreign  
41 company, \$75;

42 (d) Filing a statement of change of address of a records or  
43 registered office, or change of the resident agent, \$60;



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1 (e) Certifying *a copy of* articles of organization or an  
2 amendment to the articles, ~~in both cases where a copy is provided,~~  
3 \$30;

4 (f) Certifying an authorized printed copy of this chapter, \$30;

5 (g) Reserving a name for a limited-liability company, \$25;

6 (h) Filing a certificate of cancellation, \$75;

7 (i) Signing, filing or certifying any other record, \$50; and

8 (j) Copies ~~made at~~ *provided by* the Office of the Secretary of  
9 State, \$2 per page.

10 2. The Secretary of State shall charge and collect, at the time of  
11 any service of process on him as agent for service of process of a  
12 limited-liability company, \$100 which may be recovered as taxable  
13 costs by the party to the action causing the service to be made if the  
14 party prevails in the action.

15 3. Except as otherwise provided in this section, the fees set  
16 forth in NRS 78.785 apply to this chapter.

17 **Sec. 22.** NRS 87.440 is hereby amended to read as follows:

18 87.440 1. To become a registered limited-liability  
19 partnership, a partnership shall file with the Secretary of State a  
20 certificate of registration stating each of the following:

21 (a) The name of the partnership.

22 (b) The street address of its principal office.

23 (c) The name of the person designated as the partnership's  
24 resident agent, the street address of the resident agent where process  
25 may be served upon the partnership and the mailing address of the  
26 resident agent if it is different than his street address.

27 (d) The name and business address of each managing partner in  
28 this State.

29 (e) A brief statement of the professional service rendered by the  
30 partnership.

31 (f) That the partnership thereafter will be a registered limited-  
32 liability partnership.

33 (g) Any other information that the partnership wishes to include.

34 2. The certificate of registration must be signed by a majority  
35 in interest of the partners or by one or more partners authorized to  
36 sign such a certificate.

37 3. The certificate of registration must be accompanied by a fee  
38 of ~~[\$175.]~~ \$75.

39 4. The Secretary of State shall register as a registered limited-  
40 liability partnership any partnership that submits a completed  
41 certificate of registration with the required fee.

42 5. The registration of a registered limited-liability partnership  
43 is effective at the time of the filing of the certificate of registration.



1       **Sec. 23.** NRS 87.510 is hereby amended to read as follows:

2       87.510 1. A registered limited-liability partnership shall, on  
3 or before the last day of the first month after the filing of its  
4 certificate of registration with the Secretary of State, and annually  
5 thereafter on or before the last day of the month in which the  
6 anniversary date of the filing of its certificate of registration with the  
7 Secretary of State occurs, file with the Secretary of State, on a form  
8 furnished by him, a list that contains:

9       (a) The name of the registered limited-liability partnership;

10       (b) The file number of the registered limited-liability  
11 partnership, if known;

12       (c) The names of all of its managing partners;

13       (d) The address, either residence or business, of each managing  
14 partner;

15       (e) The name and *street* address of ~~the~~ *its* lawfully designated  
16 resident agent ~~of the registered limited-liability partnership;~~ *in this*  
17 *State;* and

18       (f) The signature of a managing partner of the registered limited-  
19 liability partnership certifying that the list is true, complete and  
20 accurate.

21       ↪ Each list filed pursuant to this subsection must be accompanied  
22 by a declaration under penalty of perjury that the registered limited-  
23 liability partnership has complied with the provisions of NRS  
24 360.780 and which acknowledges that pursuant to NRS 239.330 it is  
25 a category C felony to knowingly offer any false or forged  
26 instrument for filing in the Office of the Secretary of State.

27       2. Upon filing:

28       (a) The initial list required by subsection 1, the registered  
29 limited-liability partnership shall pay to the Secretary of State a fee  
30 of \$125.

31       (b) Each annual list required by subsection 1, the registered  
32 limited-liability partnership shall pay to the Secretary of State a fee  
33 of \$125.

34       3. If a managing partner of a registered limited-liability  
35 partnership resigns and the resignation is not ~~made in conjunction~~  
36 ~~with the filing of an~~ *reflected on the* annual or amended list of  
37 managing partners, the registered limited-liability partnership *or the*  
38 *resigning managing partner* shall pay to the Secretary of State a fee  
39 of \$75 to file the resignation . ~~of the managing partner.~~

40       4. The Secretary of State shall, at least 90 days before the last  
41 day for filing each annual list required by subsection 1, cause to be  
42 mailed to the registered limited-liability partnership a notice of the  
43 fee due pursuant to subsection 2 and a reminder to file the annual  
44 list required by subsection 1. The failure of any registered limited-



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1 liability partnership to receive a notice or form does not excuse it  
2 from complying with the provisions of this section.

3 5. If the list to be filed pursuant to the provisions of subsection  
4 1 is defective, or the fee required by subsection 2 is not paid, the  
5 Secretary of State may return the list for correction or payment.

6 6. An annual list that is filed by a registered limited-liability  
7 partnership which is not in default more than 90 days before it is due  
8 shall be deemed an amended list for the previous year and does not  
9 satisfy the requirements of subsection 1 for the year to which the  
10 due date is applicable.

11 **Sec. 24.** NRS 87.541 is hereby amended to read as follows:

12 87.541 1. Each foreign registered limited-liability partnership  
13 doing business in this State shall, on or before the last day of the  
14 first month after the filing of its application for registration as a  
15 foreign registered limited-liability partnership with the Secretary of  
16 State, and annually thereafter on or before the last day of the month  
17 in which the anniversary date of its qualification to do business in  
18 this State occurs in each year, file with the Secretary of State a list,  
19 on a form furnished by him, that contains:

20 (a) The name of the foreign registered limited-liability  
21 partnership;

22 (b) The file number of the foreign registered limited-liability  
23 partnership, if known;

24 (c) The names of all its managing partners;

25 (d) The address, either residence or business, of each managing  
26 partner;

27 (e) The name and *street* address of ~~{the}~~ *its* lawfully designated  
28 resident agent ~~{of the foreign registered limited liability~~  
29 ~~partnership;} *in this State;* and~~

30 (f) The signature of a managing partner of the foreign registered  
31 limited-liability partnership certifying that the list is true, complete  
32 and accurate.

33 2. Each list filed pursuant to this section must be accompanied  
34 by a declaration under penalty of perjury that the foreign registered  
35 limited-liability partnership:

36 (a) Has complied with the provisions of NRS 360.780; and

37 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
38 C felony to knowingly offer any false or forged instrument for filing  
39 in the Office of the Secretary of State.

40 3. Upon filing:

41 (a) The initial list required by this section, the foreign registered  
42 limited-liability partnership shall pay to the Secretary of State a fee  
43 of \$125.





1 (b) Each annual list required by this section, the foreign  
2 registered limited-liability partnership shall pay to the Secretary of  
3 State a fee of \$125.

4 4. If a managing partner of a foreign registered limited-liability  
5 partnership resigns and the resignation is not ~~made in conjunction~~  
6 ~~with the filing of an~~ *reflected on the* annual or amended list of  
7 managing partners, the foreign registered limited-liability  
8 partnership *or the managing partner* shall pay to the Secretary of  
9 State a fee of \$75 to file the resignation. ~~[of the managing partner.]~~

10 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
11 for filing each annual list required by subsection 1, cause to be  
12 mailed to each foreign registered limited-liability partnership which  
13 is required to comply with the provisions of NRS 87.541 to 87.544,  
14 inclusive, and which has not become delinquent, the blank forms to  
15 be completed and filed with him. Failure of any foreign registered  
16 limited-liability partnership to receive the forms does not excuse it  
17 from the penalty imposed by the provisions of NRS 87.541 to  
18 87.544, inclusive.

19 6. If the list to be filed pursuant to the provisions of subsection  
20 1 is defective or the fee required by subsection 3 is not paid, the  
21 Secretary of State may return the list for correction or payment.

22 7. An annual list for a foreign registered limited-liability  
23 partnership not in default which is received by the Secretary of State  
24 more than 90 days before its due date must be deemed an amended  
25 list for the previous year and does not satisfy the requirements of  
26 subsection 1 for the year to which the due date is applicable.

27 **Sec. 25.** NRS 87.550 is hereby amended to read as follows:

28 87.550 In addition to any other fees required by NRS 87.440 to  
29 87.540, inclusive, and 87.560, the Secretary of State shall charge  
30 and collect the following fees for services rendered pursuant to  
31 those sections:

32 1. For certifying records required by NRS 87.440 to 87.540,  
33 inclusive, and 87.560, \$30 per certification.

34 2. For signing a certificate verifying the existence of a  
35 registered limited-liability partnership, if the registered limited-  
36 liability partnership has not filed a certificate of amendment, \$50.

37 3. For signing a certificate verifying the existence of a  
38 registered limited-liability partnership, if the registered limited-  
39 liability partnership has filed a certificate of amendment, \$50.

40 4. For signing, certifying or filing any certificate or record not  
41 required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

42 5. For any copies ~~made~~ *provided* by the Office of the  
43 Secretary of State, \$2 per page.

44 6. For examining and provisionally approving any record  
45 before the record is presented for filing, \$125.



1       **Sec. 26.** NRS 88.355 is hereby amended to read as follows:  
2       88.355 1. A certificate of limited partnership is amended by  
3 filing a certificate of amendment thereto in the Office of the  
4 Secretary of State. The certificate must set forth:

- 5       (a) The name of the limited partnership; and
- 6       (b) The amendment.

7       2. Within 30 days after the happening of any of the following  
8 events an amendment to a certificate of limited partnership  
9 reflecting the occurrence of the event or events must be filed:

- 10       (a) The admission of a new general partner;
- 11       (b) The withdrawal of a general partner; or
- 12       (c) The continuation of the business under NRS 88.550 after an  
13 event of withdrawal of a general partner.

14       3. A general partner who becomes aware that any statement in  
15 a certificate of limited partnership was false when made or that any  
16 arrangements or other facts described, except the address of its  
17 office or the name or address of its resident agent, have changed,  
18 making the certificate inaccurate in any respect, shall promptly  
19 amend the certificate.

20       4. A certificate of limited partnership may be amended at any  
21 time for any other proper purpose the general partners determine.

22       5. No person has any liability because an amendment to a  
23 certificate of limited partnership has not been filed to reflect the  
24 occurrence of any event referred to in subsection 2 if the amendment  
25 is filed within the 30-day period specified in subsection 2.

26       6. A restated certificate of limited partnership may be signed  
27 and filed in the same manner as a certificate of amendment. If the  
28 certificate alters or amends the certificate of limited partnership in  
29 any manner, it must be accompanied by ~~§~~

30 ~~—(a) A resolution; or~~  
31 ~~—(b) A] a~~ form prescribed by the Secretary of State ~~§~~  
32 ~~→]~~ setting forth which provisions of the certificate of limited  
33 partnership on file with the Secretary of State are being altered or  
34 amended.

35       **Sec. 27.** NRS 88.375 is hereby amended to read as follows:

36       88.375 1. Each certificate required by NRS 88.350 to 88.390,  
37 inclusive, to be filed in the Office of the Secretary of State must be  
38 signed in the following manner:

- 39       (a) An original certificate of limited partnership must be signed  
40 by all ~~[general partners;]~~ **organizers;**
- 41       (b) A certificate of amendment must be signed by at least one  
42 general partner and by each other general partner designated in the  
43 certificate as a new general partner; and
- 44       (c) A certificate of cancellation must be signed by all general  
45 partners.



1       2. Any person may sign a certificate by an attorney-in-fact, but  
2 a power of attorney to sign a certificate relating to the admission of  
3 a general partner must specifically describe the admission.

4       3. The signing of a certificate by a general partner constitutes  
5 an affirmation under the penalties of perjury that the facts stated  
6 therein are true.

7       **Sec. 28.** NRS 88.395 is hereby amended to read as follows:

8       88.395 1. A limited partnership shall, on or before the last  
9 day of the first month after the filing of its certificate of limited  
10 partnership with the Secretary of State, and annually thereafter on or  
11 before the last day of the month in which the anniversary date of the  
12 filing of its certificate of limited partnership occurs, file with the  
13 Secretary of State, on a form furnished by him, a list that contains:

- 14       (a) The name of the limited partnership;  
15       (b) The file number of the limited partnership, if known;  
16       (c) The names of all of its general partners;  
17       (d) The address, either residence or business, of each general  
18 partner;  
19       (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
20 resident agent ~~[of the limited partnership;]~~ *in this State;* and  
21       (f) The signature of a general partner of the limited partnership  
22 certifying that the list is true, complete and accurate.

23       ↪ Each list filed pursuant to this subsection must be accompanied  
24 by a declaration under penalty of perjury that the limited partnership  
25 has complied with the provisions of NRS 360.780 and which  
26 acknowledges that pursuant to NRS 239.330 it is a category C  
27 felony to knowingly offer any false or forged instrument for filing in  
28 the Office of the Secretary of State.

29       2. Except as otherwise provided in subsection 3, a limited  
30 partnership shall, upon filing:

31       (a) The initial list required by subsection 1, pay to the Secretary  
32 of State a fee of \$125.

33       (b) Each annual list required by subsection 1, pay to the  
34 Secretary of State a fee of \$125.

35       3. A registered limited-liability limited partnership shall, upon  
36 filing:

37       (a) The initial list required by subsection 1, pay to the Secretary  
38 of State a fee of \$125.

39       (b) Each annual list required by subsection 1, pay to the  
40 Secretary of State a fee of \$175.

41       4. If a general partner of a limited partnership resigns and the  
42 resignation is not ~~[made in conjunction with the filing of an]~~  
43 *reflected on the* annual or amended list of general partners, the  
44 limited partnership *or the resigning general partner* shall pay to the



1 Secretary of State a fee of \$75 to file the resignation . ~~[of the general~~  
2 ~~partner.]~~

3 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
4 for filing each annual list required by subsection 1, cause to be  
5 mailed to each limited partnership which is required to comply with  
6 the provisions of this section, and which has not become delinquent,  
7 a notice of the fee due pursuant to the provisions of subsection 2 or  
8 3, as appropriate, and a reminder to file the annual list. Failure of  
9 any limited partnership to receive a notice or form does not excuse it  
10 from the penalty imposed by NRS 88.400.

11 6. If the list to be filed pursuant to the provisions of subsection  
12 1 is defective or the fee required by subsection 2 or 3 is not paid, the  
13 Secretary of State may return the list for correction or payment.

14 7. An annual list for a limited partnership not in default that is  
15 received by the Secretary of State more than 90 days before its due  
16 date shall be deemed an amended list for the previous year and does  
17 not satisfy the requirements of subsection 1 for the year to which the  
18 due date is applicable.

19 8. A filing made pursuant to this section does not satisfy the  
20 provisions of NRS 88.355 and may not be substituted for filings  
21 submitted pursuant to NRS 88.355.

22 **Sec. 29.** NRS 88.415 is hereby amended to read as follows:

23 88.415 The Secretary of State, for services relating to his  
24 official duties and the records of his office, shall charge and collect  
25 the following fees:

26 1. For filing a certificate of limited partnership, or for  
27 registering a foreign limited partnership, \$75.

28 2. For filing a certificate of registration of limited-liability  
29 limited partnership, or for registering a foreign registered limited-  
30 liability *limited* partnership, \$100.

31 3. For filing a certificate of amendment of limited partnership  
32 or restated certificate of limited partnership, \$175.

33 4. For filing a certificate of a change of location of the records  
34 office of a limited partnership or the office of its resident agent, or a  
35 designation of a new resident agent, \$60.

36 5. For certifying a *copy of a* certificate of limited partnership,  
37 an amendment to the certificate, or a certificate as amended , ~~[where~~  
38 ~~a copy is provided.]~~ \$30 per certification.

39 6. For certifying an authorized printed copy of the limited  
40 partnership law, \$30.

41 7. For reserving a limited partnership name, or for signing,  
42 filing or certifying any other record, \$25.

43 8. For copies ~~[made at]~~ *provided by* the Office of the Secretary  
44 of State, \$2 per page.



1 9. For filing a certificate of cancellation of a limited  
2 partnership, \$75.

3 ↪ Except as otherwise provided in this section, the fees set forth in  
4 NRS 78.785 apply to this chapter.

5 **Sec. 30.** NRS 88.591 is hereby amended to read as follows:

6 88.591 1. Each foreign limited partnership doing business in  
7 this State shall, on or before the last day of the first month after the  
8 filing of its application for registration as a foreign limited  
9 partnership with the Secretary of State, and annually thereafter on or  
10 before the last day of the month in which the anniversary date of its  
11 qualification to do business in this State occurs in each year, file  
12 with the Secretary of State a list, on a form furnished by him, that  
13 contains:

14 (a) The name of the foreign limited partnership;

15 (b) The file number of the foreign limited partnership, if known;

16 (c) The names of all its general partners;

17 (d) The address, either residence or business, of each general  
18 partner;

19 (e) The name and *street* address of its lawfully designated  
20 resident agent in this State; and

21 (f) The signature of a general partner of the foreign limited  
22 partnership certifying that the list is true, complete and accurate.

23 2. Each list filed pursuant to this section must be accompanied  
24 by a declaration under penalty of perjury that the foreign limited  
25 partnership:

26 (a) Has complied with the provisions of NRS 360.780; and

27 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
28 C felony to knowingly offer any false or forged instrument for filing  
29 in the Office of the Secretary of State.

30 3. Upon filing:

31 (a) The initial list required by this section, the foreign limited  
32 partnership shall pay to the Secretary of State a fee of \$125.

33 (b) Each annual list required by this section, the foreign limited  
34 partnership shall pay to the Secretary of State a fee of \$125.

35 4. If a general partner of a foreign limited partnership resigns  
36 and the resignation is not ~~made in conjunction with the filing of an~~  
37 *reflected on the* annual or amended list of general partners, the  
38 foreign limited partnership *or the resigning general partner* shall  
39 pay to the Secretary of State a fee of \$75 to file the resignation of  
40 the general partner.

41 5. The Secretary of State shall, ~~{60}~~ *90* days before the last day  
42 for filing each annual list required by subsection 1, cause to be  
43 mailed to each foreign limited partnership, which is required to  
44 comply with the provisions of NRS 88.591 to 88.5945, inclusive,  
45 and which has not become delinquent, the blank forms to be





1 completed and filed with him. Failure of any foreign limited  
2 partnership to receive the forms does not excuse it from the penalty  
3 imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

4 6. If the list to be filed pursuant to the provisions of subsection  
5 1 is defective or the fee required by subsection 3 is not paid, the  
6 Secretary of State may return the list for correction or payment.

7 7. An annual list for a foreign limited partnership not in default  
8 which is received by the Secretary of State more than 90 days before  
9 its due date must be deemed an amended list for the previous year  
10 and does not satisfy the requirements of subsection 1 for the year to  
11 which the due date is applicable.

12 **Sec. 31.** NRS 88A.210 is hereby amended to read as follows:

13 88A.210 1. One or more persons may create a business trust  
14 by adopting a governing instrument and signing and filing with the  
15 Secretary of State a certificate of trust and a certificate of acceptance  
16 of appointment signed by the resident agent of the business trust.  
17 The certificate of trust must set forth:

18 (a) The name of the business trust;

19 (b) The name and ~~[the mailing or street]~~ address, either  
20 residence or business, of at least one trustee;

21 (c) The name of the person designated as the resident agent for  
22 the business trust, the street address of the resident agent where  
23 process may be served upon the business trust and the mailing  
24 address of the resident agent if different from the street address;

25 (d) The name and ~~[mailing or street]~~ address, either residence or  
26 business, of each person signing the certificate of trust; and

27 (e) Any other information the trustees determine to include.

28 2. Upon the filing of the certificate of trust and the certificate  
29 of acceptance with the Secretary of State and the payment to him of  
30 the required filing fee, the Secretary of State shall issue to the  
31 business trust a certificate that the required records with the required  
32 content have been filed. From the date of that filing, the business  
33 trust is legally formed pursuant to this chapter.

34 **Sec. 32.** NRS 88A.600 is hereby amended to read as follows:

35 88A.600 1. A business trust formed pursuant to this chapter  
36 shall, on or before the last day of the first month after the filing of  
37 its certificate of trust with the Secretary of State, and annually  
38 thereafter on or before the last day of the month in which the  
39 anniversary date of the filing of its certificate of trust with the  
40 Secretary of State occurs, file with the Secretary of State, on a form  
41 furnished by him, a list signed by at least one trustee that contains  
42 the name and ~~[mailing]~~ *street* address of its lawfully designated  
43 resident agent *in this State* and at least one trustee. Each list filed  
44 pursuant to this subsection must be accompanied by a declaration  
45 under penalty of perjury that the business trust:





1 (a) Has complied with the provisions of NRS 360.780; and  
2 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
3 C felony to knowingly offer any false or forged instrument for filing  
4 in the Office of the Secretary of State.

5 2. Upon filing:

6 (a) The initial list required by subsection 1, the business trust  
7 shall pay to the Secretary of State a fee of \$125.

8 (b) Each annual list required by subsection 1, the business trust  
9 shall pay to the Secretary of State a fee of \$125.

10 3. If a trustee of a business trust resigns and the resignation is  
11 not ~~made in conjunction with the filing of an~~ *reflected on the*  
12 annual or amended list of trustees, the business trust *or the*  
13 *resigning trustee* shall pay to the Secretary of State a fee of \$75 to  
14 file the resignation . ~~[of the trustee.]~~

15 4. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
16 for filing each annual list required by subsection 1, cause to be  
17 mailed to each business trust which is required to comply with the  
18 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
19 not become delinquent, the blank forms to be completed and filed  
20 with him. Failure of a business trust to receive the forms does not  
21 excuse it from the penalty imposed by law.

22 5. An annual list for a business trust not in default which is  
23 received by the Secretary of State more than 90 days before its due  
24 date shall be deemed an amended list for the previous year.

25 **Sec. 33.** NRS 88A.732 is hereby amended to read as follows:

26 88A.732 1. Each foreign business trust doing business in this  
27 State shall, on or before the last day of the first month after the filing  
28 of its application for registration as a foreign business trust with the  
29 Secretary of State, and annually thereafter on or before the last day  
30 of the month in which the anniversary date of its qualification to do  
31 business in this State occurs in each year, file with the Secretary of  
32 State a list, on a form furnished by him, that contains:

- 33 (a) The name of the foreign business trust;
- 34 (b) The file number of the foreign business trust, if known;
- 35 (c) The name of at least one of its trustees;
- 36 (d) The address, either residence or business, of the trustee listed  
37 pursuant to paragraph (c);
- 38 (e) The name and *street* address of its lawfully designated  
39 resident agent in this State; and
- 40 (f) The signature of a trustee of the foreign business trust  
41 certifying that the list is true, complete and accurate.

42 2. Each list required to be filed pursuant to this section must be  
43 accompanied by a declaration under penalty of perjury that the  
44 foreign business trust:

45 (a) Has complied with the provisions of NRS 360.780; and



1 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 in the Office of the Secretary of State.

4 3. Upon filing:

5 (a) The initial list required by this section, the foreign business  
6 trust shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by this section, the foreign business  
8 trust shall pay to the Secretary of State a fee of \$125.

9 4. If a trustee of a foreign business trust resigns and the  
10 resignation is not ~~made in conjunction with the filing of an~~  
11 *reflected on the* annual or amended list of trustees, the foreign  
12 business trust *or the resigning trustee* shall pay to the Secretary of  
13 State a fee of \$75 to file the resignation. ~~[of the trustee.]~~

14 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
15 for filing each annual list required by subsection 1, cause to be  
16 mailed to each foreign business trust which is required to comply  
17 with the provisions of NRS 88A.732 to 88A.738, inclusive, and  
18 which has not become delinquent, the blank forms to be completed  
19 and filed with him. Failure of any foreign business trust to receive  
20 the forms does not excuse it from the penalty imposed by the  
21 provisions of NRS 88A.732 to 88A.738, inclusive.

22 6. If the list to be filed pursuant to the provisions of subsection  
23 1 is defective or the fee required by subsection 3 is not paid, the  
24 Secretary of State may return the list for correction or payment.

25 7. An annual list for a foreign business trust not in default  
26 which is received by the Secretary of State more than 90 days before  
27 its due date must be deemed an amended list for the previous year  
28 and does not satisfy the requirements of subsection 1 for the year to  
29 which the due date is applicable.

30 **Sec. 34.** NRS 89.250 is hereby amended to read as follows:

31 89.250 1. Except as otherwise provided in subsection 2, a  
32 professional association shall, on or before the last day of the first  
33 month after the filing of its articles of association with the Secretary  
34 of State, and annually thereafter on or before the last day of the  
35 month in which the anniversary date of its organization occurs in  
36 each year, ~~[furnish a statement to]~~ *file with* the Secretary of State *a*  
37 *list* showing the names and addresses, either residence or business,  
38 of all members and employees in the professional association and  
39 certifying that all members and employees are licensed to render  
40 professional service in this State.

41 2. A professional association organized and practicing pursuant  
42 to the provisions of this chapter and NRS 623.349 shall, on or  
43 before the last day of the first month after the filing of its articles of  
44 association with the Secretary of State, and annually thereafter on or  
45 before the last day of the month in which the anniversary date of its



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1 organization occurs in each year, ~~file with~~ *file with*  
2 the Secretary of State ~~file with~~ *a list*:

3 (a) Showing the names and addresses, either residence or  
4 business, of all members and employees of the professional  
5 association who are licensed or otherwise authorized by law to  
6 render professional service in this State;

7 (b) Certifying that all members and employees who render  
8 professional service are licensed or otherwise authorized by law to  
9 render professional service in this State; and

10 (c) Certifying that all members who are not licensed to render  
11 professional service in this State do not render professional service  
12 on behalf of the professional association except as authorized by  
13 law.

14 3. Each ~~statement~~ *list* filed pursuant to this section must be:

15 (a) Made on a form ~~prescribed~~ *furnished* by the Secretary of  
16 State and must not contain any fiscal or other information except  
17 that expressly called for by this section.

18 (b) Signed by the chief executive officer of the professional  
19 association.

20 (c) Accompanied by a declaration under penalty of perjury that  
21 the professional association:

22 (1) Has complied with the provisions of NRS 360.780; and

23 (2) Acknowledges that pursuant to NRS 239.330, it is a  
24 category C felony to knowingly offer any false or forged instrument  
25 for filing in the Office of the Secretary of State.

26 4. Upon filing:

27 (a) The initial ~~statement~~ *list* required by this section, the  
28 professional association shall pay to the Secretary of State a fee of  
29 \$125.

30 (b) Each annual ~~statement~~ *list* required by this section, the  
31 professional association shall pay to the Secretary of State a fee of  
32 \$125.

33 **Sec. 35.** NRS 89.256 is hereby amended to read as follows:

34 89.256 1. Except as otherwise provided in subsections 3 and  
35 4, the Secretary of State shall reinstate any professional association  
36 which has forfeited its right to transact business under the provisions  
37 of this chapter and restore the right to carry on business in this State  
38 and exercise its privileges and immunities if it:

39 (a) Files with the Secretary of State:

40 (1) The ~~statement~~ *list* and certification required by NRS  
41 89.250; and

42 (2) A certificate of acceptance of appointment signed by its  
43 resident agent; and

44 (b) Pays to the Secretary of State:



1 (1) The filing fee and penalty set forth in NRS 89.250 and  
2 89.252 for each year or portion thereof during which the articles of  
3 association have been revoked; and

4 (2) A fee of \$300 for reinstatement.

5 2. When the Secretary of State reinstates the professional  
6 association, he shall issue to the professional association a  
7 certificate of reinstatement if the professional association:

8 (a) Requests a certificate of reinstatement; and

9 (b) Pays the required fees pursuant to subsection 8 of  
10 NRS 78.785.

11 3. The Secretary of State shall not order a reinstatement unless  
12 all delinquent fees and penalties have been paid, and the revocation  
13 of the articles of association occurred only by reason of the failure  
14 to pay the fees and penalties.

15 4. If the articles of association of a professional association  
16 have been revoked pursuant to the provisions of this chapter and  
17 have remained revoked for 10 consecutive years, the articles must  
18 not be reinstated.

19 **Sec. 36.** Chapter 225 of NRS is hereby amended by adding  
20 thereto a new section to read as follows:

21 *1. A person shall not willfully file, promote the filing of, or*  
22 *cause to be filed, or attempt or conspire to file, promote the filing*  
23 *of, or cause to be filed, any record in the Office of the Secretary of*  
24 *State if the person has actual knowledge that the record:*

25 *(a) Is forged or fraudulently altered;*

26 *(b) Contains a false statement of material fact; or*

27 *(c) Is being filed in bad faith or for the purpose of harassing*  
28 *or defrauding any person.*

29 *2. Any person who violates this section is liable in a civil*  
30 *action brought pursuant to this section for:*

31 *(a) Actual damages caused by each separate violation of this*  
32 *section, or \$10,000 for each separate violation of this section,*  
33 *whichever is greater;*

34 *(b) All costs of bringing and maintaining the action, including*  
35 *investigative expenses and fees for expert witnesses;*

36 *(c) Reasonable attorney's fees; and*

37 *(d) Any punitive damages that the facts may warrant.*

38 *3. A civil action may be brought pursuant to this section by:*

39 *(a) Any person who is damaged by a violation of this section,*  
40 *including, without limitation, any person who is damaged as the*  
41 *result of an action taken in reliance on a record filed in violation*  
42 *of this section; or*

43 *(b) The Attorney General, in the name of the State of Nevada,*  
44 *if the matter is referred to the Attorney General by the Secretary of*  
45 *State and if the Attorney General, after due inquiry, determines*



1 *that a civil action should be brought pursuant to this section. Any*  
2 *money recovered by the Attorney General pursuant to this*  
3 *paragraph, after deducting all costs and expenses incurred by the*  
4 *Attorney General and the Secretary of State to investigate and act*  
5 *upon the violation, must be deposited in the State General Fund.*

6 *4. For the purposes of this section, each filing of a single*  
7 *record that constitutes a violation of this section shall be deemed*  
8 *to be a separate violation.*

9 *5. The rights, remedies and penalties provided pursuant to*  
10 *this section are cumulative and do not abrogate and are in*  
11 *addition to any other rights, remedies and penalties that may exist*  
12 *at law or in equity, including, without limitation, any criminal*  
13 *penalty that may be imposed pursuant to NRS 239.330.*

14 **Sec. 37.** NRS 225.140 is hereby amended to read as follows:

15 225.140 1. Except as otherwise provided in subsection 2, in  
16 addition to other fees authorized by law, the Secretary of State shall  
17 charge and collect the following fees:

18  
19 For certifying to a copy of any law, joint resolution,  
20 transcript of record or other paper on file or of  
21 record with the Secretary of State, including, but  
22 not limited to, a document required to be filed  
23 pursuant to title 24 of NRS, and use of the State  
24 Seal, for each impression ..... \$20

25 For each passport or other document signed by the  
26 Governor and attested by the Secretary of State ..... 10

27  
28 2. The Secretary of State:

29 (a) Shall charge a reasonable fee for searching records and  
30 documents kept in his office, including, but not limited to, records  
31 and documents that are stored on a computer database.

32 (b) May charge or collect any filing or other fees for services  
33 rendered by him to the State of Nevada, any local governmental  
34 agency or agency of the Federal Government, or any officer thereof  
35 in his official capacity or respecting his office or official duties.

36 (c) May not charge or collect a filing or other fee for:

37 (1) Attesting extradition papers or executive warrants for  
38 other states.

39 (2) Any commission or appointment issued or made by the  
40 Governor, either for the use of the State Seal or otherwise.

41 (d) May charge a reasonable fee, not to exceed:

42 (1) *One thousand dollars, for providing service within 1*  
43 *hour after the time service is requested;*

44 (2) *Five hundred dollars, for providing service more than 1*  
45 *hour but within 2 hours after the time the service is requested; and*



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1 ~~[(2)]~~ (3) One hundred twenty-five dollars, for providing any  
2 other special service, including, but not limited to, providing service  
3 more than 2 hours but within 24 hours after the time the service is  
4 requested, accepting documents filed by facsimile machine and  
5 other use of new technology.

6 (e) Shall charge a person, for each check or other negotiable  
7 instrument returned to the Office of the Secretary of State because  
8 the person had insufficient money or credit with the drawee to pay  
9 the check or other instrument or because the person stopped  
10 payment on the check or other instrument:

11 (1) A fee of \$25; and

12 (2) If the check or other instrument that was returned had  
13 been presented for the payment of a filing fee for more than one  
14 entity, an additional fee in an amount equal to the actual cost  
15 incurred by the Office of the Secretary of State to perform the  
16 following actions as a result of the returned check or instrument:

17 (I) Reversing the status of the entities in the records of the  
18 Office of the Secretary of State; and

19 (II) Recouping any fees charged for services rendered by  
20 the Office of the Secretary of State to the entities, including, without  
21 limitation, fees charged for providing service pursuant to paragraph  
22 (d), providing copies or issuing certificates.

23 ↪ The Secretary of State shall, by regulation, establish procedures  
24 for the imposition of the fees authorized by this paragraph and the  
25 manner in which a fee authorized by subparagraph (2) will be  
26 calculated.

27 *(f) May charge a reasonable fee for searching for and  
28 cancelling or removing, if requested, any filing that has been  
29 submitted to him but not yet processed.*

30 3. From each fee collected pursuant to paragraph (d) of  
31 subsection 2:

32 (a) ~~[(The entire amount or \$62.50, whichever is less, of the fee  
33 collected pursuant to subparagraph (1) of that paragraph and one-  
34 half] One-half~~ of the fee collected ~~[(pursuant to subparagraph (2) of  
35 that paragraph]~~ must be deposited with the State Treasurer for credit  
36 to the Account for Special Services of the Secretary of State in the  
37 State General Fund. Any amount remaining in the Account at the  
38 end of a fiscal year in excess of \$2,000,000 must be transferred to  
39 the State General Fund. Money in the Account may be transferred to  
40 the Secretary of State's Operating General Fund Budget Account  
41 and must only be used to create and maintain the capability of the  
42 Office of the Secretary of State to provide special services,  
43 including, but not limited to, providing service:

44 (1) On the day it is requested or within 24 hours; or





1 (2) Necessary to increase or maintain the efficiency of the  
2 Office.

3 ↪ Any transfer of money from the Account for expenditure by the  
4 Secretary of State must be approved by the Interim Finance  
5 Committee.

6 (b) After deducting the amount required pursuant to paragraph  
7 (a), the remainder must be deposited with the State Treasurer for  
8 credit to the State General Fund.

9 4. The Secretary of State shall post a schedule of the fees  
10 authorized to be charged pursuant to this section in a conspicuous  
11 place at each office at which such fees are collected.

12 **Sec. 38.** Chapter 240 of NRS is hereby amended by adding  
13 thereto the provisions set forth as sections 39 and 40 of this act.

14 **Sec. 39. 1. A notary public who is appointed pursuant to**  
15 **this chapter shall not willfully notarize the signature of a person**  
16 **unless the person is in the presence of the notary public and:**

17 (a) *Is known to the notary public; or*

18 (b) *If unknown to the notary public, provides documentary*  
19 *evidence of identification to the notary public.*

20 2. *A person who:*

21 (a) *Violates the provisions of subsection 1; or*

22 (b) *Aids and abets a notary public to commit a violation of*  
23 *subsection 1,*

24 *↪ is guilty of a gross misdemeanor.*

25 **Sec. 40. 1. Except as otherwise provided in subsection 2,**  
26 **the Secretary of State shall, upon request and payment of a fee of**  
27 **\$20, issue an authentication to verify that the signature of the**  
28 **notarial officer on a document is genuine and that the notarial**  
29 **officer holds the office indicated on the document. If the**  
30 **document:**

31 (a) *Is intended for use in a foreign country that is a participant*  
32 *in the Hague Convention of October 5, 1961, the Secretary of*  
33 *State must issue an apostille in the form prescribed by the Hague*  
34 *Convention of October 5, 1961.*

35 (b) *Is intended for use in the United States or in a foreign*  
36 *country that is not a participant in the Hague Convention of*  
37 *October 5, 1961, the Secretary of State must issue a certification.*

38 2. *The Secretary of State shall not issue an authentication*  
39 *pursuant to subsection 1 if:*

40 (a) *The document has not been notarized in accordance with*  
41 *the provisions of this chapter; or*

42 (b) *The Secretary of State has reasonable cause to believe that*  
43 *the document may be used to accomplish any fraudulent, criminal*  
44 *or unlawful purpose.*



1       **Sec. 41.** NRS 240.001 is hereby amended to read as follows:  
2       240.001 As used in NRS 240.001 to 240.169, inclusive, *and*  
3       *sections 39 and 40 of this act*, unless the context otherwise requires,  
4       the words and terms defined in NRS 240.002 to 240.005, inclusive,  
5       have the meanings ascribed to them in those sections.

6       **Sec. 42.** NRS 240.007 is hereby amended to read as follows:  
7       240.007 1. Except as otherwise provided in subsection 2,  
8       information and documents filed with or obtained by the Secretary  
9       of State pursuant to NRS 240.001 to 240.169, inclusive, *and*  
10       *sections 39 and 40 of this act* are public information and are  
11       available for public examination.

12       2. Except as otherwise provided in subsections 3 and 4,  
13       information and documents obtained by or filed with the Secretary  
14       of State in connection with an investigation concerning a possible  
15       violation of the provisions of NRS 240.001 to 240.169, inclusive,  
16       *and sections 39 and 40 of this act* are not public information and  
17       are confidential.

18       3. The Secretary of State may submit any information or  
19       evidence obtained in connection with an investigation concerning a  
20       possible violation of the provisions of NRS 240.001 to 240.169,  
21       inclusive, *and sections 39 and 40 of this act* to the appropriate  
22       district attorney for the purpose of prosecuting a criminal action.

23       4. The Secretary of State may disclose any information or  
24       documents obtained in connection with an investigation concerning  
25       a possible violation of the provisions of NRS 240.001 to 240.169,  
26       inclusive, *and sections 39 and 40 of this act* to an agency of this  
27       State or a political subdivision of this State.

28       **Sec. 43.** NRS 240.010 is hereby amended to read as follows:  
29       240.010 1. The Secretary of State may appoint notaries  
30       public in this State.

31       2. The Secretary of State shall not appoint as a notary public a  
32       person:

33       (a) Who submits an application containing a substantial and  
34       material misstatement or omission of fact.

35       (b) Whose previous appointment as a notary public in this State  
36       has been revoked.

37       (c) Who has been convicted of a crime involving moral  
38       turpitude, if the Secretary of State is aware of such a conviction  
39       before he makes the appointment.

40       (d) Against whom a complaint that alleges a violation of a  
41       provision of this chapter is pending.

42       3. A notary public may cancel his appointment by submitting a  
43       written notice to the Secretary of State.

44       4. It is unlawful for a person to:



\* S B 4 5 3 R 3 \*



1 (a) Represent himself as a notary public appointed pursuant to  
2 this section if he has not received a certificate of appointment from  
3 the Secretary of State pursuant to this chapter.

4 (b) Submit an application for appointment as a notary public that  
5 contains a substantial and material misstatement or omission of fact.

6 ***5. The Secretary of State may request that the Attorney  
7 General bring an action to enjoin any violation of paragraph (a)  
8 of subsection 4.***

9 **Sec. 44.** NRS 240.033 is hereby amended to read as follows:

10 240.033 1. The bond required to be filed pursuant to NRS  
11 240.030 must be executed by the person applying to become a  
12 notary public as principal and by a surety company qualified and  
13 authorized to do business in this State. The bond must be made  
14 payable to the State of Nevada and be conditioned to provide  
15 indemnification to a person determined to have suffered damage as  
16 a result of an act by the notary public which violates a provision of  
17 NRS 240.001 to 240.169, inclusive ~~§~~, ***and sections 39 and 40 of  
18 this act.*** The surety company shall pay a final, nonappealable  
19 judgment of a court of this State that has jurisdiction, upon receipt  
20 of written notice of final judgment. The bond may be continuous  
21 but, regardless of the duration of the bond, the aggregate liability of  
22 the surety does not exceed the penal sum of the bond.

23 2. If the penal sum of the bond is exhausted, the surety  
24 company shall notify the Secretary of State in writing within 30  
25 days after its exhaustion.

26 3. The surety bond must cover the period of the appointment of  
27 the notary public, except when a surety is released.

28 4. A surety on a bond filed pursuant to NRS 240.030 may be  
29 released after the surety gives 30 days' written notice to the  
30 Secretary of State and notary public, but the release does not  
31 discharge or otherwise affect a claim filed by a person for damage  
32 resulting from an act of the notary public which is alleged to have  
33 occurred while the bond was in effect.

34 5. The appointment of a notary public is suspended by  
35 operation of law when the notary public is no longer covered by a  
36 surety bond as required by this section and NRS 240.030 or the  
37 penal sum of the bond is exhausted. If the Secretary of State  
38 receives notice pursuant to subsection 4 that the bond will be  
39 released or pursuant to subsection 2 that the penal sum of the bond  
40 is exhausted, the Secretary ***of State*** shall immediately notify the  
41 notary public in writing that his appointment will be suspended by  
42 operation of law until another surety bond is filed in the same  
43 manner and amount as the bond being terminated.

44 6. The Secretary of State may reinstate the appointment of a  
45 notary public whose appointment has been suspended pursuant to



1 subsection 5, if the notary public, before his current term of  
2 appointment expires:

3 (a) Submits to the Secretary of State:

4 (1) An application for an amended certificate of appointment  
5 as a notary public; and

6 (2) A certificate issued by the clerk of the county in which  
7 the applicant resides or, if the applicant is a resident of an adjoining  
8 state, the county in this State in which the applicant maintains a  
9 place of business or is employed, which indicates that the applicant  
10 filed a new surety bond with the clerk.

11 (b) Pays to the Secretary of State a fee of \$10.

12 **Sec. 45.** NRS 240.161 is hereby amended to read as follows:

13 240.161 1. NRS 240.161 to 240.169, inclusive, *and section*  
14 *40 of this act* may be cited as the Uniform Law on Notarial Acts.

15 2. These sections must be applied and construed to effectuate  
16 their general purpose to make uniform the law with respect to the  
17 subject of these sections among states enacting them.

18 **Sec. 46.** NRS 240.165 is hereby amended to read as follows:

19 240.165 1. A notarial act has the same effect under the law of  
20 this State as if performed by a notarial officer of this State if  
21 performed within the jurisdiction of and under authority of a foreign  
22 nation or its constituent units or a multinational or international  
23 organization by the following persons:

24 (a) A notary public;

25 (b) A judge, clerk or deputy clerk of a court of record; or

26 (c) A person authorized by the law of that jurisdiction to  
27 perform notarial acts.

28 2. ~~[An "apostille" in the form prescribed by the Hague~~  
29 ~~Convention of October 5, 1961, conclusively establishes that the~~  
30 ~~signature of the notarial officer is genuine and that the officer holds~~  
31 ~~the indicated office. The Secretary of State shall, upon request and~~  
32 ~~payment of a fee of \$20, issue an apostille to verify a signature of a~~  
33 ~~notarial officer on a document that is kept in the records of the~~  
34 ~~Secretary of State unless the document had not been notarized in~~  
35 ~~accordance with the provisions of this chapter.~~

36 ~~—3.]~~ A certificate by an officer of the foreign service or consular  
37 officer of the United States stationed in the nation under the  
38 jurisdiction of which the notarial act was performed, or a certificate  
39 by an officer of the foreign service or consular officer of that nation  
40 stationed in the United States, conclusively establishes a matter  
41 relating to the authenticity or validity of the notarial act set forth in  
42 the certificate.

43 ~~[4.]~~ 3. An official stamp or seal of the person performing the  
44 notarial act is prima facie evidence that the signature is genuine and  
45 that the person holds the indicated title.



1 ~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph  
2 (a) or (b) of subsection 1 is prima facie evidence that a person with  
3 the indicated title has authority to perform notarial acts.

4 ~~[6.]~~ 5. If the title of office and indication of authority to  
5 perform notarial acts appears either in a digest of foreign law or in a  
6 list customarily used as a source for that information, the authority  
7 of an officer with that title to perform notarial acts is conclusively  
8 established.

9 **Sec. 47.** NRS 600.340 is hereby amended to read as follows:

10 600.340 1. A person who has adopted and is using a mark in  
11 this State may file in the Office of the Secretary of State, on a form  
12 to be furnished by the Secretary of State, an application for  
13 registration of that mark setting forth, but not limited to, the  
14 following information:

15 (a) Whether the mark to be registered is a trademark, trade name  
16 or service mark;

17 (b) A description of the mark by name, words displayed in it or  
18 other information;

19 (c) The name and business address of the person applying for  
20 the registration and, if it is a corporation, limited-liability company,  
21 limited partnership or registered limited-liability partnership, the  
22 state of incorporation or organization;

23 (d) The specific goods or services in connection with which the  
24 mark is used and the mode or manner in which the mark is used in  
25 connection with those goods or services and the class as designated  
26 by the Secretary of State which includes those goods or services;

27 (e) The date when the mark was first used anywhere and the  
28 date when it was first used in this State by the applicant or his  
29 predecessor in business which must precede the filing of the  
30 application; and

31 (f) A statement that the applicant is the owner of the mark and  
32 that no other person has the right to use the mark in this State either  
33 in the form set forth in the application or in such near resemblance  
34 to it as might deceive or cause mistake.

35 2. The application must:

36 (a) Be signed and verified by the applicant or by a member of  
37 the firm or an officer of the corporation or association applying.

38 (b) Be accompanied by a specimen or facsimile of the mark ~~[in~~  
39 ~~duplicate]~~ *on white paper that is 8 1/2 inches by 11 inches in size*  
40 and by a filing fee of \$100 payable to the Secretary of State.

41 3. If the application fails to comply with this section or NRS  
42 600.343, the Secretary of State shall return it for correction.



Amendment No. 881

Assembly Amendment to Senate Bill No. 453 Second Reprint	(BDR 7-576)
<b>Proposed by:</b> Committee on Judiciary	
<b>Amendment Box:</b>	
<b>Resolves Conflicts with:</b> N/A	
<b>Amends:</b> Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: No	

Adoption of this amendment will MAINTAIN a 2/3s majority vote requirement for final passage of S.B. 453 R2 (§ 37).
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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"/>	_____

Amend the bill as a whole by deleting section 1 and renumbering sections 2 through 36 as sections 1 through 35.

Amend sec. 11, page 10, lines 7 and 12, by deleting “8” and inserting “7”.

Amend sec. 12, page 10, lines 25 and 30, by deleting “9” and inserting “8”.

Amend sec. 13, page 10, line 36, by deleting “9” and inserting “8”.

Amend sec. 14, page 11, lines 20, 24, 26 and 29, by deleting “10” and inserting “9”.

Amend the bill as a whole by deleting sections 37 through 40, renumbering sections 41 and 42 as sections 36 and 37.

Amend sec. 41, pages 41 and 42, by deleting lines 41 through 45 on page 41 and lines 1 through 3 on page 42.

MSN/RBL

Date: 5/23/2005

S.B. No. 453—Makes various changes concerning business entities.



Amend the bill as a whole by renumbering sec. 43 as sec. 47 and adding new sections designated sections 38 through 46, following sec. 42, to read as follows:

“**Sec. 38.** Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 39 and 40 of this act.

**Sec. 39. 1.** *A notary public who is appointed pursuant to this chapter shall not willfully notarize the signature of a person unless the person is in the presence of the notary public and:*

*(a) Is known to the notary public; or*

*(b) If unknown to the notary public, provides documentary evidence of identification to the notary public.*

**2.** *A person who:*

*(a) Violates the provisions of subsection 1; or*

*(b) Aids and abets a notary public to commit a violation of subsection 1,*

*↪ is guilty of a gross misdemeanor.*

**Sec. 40. 1.** *Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication to verify that the signature of the notarial officer on a document is genuine and that the notarial officer holds the office indicated on the document. If the document:*

*(a) Is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961.*

*(b) Is intended for use in the United States or in a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*



**2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:**

**(a) The document has not been notarized in accordance with the provisions of this chapter; or**

**(b) The Secretary of State has reasonable cause to believe that the document may be used to accomplish any fraudulent, criminal or unlawful purpose.**

**Sec. 41.** NRS 240.001 is hereby amended to read as follows:

240.001 As used in NRS 240.001 to 240.169, inclusive, **and sections 39 and 40 of this act**, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

**Sec. 42.** NRS 240.007 is hereby amended to read as follows:

240.007 1. Except as otherwise provided in subsection 2, information and documents filed with or obtained by the Secretary of State pursuant to NRS 240.001 to 240.169, inclusive, **and sections 39 and 40 of this act** are public information and are available for public examination.

2. Except as otherwise provided in subsections 3 and 4, information and documents obtained by or filed with the Secretary of State in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, **and sections 39 and 40 of this act** are not public information and are confidential.

3. The Secretary of State may submit any information or evidence obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, **and sections 39 and 40 of this act** to the appropriate district attorney for the purpose of prosecuting a criminal action.

4. The Secretary of State may disclose any information or documents obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169,



inclusive, *and sections 39 and 40 of this act* to an agency of this State or a political subdivision of this State.

**Sec. 43.** NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

(a) Who submits an application containing a substantial and material misstatement or omission of fact.

(b) Whose previous appointment as a notary public in this State has been revoked.

(c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.

(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.

3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.

4. It is unlawful for a person to:

(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.

(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

**5. *The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 4.***

**Sec. 44.** NRS 240.033 is hereby amended to read as follows:



240.033 1. The bond required to be filed pursuant to NRS 240.030 must be executed by the person applying to become a notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the notary public which violates a provision of NRS 240.001 to 240.169, inclusive ~~[ ]~~, *and sections 39 and 40 of this act*. The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous but, regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.

3. The surety bond must cover the period of the appointment of the notary public, except when a surety is released.

4. A surety on a bond filed pursuant to NRS 240.030 may be released after the surety gives 30 days' written notice to the Secretary of State and notary public, but the release does not discharge or otherwise affect a claim filed by a person for damage resulting from an act of the notary public which is alleged to have occurred while the bond was in effect.

5. The appointment of a notary public is suspended by operation of law when the notary public is no longer covered by a surety bond as required by this section and NRS 240.030 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary *of State* shall immediately notify the notary public in writing that his appointment will be



suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.

6. The Secretary of State may reinstate the appointment of a notary public whose appointment has been suspended pursuant to subsection 5, if the notary public, before his current term of appointment expires:

(a) Submits to the Secretary of State:

(1) An application for an amended certificate of appointment as a notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk.

(b) Pays to the Secretary of State a fee of \$10.

**Sec. 45.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, *and section 40 of this act* may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 46.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. ~~[An “apostille” in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.~~

~~—3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~[4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~[6.]~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.”.

Amend the title to read as follows:



“AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners’ associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto.”.

Amend the summary of the bill to read as follows:

“SUMMARY—Makes various changes concerning business entities and notaries public.  
(BDR 7-576)”.



SENATE BILL NO. 453—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 29, 2005

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning business entities and notaries public. (BDR 7-576)

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

~

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

AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; 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 78.150 is hereby amended to read as follows:  
2     78.150 1. A corporation organized pursuant to the laws of  
3 this State shall, on or before the last day of the first month after the  
4 filing of its articles of incorporation with the Secretary of State, file  
5 with the Secretary of State a list, on a form furnished by him,  
6 containing:



- 1 (a) The name of the corporation;
- 2 (b) The file number of the corporation, if known;
- 3 (c) The names and titles of the president, secretary and treasurer,
- 4 or the equivalent thereof, and of all the directors of the corporation;
- 5 (d) The address, either residence or business, of each officer and
- 6 director listed, following the name of the officer or director;
- 7 (e) The name and address of the lawfully designated resident
- 8 agent of the corporation ~~is~~ *in this State*; and
- 9 (f) The signature of an officer of the corporation certifying that
- 10 the list is true, complete and accurate.

11 2. The corporation shall annually thereafter, on or before the  
 12 last day of the month in which the anniversary date of incorporation  
 13 occurs in each year, file with the Secretary of State, on a form  
 14 furnished by him, an annual list containing all of the information  
 15 required in subsection 1.

16 3. Each list required by subsection 1 or 2 must be accompanied  
 17 by:

- 18 (a) A declaration under penalty of perjury that the corporation:
  - 19 (1) Has complied with the provisions of NRS 360.780; and
  - 20 (2) Acknowledges that pursuant to NRS 239.330, it is a
  - 21 category C felony to knowingly offer any false or forged instrument
  - 22 for filing with the Office of the Secretary of State.

23 (b) A statement as to whether the corporation is a publicly  
 24 traded company. If the corporation is a publicly traded company, the  
 25 corporation must list its Central Index Key. The Secretary of State  
 26 shall include on his Internet website the Central Index Key of a  
 27 corporation provided pursuant to this paragraph and instructions  
 28 describing the manner in which a member of the public may obtain  
 29 information concerning the corporation from the Securities and  
 30 Exchange Commission.

31 4. Upon filing the list required by:

32 (a) Subsection 1, the corporation shall pay to the Secretary of  
 33 State a fee of \$125.

34 (b) Subsection 2, the corporation shall pay to the Secretary of  
 35 State, if the amount represented by the total number of shares  
 36 provided for in the articles is:

37

38	\$75,000 or less .....	\$125
39	Over \$75,000 and not over \$200,000.....	175
40	Over \$200,000 and not over \$500,000.....	275
41	Over \$500,000 and not over \$1,000,000.....	375
42	Over \$1,000,000:	
43	For the first \$1,000,000 .....	375
44	For each additional \$500,000 or fraction thereof.....	275



1 The maximum fee which may be charged pursuant to paragraph (b)  
2 for filing the annual list is \$11,100.

3  
4 5. If a director or officer of a corporation resigns and the  
5 resignation is not ~~made in conjunction with the filing of an~~  
6 *reflected on the* annual or amended list of directors and officers, the  
7 corporation *or the resigning director or officer* shall pay to the  
8 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
9 ~~director or officer.~~

10 6. The Secretary of State shall, ~~60~~ 90 days before the last day  
11 for filing each annual list required by subsection 2, cause to be  
12 mailed to each corporation which is required to comply with the  
13 provisions of NRS 78.150 to 78.185, inclusive, and which has not  
14 become delinquent, a notice of the fee due pursuant to subsection 4  
15 and a reminder to file the annual list required by subsection 2.  
16 Failure of any corporation to receive a notice or form does not  
17 excuse it from the penalty imposed by law.

18 7. If the list to be filed pursuant to the provisions of subsection  
19 1 or 2 is defective in any respect or the fee required by subsection 4  
20 is not paid, the Secretary of State may return the list for correction  
21 or payment.

22 8. An annual list for a corporation not in default which is  
23 received by the Secretary of State more than 90 days before its due  
24 date shall be deemed an amended list for the previous year and must  
25 be accompanied by the appropriate fee as provided in subsection 4  
26 for filing. A payment submitted pursuant to this subsection does not  
27 satisfy the requirements of subsection 2 for the year to which the  
28 due date is applicable.

29 **Sec. 2.** NRS 78.1955 is hereby amended to read as follows:

30 78.1955 1. If the voting powers, designations, preferences,  
31 limitations, restrictions and relative rights of any class or series of  
32 stock have been established by a resolution of the board of directors  
33 pursuant to a provision in the articles of incorporation, a certificate  
34 of designation setting forth the resolution *and stating the number of*  
35 *shares for each designation* must be signed by an officer of the  
36 corporation and filed with the Secretary of State. A certificate of  
37 designation signed and filed pursuant to this section must become  
38 effective before the issuance of any shares of the class or series.

39 2. Unless otherwise provided in the articles of incorporation or  
40 the certificate of designation being amended, if no shares of a class  
41 or series of stock established by a resolution of the board of  
42 directors have been issued, the designation of the class or series, the  
43 number of the class or series and the voting powers, designations,  
44 preferences, limitations, restrictions and relative rights of the class  
45 or series may be amended by a resolution of the board of directors



1 pursuant to a certificate of amendment filed in the manner provided  
2 in subsection 4.

3 3. Unless otherwise provided in the articles of incorporation or  
4 the certificate of designation, if shares of a class or series of stock  
5 established by a resolution of the board of directors have been  
6 issued, the designation of the class or series, the number of the class  
7 or series and the voting powers, designations, preferences,  
8 limitations, restrictions and relative rights of the class or series may  
9 be amended by a resolution of the board of directors only if the  
10 amendment is approved as provided in this subsection. Unless  
11 otherwise provided in the articles of incorporation or the certificate  
12 of designation, the proposed amendment adopted by the board of  
13 directors must be approved by the vote of stockholders holding  
14 shares in the corporation entitling them to exercise a majority of the  
15 voting power, or such greater proportion of the voting power as may  
16 be required by the articles of incorporation or the certificate of  
17 designation, of:

18 (a) The class or series of stock being amended; and

19 (b) Each class and each series of stock which, before  
20 amendment, is senior to the class or series being amended as to the  
21 payment of distributions upon dissolution of the corporation,  
22 regardless of any limitations or restrictions on the voting power of  
23 that class or series.

24 4. A certificate of amendment to a certificate of designation  
25 must be signed by an officer of the corporation and filed with the  
26 Secretary of State and must:

27 (a) Set forth the original designation and the new designation, if  
28 the designation of the class or series is being amended;

29 (b) State that no shares of the class or series have been issued or  
30 state that the approval of the stockholders required pursuant to  
31 subsection 3 has been obtained; and

32 (c) Set forth the amendment to the class or series or set forth the  
33 designation of the class or series, the number of the class or series  
34 and the voting powers, designations, preferences, limitations,  
35 restrictions and relative rights of the class or series, as amended.

36 5. A certificate filed pursuant to subsection 1 or 4 becomes  
37 effective upon filing with the Secretary of State or upon a later date  
38 specified in the certificate, which must not be later than 90 days  
39 after the certificate is filed.

40 6. If shares of a class or series of stock established by a  
41 certificate of designation are not outstanding, the corporation may  
42 file a certificate which states that no shares of the class or series are  
43 outstanding and which contains the resolution of the board of  
44 directors authorizing the withdrawal of the certificate of designation  
45 establishing the class or series of stock. The certificate *must identify*



1 *the date and certificate of designation being withdrawn and* must  
2 be signed by an officer of the corporation and filed with the  
3 Secretary of State. Upon filing the certificate and payment of the fee  
4 required pursuant to NRS 78.765, all matters contained in the  
5 certificate of designation regarding the class or series of stock are  
6 eliminated from the articles of incorporation.

7 7. NRS 78.380, 78.385 and 78.390 do not apply to certificates  
8 of amendment filed pursuant to this section.

9 **Sec. 3.** NRS 78.780 is hereby amended to read as follows:

10 78.780 ~~[1.—The fee for filing a certificate of extension of~~  
11 ~~corporate existence of any corporation is an amount equal to one-~~  
12 ~~fourth of the fee computed at the rates specified in NRS 78.760 for~~  
13 ~~filing articles of incorporation.~~

14 ~~—2.]~~ The fee for filing a certificate of dissolution whether it  
15 occurs before or after payment of capital and beginning of business  
16 is \$75.

17 **Sec. 4.** NRS 78.785 is hereby amended to read as follows:

18 78.785 1. The fee for filing a certificate of change of location  
19 of a corporation's registered office and resident agent, or a new  
20 designation of resident agent, is \$60.

21 2. The fee for certifying *a copy of* articles of incorporation  
22 ~~[where a copy is provided]~~ is \$30.

23 3. The fee for certifying a copy of an amendment to articles of  
24 incorporation, or to a copy of the articles as amended, ~~[where a copy~~  
25 ~~is furnished,]~~ is \$30.

26 4. The fee for certifying an authorized printed copy of the  
27 general corporation law as compiled by the Secretary of State is  
28 \$30.

29 5. The fee for reserving a corporate name is \$25.

30 6. The fee for signing a certificate of corporate existence which  
31 does not list the previous records relating to the corporation, or a  
32 certificate of change in a corporate name, is \$50.

33 7. The fee for signing a certificate of corporate existence which  
34 lists the previous records relating to the corporation is \$50.

35 8. The fee for signing, certifying or filing any certificate or  
36 record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.

37 9. The fee for copies ~~[made at]~~ *provided by* the Office of the  
38 Secretary of State is \$2 per page.

39 10. The fees for filing articles of incorporation, articles of  
40 merger, or certificates of amendment increasing the basic surplus of  
41 a mutual or reciprocal insurer must be computed pursuant to NRS  
42 78.760, 78.765 and 92A.210, on the basis of the amount of basic  
43 surplus of the insurer.

44 11. The fee for examining and provisionally approving any  
45 record at any time before the record is presented for filing is \$125.





1       **Sec. 5.** NRS 80.110 is hereby amended to read as follows:  
 2       80.110 1. Each foreign corporation doing business in this  
 3 State shall, on or before the last day of the first month after the filing  
 4 of its certificate of corporate existence with the Secretary of State,  
 5 and annually thereafter on or before the last day of the month in  
 6 which the anniversary date of its qualification to do business in this  
 7 State occurs in each year, file with the Secretary of State a list, on a  
 8 form furnished by him, that contains:

9       (a) The names and addresses, either residence or business, of its  
 10 president, secretary and treasurer, or the equivalent thereof, and all  
 11 of its directors;

12       (b) The name and street address of the lawfully designated  
 13 resident agent of the corporation in this State; and

14       (c) The signature of an officer of the corporation.

15       ↪ Each list filed pursuant to this subsection must be accompanied  
 16 by a declaration under penalty of perjury that the foreign  
 17 corporation has complied with the provisions of NRS 360.780 and  
 18 which acknowledges that pursuant to NRS 239.330, it is a category  
 19 C felony to knowingly offer any false or forged instrument for filing  
 20 with the Office of the Secretary of State. Each list filed pursuant to  
 21 this subsection must also be accompanied by a statement as to  
 22 whether the corporation is a publicly traded company. If the  
 23 corporation is a publicly traded company, the corporation must list  
 24 its Central Index Key. The Secretary of State shall include on his  
 25 Internet website the Central Index Key of a corporation provided  
 26 pursuant to this subsection and instructions describing the manner in  
 27 which a member of the public may obtain information concerning  
 28 the corporation from the Securities and Exchange Commission.

29       2. Upon filing:

30       (a) The initial list required by subsection 1, the corporation shall  
 31 pay to the Secretary of State a fee of \$125.

32       (b) Each annual list required by subsection 1, the corporation  
 33 shall pay to the Secretary of State, if the amount represented by the  
 34 total number of shares provided for in the articles is:

35

36	\$75,000 or less .....	\$125
37	Over \$75,000 and not over \$200,000.....	175
38	Over \$200,000 and not over \$500,000.....	275
39	Over \$500,000 and not over \$1,000,000.....	375
40	Over \$1,000,000:	
41	For the first \$1,000,000.....	375
42	For each additional \$500,000 or fraction thereof.....	275

43       The maximum fee which may be charged pursuant to paragraph (b)  
 44       for filing the annual list is \$11,100.



1 3. If a director or officer of a corporation resigns and the  
 2 resignation is not ~~made in conjunction with the filing of an~~  
 3 *reflected on the* annual or amended list of directors and officers, the  
 4 corporation *or the resigning director or officer* shall pay to the  
 5 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
 6 ~~director or officer.~~

7 4. The Secretary of State shall, ~~60~~ *90* days before the last day  
 8 for filing each annual list required by subsection 1, cause to be  
 9 mailed to each corporation which is required to comply with the  
 10 provisions of NRS 80.110 to 80.175, inclusive, and which has not  
 11 become delinquent, the blank forms to be completed and filed with  
 12 him. Failure of any corporation to receive the forms does not excuse  
 13 it from the penalty imposed by the provisions of NRS 80.110 to  
 14 80.175, inclusive.

15 5. An annual list for a corporation not in default which is  
 16 received by the Secretary of State more than 90 days before its due  
 17 date shall be deemed an amended list for the previous year and does  
 18 not satisfy the requirements of subsection 1 for the year to which the  
 19 due date is applicable.

20 **Sec. 6.** Chapter 81 of NRS is hereby amended by adding  
 21 thereto the provisions set forth as sections 8, 9 and 10 of this act.

22 **Sec. 7. 1.** *The Secretary of State shall not accept for filing*  
 23 *any articles of incorporation or any certificate of amendment of*  
 24 *articles of incorporation of any corporation formed under the*  
 25 *provisions of NRS 81.010 to 81.160, inclusive, and this section*  
 26 *which provides that the name of the corporation contains the*  
 27 *words "unit-owners' association" or "homeowners' association"*  
 28 *or if it appears in the articles of incorporation or certificate of*  
 29 *amendment of articles of incorporation that the purpose of the*  
 30 *corporation is to operate as a unit-owners' association pursuant to*  
 31 *chapter 116 of NRS unless the Administrator of the Real Estate*  
 32 *Division of the Department of Business and Industry certifies that*  
 33 *the corporation has:*

34 (a) *Registered with the Ombudsman for Owners in Common-*  
 35 *Interest Communities pursuant to NRS 116.31158; and*

36 (b) *Paid to the Administrator of the Real Estate Division the*  
 37 *fees required pursuant to NRS 116.31155.*

38 2. *Upon notification from the Administrator of the Real*  
 39 *Estate Division of the Department of Business and Industry that a*  
 40 *corporation which is a unit-owners' association as defined in NRS*  
 41 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
 42 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
 43 *shall deem the corporation to be in default. If, after the*  
 44 *corporation is deemed to be in default, the Administrator notifies*  
 45 *the Secretary of State that the corporation has registered pursuant*



1 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
2 *the Secretary of State shall reinstate the corporation if the*  
3 *corporation complies with the requirements for reinstatement as*  
4 *provided in this section and NRS 78.180 and 78.185.*

5 **Sec. 8. 1.** *The Secretary of State shall not accept for filing*  
6 *any articles of association or any certificate of amendment of*  
7 *articles of association of any association formed under the*  
8 *provisions of NRS 81.170 to 81.270, inclusive, and this section*  
9 *which provides that the name of the association contains the*  
10 *words “unit-owners’ association” or “homeowners’ association”*  
11 *or if it appears in the articles of association or certificate of*  
12 *amendment of articles of association that the purpose of the*  
13 *association is to operate as a unit-owners’ association pursuant to*  
14 *chapter 116 of NRS unless the Administrator of the Real Estate*  
15 *Division of the Department of Business and Industry certifies that*  
16 *the association has:*

17 *(a) Registered with the Ombudsman for Owners in Common-*  
18 *Interest Communities pursuant to NRS 116.31158; and*

19 *(b) Paid to the Administrator of the Real Estate Division the*  
20 *fees required pursuant to NRS 116.31155.*

21 **2.** *Upon notification from the Administrator of the Real*  
22 *Estate Division of the Department of Business and Industry that*  
23 *an association which is a unit-owners’ association as defined in*  
24 *NRS 116.011 has failed to register pursuant to NRS 116.31158 or*  
25 *failed to pay the fees pursuant to NRS 116.31155, the Secretary of*  
26 *State shall deem the association to be in default. If, after the*  
27 *association is deemed to be in default, the Administrator notifies*  
28 *the Secretary of State that the association has registered pursuant*  
29 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
30 *the Secretary of State shall reinstate the association if the*  
31 *association complies with the requirements for reinstatement as*  
32 *provided in this section and NRS 78.180 and 78.185 and pays the*  
33 *fees required pursuant to NRS 82.193.*

34 **Sec. 9. 1.** *The Secretary of State shall not accept for filing*  
35 *any articles of incorporation or any certificate of amendment of*  
36 *articles of incorporation of any corporation formed under the*  
37 *provisions of NRS 81.410 to 81.540, inclusive, and this section*  
38 *which provides that the name of the corporation contains the*  
39 *words “unit-owners’ association” or “homeowners’ association”*  
40 *or if it appears in the articles of incorporation or certificate of*  
41 *amendment of articles of incorporation that the purpose of the*  
42 *corporation is to operate as a unit-owners’ association pursuant to*  
43 *chapter 116 of NRS unless the Administrator of the Real Estate*  
44 *Division of the Department of Business and Industry certifies that*  
45 *the corporation has:*



1 (a) *Registered with the Ombudsman for Owners in Common-*  
2 *Interest Communities pursuant to NRS 116.31158; and*

3 (b) *Paid to the Administrator of the Real Estate Division the*  
4 *fees required pursuant to NRS 116.31155.*

5 2. *Upon notification from the Administrator of the Real*  
6 *Estate Division of the Department of Business and Industry that a*  
7 *corporation which is a unit-owners' association as defined in NRS*  
8 *116.011 has failed to register pursuant to NRS 116.31158 or failed*  
9 *to pay the fees pursuant to NRS 116.31155, the Secretary of State*  
10 *shall deem the corporation to be in default. If, after the*  
11 *corporation is deemed to be in default, the Administrator notifies*  
12 *the Secretary of State that the corporation has registered pursuant*  
13 *to NRS 116.31158 and paid the fees pursuant to NRS 116.31155,*  
14 *the Secretary of State shall reinstate the corporation if the*  
15 *corporation complies with the requirements for reinstatement as*  
16 *provided in this section and NRS 78.180 and 78.185 and pays the*  
17 *fees required pursuant to NRS 82.193.*

18 **Sec. 10.** NRS 81.010 is hereby amended to read as follows:

19 81.010 1. Nonprofit cooperative corporations may be formed  
20 by the voluntary association of any three or more persons in the  
21 manner prescribed in NRS 81.010 to 81.160, inclusive ~~§~~, *and*  
22 *section 7 of this act.* A majority of the persons must be residents of  
23 this State, and such a corporation has and may exercise the powers  
24 necessarily incident thereto. Except as otherwise provided in  
25 subsection 2, the provisions of chapter 78 of NRS govern each  
26 nonprofit cooperative corporation organized pursuant to NRS  
27 81.010 to 81.160, inclusive ~~§~~, *and section 7 of this act.* If such a  
28 nonprofit cooperative corporation is organized without shares of  
29 stock, the members shall be deemed to be “shareholders” or  
30 “stockholders” as these terms are used in chapter 78 of NRS.

31 2. If the term for which a nonprofit cooperative corporation  
32 was to exist has expired but the corporation has continued to  
33 perform the activities authorized by its original articles of  
34 incorporation or any amendment thereto, revival of its corporate  
35 existence does not require the consent of its members or  
36 stockholders. Each required action to accomplish a revival may be  
37 taken by a majority of the surviving directors. The revival is  
38 effective as of the date of expiration of the original term.

39 **Sec. 11.** NRS 81.170 is hereby amended to read as follows:

40 81.170 1. NRS 81.170 to 81.270, inclusive, *and section 8 of*  
41 *this act* being passed to promote association for mutual welfare, the  
42 words “lawful business” extend to every kind of lawful effort for  
43 business, education, industrial, benevolent, social or political  
44 purposes, whether conducted for profit or not.



1       2. NRS 81.170 to 81.270, inclusive, *and section 8 of this act*  
2 must not be strictly construed, but their provisions must at all times  
3 be liberally construed with a view to effect their object and to  
4 promote their purposes.

5       **Sec. 12.** NRS 81.200 is hereby amended to read as follows:

6       81.200 1. Each association formed under NRS 81.170 to  
7 81.270, inclusive, *and section 8 of this act* shall prepare articles of  
8 association in writing, setting forth:

9       (a) The name of the association.

10       (b) The purpose for which it is formed.

11       (c) The name of the person designated as the resident agent, the  
12 street address for service of process, and the mailing address if  
13 different from the street address.

14       (d) The term for which it is to exist, which may be perpetual.

15       (e) The names and addresses, either residence or business, of the  
16 directors selected for the first year.

17       (f) The amount which each member is to pay upon admission as  
18 a fee for membership, and that each member signing the articles has  
19 actually paid the fee.

20       (g) That the interest and right of each member therein is to be  
21 equal.

22       (h) The name and address, either residence or business, of each  
23 of the persons signing the articles of association.

24       2. The articles of association must be signed by the original  
25 associates or members.

26       3. The articles so signed must be filed, together with a  
27 certificate of acceptance of appointment signed by the resident agent  
28 for the association, in the Office of the Secretary of State . ~~[, who  
29 shall furnish a certified copy thereof.]~~ From the time of the filing in  
30 the Office of the Secretary of State, the association may exercise all  
31 the powers for which it was formed.

32       **Sec. 13.** NRS 81.410 is hereby amended to read as follows:

33       81.410 1. Nonprofit cooperative corporations may be formed  
34 by the voluntary association of any three or more persons in the  
35 manner prescribed in NRS 81.410 to 81.540, inclusive ~~[,]~~ , *and*  
36 *section 9 of this act.*

37       2. Except as otherwise provided in subsection 3, the provisions  
38 of chapter 82 of NRS govern a nonprofit cooperative corporation  
39 organized pursuant to NRS 81.410 to 81.540, inclusive, *and section*  
40 *9 of this act*, except to the extent that the provisions of chapter 82 of  
41 NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[,]~~ , *and*  
42 *section 9 of this act.*

43       3. NRS 82.081 and 82.136 do not apply to a nonprofit  
44 cooperative corporation organized pursuant to NRS 81.410 to  
45 81.540, inclusive ~~[,]~~ , *and section 9 of this act.*





1       **Sec. 14.** NRS 82.371 is hereby amended to read as follows:  
2       82.371 1. A corporation may restate, or amend and restate, in  
3 a single certificate the entire text of its articles as amended by filing  
4 with the Secretary of State a certificate which must set forth the  
5 articles as amended to the date of the certificate. If the certificate  
6 alters or amends the articles in any manner, it must comply with the  
7 provisions of NRS 82.346, 82.351 and 82.356, as applicable, and  
8 must be accompanied by ~~f~~:

9       ~~(a) A resolution; or~~  
10       ~~(b) A} a~~ form prescribed by the Secretary of State ~~f~~;  
11       ~~→} setting forth which provisions of the articles of incorporation on~~  
12 file with the Secretary of State are being altered or amended.

13       2. If the certificate does not alter or amend the articles, it must  
14 be signed by an officer of the corporation and must state that he has  
15 been authorized to sign the certificate by resolution of the board of  
16 directors adopted on the date stated, and that the certificate correctly  
17 sets forth the text of the articles as amended to the date of the  
18 certificate.

19       3. The following may be omitted from the restated articles:

20       (a) The names, addresses, signatures and acknowledgments of  
21 the incorporators;

22       (b) The names and addresses of the members of the past and  
23 present board of directors; and

24       (c) The name and address of the resident agent.

25       4. Whenever a corporation is required to file a certified copy of  
26 its articles, in lieu thereof it may file a certified copy of the most  
27 recent certificate restating its articles as amended, subject to the  
28 provisions of subsection 2, together with certified copies of all  
29 certificates of amendment filed after the restated articles and  
30 certified copies of all certificates supplementary to the original  
31 articles.

32       **Sec. 15.** NRS 82.546 is hereby amended to read as follows:

33       82.546 1. Any corporation which did exist or is existing  
34 pursuant to the laws of this State may, upon complying with the  
35 provisions of NRS 78.150 and 82.193, procure a renewal or revival  
36 of its charter for any period, together with all the rights, franchises,  
37 privileges and immunities, and subject to all its existing and  
38 preexisting debts, duties and liabilities secured or imposed by its  
39 original charter and amendments thereto, or its existing charter, by  
40 filing:

41       (a) A certificate with the Secretary of State, which must set  
42 forth:

43       (1) The name of the corporation, which must be the name of  
44 the corporation at the time of the renewal or revival, or its name at  
45 the time its original charter expired.





1 (2) The name and street address of the lawfully designated  
2 resident agent of the filing corporation, and his mailing address if  
3 different from his street address.

4 (3) The date when the renewal or revival of the charter is to  
5 commence or be effective, which may be, in cases of a revival,  
6 before the date of the certificate.

7 (4) Whether or not the renewal or revival is to be perpetual,  
8 and, if not perpetual, the time for which the renewal or revival is to  
9 continue.

10 (5) That the corporation desiring to renew or revive its  
11 charter is, or has been, organized and carrying on the business  
12 authorized by its existing or original charter and amendments  
13 thereto, and desires to renew or continue through revival its  
14 existence pursuant to and subject to the provisions of this chapter.

15 (b) A list of its president, secretary and treasurer and all of its  
16 directors and their mailing or street addresses, either residence or  
17 business.

18 2. A corporation whose charter has not expired and is being  
19 renewed shall cause the certificate to be signed by ~~its president or~~  
20 ~~vice president and secretary or assistant secretary.~~ *an officer of the*  
21 *corporation.* The certificate must be approved by a majority of the  
22 last-appointed surviving directors.

23 3. A corporation seeking to revive its original or amended  
24 charter shall cause the certificate to be signed by its president or  
25 vice president and secretary or assistant secretary. The signing and  
26 filing of the certificate must be approved unanimously by the last-  
27 appointed surviving directors of the corporation and must contain a  
28 recital that unanimous consent was secured. The corporation shall  
29 pay to the Secretary of State the fee required to establish a new  
30 corporation pursuant to the provisions of this chapter.

31 4. The filed certificate, or a copy thereof which has been  
32 certified under the hand and seal of the Secretary of State, must be  
33 received in all courts and places as prima facie evidence of the facts  
34 therein stated and of the existence and incorporation of the  
35 corporation named therein.

36 **Sec. 16.** NRS 86.141 is hereby amended to read as follows:

37 86.141 **[A]**

38 *1. Except as otherwise provided in subsection 2, a limited-*  
39 *liability company may be organized under this chapter for any*  
40 *lawful purpose. ~~[-except insurance.]~~*

41 *2. A limited-liability company may not be organized for the*  
42 *purpose of insurance unless approved to do so by the*  
43 *Commissioner of Insurance.*



1       **Sec. 17.** NRS 86.171 is hereby amended to read as follows:

2       86.171 1. The name of a limited-liability company formed  
3 under the provisions of this chapter must contain the words  
4 “Limited-Liability Company,” “Limited Liability Company,”  
5 “Limited Company,” or “Limited” or the abbreviations “Ltd.,”  
6 “L.L.C.,” “L.C.,” “LLC” or “LC.” The word “Company” may be  
7 abbreviated as “Co.”

8       2. The name proposed for a limited-liability company must be  
9 distinguishable on the records of the Secretary of State from the  
10 names of all other artificial persons formed, organized, registered or  
11 qualified pursuant to the provisions of this title that are on file in the  
12 Office of the Secretary of State and all names that are reserved in  
13 the Office of the Secretary of State pursuant to the provisions of this  
14 title. If a proposed name is not so distinguishable, the Secretary of  
15 State shall return the articles of organization to the organizer, unless  
16 the written, acknowledged consent of the holder of the name on file  
17 or reserved name to use the same name or the requested similar  
18 name accompanies the articles of organization.

19       3. For the purposes of this section and NRS 86.176, a proposed  
20 name is not distinguishable from a name on file or reserved name  
21 solely because one or the other contains distinctive lettering, a  
22 distinctive mark, a trademark or a trade name, or any combination  
23 thereof.

24       4. The name of a limited-liability company whose charter has  
25 been revoked, which has merged and is not the surviving entity or  
26 whose existence has otherwise terminated is available for use by any  
27 other artificial person.

28       5. The Secretary of State shall not accept for filing any articles  
29 of organization for any limited-liability company if the name of the  
30 limited-liability company contains the word “accountant,”  
31 “accounting,” “accountancy,” “auditor” or “auditing” unless the  
32 Nevada State Board of Accountancy certifies that the limited-  
33 liability company:

34       (a) Is registered pursuant to the provisions of chapter 628 of  
35 NRS; or

36       (b) Has filed with the Nevada State Board of Accountancy under  
37 penalty of perjury a written statement that the limited-liability  
38 company is not engaged in the practice of accounting and is not  
39 offering to practice accounting in this State.

40       6. The Secretary of State shall not accept for filing any articles  
41 of organization or certificate of amendment of articles of  
42 organization of any limited-liability company formed or existing  
43 pursuant to the laws of this State which provides that the name of  
44 the limited-liability company contains the word “bank” or “trust”  
45 unless:



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1 (a) It appears from the articles of organization or the certificate  
2 of amendment that the limited-liability company proposes to carry  
3 on business as a banking or trust company, exclusively or in  
4 connection with its business as a bank, savings and loan association  
5 or thrift company; and

6 (b) The articles of organization or certificate of amendment is  
7 first approved by the Commissioner of Financial Institutions.

8 7. The Secretary of State shall not accept for filing any articles  
9 of organization or certificate of amendment of articles of  
10 organization of any limited-liability company formed or existing  
11 pursuant to the provisions of this chapter if it appears from the  
12 articles or the certificate of amendment that the business to be  
13 carried on by the limited-liability company is subject to supervision  
14 by the Commissioner of Insurance or by the Commissioner of  
15 Financial Institutions unless the articles or certificate of amendment  
16 is approved by the Commissioner who will supervise the business of  
17 the ~~foreign~~ limited-liability company.

18 8. Except as otherwise provided in subsection 7, the Secretary  
19 of State shall not accept for filing any articles of organization or  
20 certificate of amendment of articles of organization of any limited-  
21 liability company formed or existing pursuant to the laws of this  
22 State which provides that the name of the limited-liability company  
23 contains the words "engineer," "engineered," "engineering,"  
24 "professional engineer," "registered engineer" or "licensed  
25 engineer" unless:

26 (a) The State Board of Professional Engineers and Land  
27 Surveyors certifies that the principals of the limited-liability  
28 company are licensed to practice engineering pursuant to the laws of  
29 this State; or

30 (b) The State Board of Professional Engineers and Land  
31 Surveyors certifies that the limited-liability company is exempt from  
32 the prohibitions of NRS 625.520.

33 9. The Secretary of State may adopt regulations that interpret  
34 the requirements of this section.

35 **Sec. 18.** NRS 86.221 is hereby amended to read as follows:

36 86.221 1. The articles of organization of a limited-liability  
37 company may be amended for any purpose, not inconsistent with  
38 law, as determined by all of the members or permitted by the articles  
39 or an operating agreement.

40 2. An amendment must be made in the form of a certificate  
41 setting forth:

42 (a) The name of the limited-liability company;

43 (b) Whether the limited-liability company is managed by  
44 managers or members; and

45 (c) The amendment to the articles of organization.



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1 3. The certificate of amendment must be signed by a manager  
2 of the company or, if management is not vested in a manager, by a  
3 member.

4 4. Restated articles of organization may be signed and filed in  
5 the same manner as a certificate of amendment. If the certificate  
6 alters or amends the articles in any manner, it must be accompanied  
7 by ~~f~~:

- 8 ~~(a) A resolution; or~~
- 9 ~~(b) A~~ **a** form prescribed by the Secretary of State ~~f~~;
- 10 ~~→~~ setting forth which provisions of the articles of organization on  
11 file with the Secretary of State are being altered or amended.

12 **Sec. 19.** NRS 86.263 is hereby amended to read as follows:

13 86.263 1. A limited-liability company shall, on or before the  
14 last day of the first month after the filing of its articles of  
15 organization with the Secretary of State, file with the Secretary of  
16 State, on a form furnished by him, a list that contains:

- 17 (a) The name of the limited-liability company;
- 18 (b) The file number of the limited-liability company, if known;
- 19 (c) The names and titles of all of its managers or, if there is no  
20 manager, all of its managing members;
- 21 (d) The address, either residence or business, of each manager or  
22 managing member listed, following the name of the manager or  
23 managing member;
- 24 (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
25 resident agent ~~[of the limited-liability company;]~~ *in this State;* and
- 26 (f) The signature of a manager or managing member of the  
27 limited-liability company certifying that the list is true, complete  
28 and accurate.

29 2. The limited-liability company shall annually thereafter, on  
30 or before the last day of the month in which the anniversary date of  
31 its organization occurs, file with the Secretary of State, on a form  
32 furnished by him, an amended list containing all of the information  
33 required in subsection 1.

34 3. Each list required by subsections 1 and 2 must be  
35 accompanied by a declaration under penalty of perjury that the  
36 limited-liability company:

- 37 (a) Has complied with the provisions of NRS 360.780; and
- 38 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
39 C felony to knowingly offer any false or forged instrument for filing  
40 in the Office of the Secretary of State.

41 4. Upon filing:

- 42 (a) The initial list required by subsection 1, the limited-liability  
43 company shall pay to the Secretary of State a fee of \$125.
- 44 (b) Each annual list required by subsection 2, the limited-  
45 liability company shall pay to the Secretary of State a fee of \$125.



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1 5. If a manager or managing member of a limited-liability  
2 company resigns and the resignation is not ~~made in conjunction~~  
3 ~~with the filing of an~~ *reflected on the* annual or amended list of  
4 managers and managing members, the limited-liability company *or*  
5 *the resigning manager or managing member* shall pay to the  
6 Secretary of State a fee of \$75 to file the resignation . ~~of the~~  
7 ~~manager or managing member.~~

8 6. The Secretary of State shall, ~~60~~ *90* days before the last day  
9 for filing each list required by subsection 2, cause to be mailed to  
10 each limited-liability company which is required to comply with the  
11 provisions of this section, and which has not become delinquent, a  
12 notice of the fee due under subsection 4 and a reminder to file a list  
13 required by subsection 2. Failure of any company to receive a notice  
14 or form does not excuse it from the penalty imposed by law.

15 7. If the list to be filed pursuant to the provisions of subsection  
16 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
17 Secretary of State may return the list for correction or payment.

18 8. An annual list for a limited-liability company not in default  
19 received by the Secretary of State more than 90 days before its due  
20 date shall be deemed an amended list for the previous year.

21 **Sec. 20.** NRS 86.5461 is hereby amended to read as follows:

22 86.5461 1. Each foreign limited-liability company doing  
23 business in this State shall, on or before the last day of the first  
24 month after the filing of its application for registration as a foreign  
25 limited-liability company with the Secretary of State, and annually  
26 thereafter on or before the last day of the month in which the  
27 anniversary date of its qualification to do business in this State  
28 occurs in each year, file with the Secretary of State a list on a form  
29 furnished by him that contains:

30 (a) The name of the foreign limited-liability company;

31 (b) The file number of the foreign limited-liability company, if  
32 known;

33 (c) The names and titles of all its managers or, if there is no  
34 manager, all its managing members;

35 (d) The address, either residence or business, of each manager or  
36 managing member listed pursuant to paragraph (c);

37 (e) The name and *street* address of its lawfully designated  
38 resident agent in this State; and

39 (f) The signature of a manager or managing member of the  
40 foreign limited-liability company certifying that the list is true,  
41 complete and accurate.

42 2. Each list filed pursuant to this section must be accompanied  
43 by a declaration under penalty of perjury that the foreign limited-  
44 liability company:

45 (a) Has complied with the provisions of NRS 360.780; and



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1 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 with the Office of the Secretary of State.

4 3. Upon filing:

5 (a) The initial list required by this section, the foreign limited-  
6 liability company shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by this section, the foreign limited-  
8 liability company shall pay to the Secretary of State a fee of \$125.

9 4. If a manager or managing member of a foreign limited-  
10 liability company resigns and the resignation is not ~~made in~~  
11 ~~conjunction with the filing of an~~ *reflected on the* annual or  
12 amended list of managers and managing members, the foreign  
13 limited-liability company *or the resigning manager or managing*  
14 *member* shall pay to the Secretary of State a fee of \$75 to file the  
15 resignation. ~~[of the manager or managing member.]~~

16 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
17 for filing each annual list required by this section, cause to be  
18 mailed to each foreign limited-liability company which is required  
19 to comply with the provisions of NRS 86.5461 to 86.5468,  
20 inclusive, and which has not become delinquent, the blank forms to  
21 be completed and filed with him. Failure of any foreign limited-  
22 liability company to receive the forms does not excuse it from the  
23 penalty imposed by the provisions of NRS 86.5461 to 86.5468,  
24 inclusive.

25 6. If the list to be filed pursuant to the provisions of subsection  
26 1 is defective or the fee required by subsection 3 is not paid, the  
27 Secretary of State may return the list for correction or payment.

28 7. An annual list for a foreign limited-liability company not in  
29 default which is received by the Secretary of State more than 90  
30 days before its due date must be deemed an amended list for the  
31 previous year and does not satisfy the requirements of this section  
32 for the year to which the due date is applicable.

33 **Sec. 21.** NRS 86.561 is hereby amended to read as follows:

34 86.561 1. The Secretary of State shall charge and collect for:

35 (a) Filing the original articles of organization, or for registration  
36 of a foreign company, \$75;

37 (b) Amending or restating the articles of organization, amending  
38 the registration of a foreign company or filing a certificate of  
39 correction, \$175;

40 (c) Filing the articles of dissolution of a domestic or foreign  
41 company, \$75;

42 (d) Filing a statement of change of address of a records or  
43 registered office, or change of the resident agent, \$60;





1 (e) Certifying *a copy of* articles of organization or an  
2 amendment to the articles, ~~in both cases where a copy is provided,~~  
3 \$30;

4 (f) Certifying an authorized printed copy of this chapter, \$30;

5 (g) Reserving a name for a limited-liability company, \$25;

6 (h) Filing a certificate of cancellation, \$75;

7 (i) Signing, filing or certifying any other record, \$50; and

8 (j) Copies ~~made at~~ *provided by* the Office of the Secretary of  
9 State, \$2 per page.

10 2. The Secretary of State shall charge and collect, at the time of  
11 any service of process on him as agent for service of process of a  
12 limited-liability company, \$100 which may be recovered as taxable  
13 costs by the party to the action causing the service to be made if the  
14 party prevails in the action.

15 3. Except as otherwise provided in this section, the fees set  
16 forth in NRS 78.785 apply to this chapter.

17 **Sec. 22.** NRS 87.440 is hereby amended to read as follows:

18 87.440 1. To become a registered limited-liability  
19 partnership, a partnership shall file with the Secretary of State a  
20 certificate of registration stating each of the following:

21 (a) The name of the partnership.

22 (b) The street address of its principal office.

23 (c) The name of the person designated as the partnership's  
24 resident agent, the street address of the resident agent where process  
25 may be served upon the partnership and the mailing address of the  
26 resident agent if it is different than his street address.

27 (d) The name and business address of each managing partner in  
28 this State.

29 (e) A brief statement of the professional service rendered by the  
30 partnership.

31 (f) That the partnership thereafter will be a registered limited-  
32 liability partnership.

33 (g) Any other information that the partnership wishes to include.

34 2. The certificate of registration must be signed by a majority  
35 in interest of the partners or by one or more partners authorized to  
36 sign such a certificate.

37 3. The certificate of registration must be accompanied by a fee  
38 of ~~[\$175.]~~ \$75.

39 4. The Secretary of State shall register as a registered limited-  
40 liability partnership any partnership that submits a completed  
41 certificate of registration with the required fee.

42 5. The registration of a registered limited-liability partnership  
43 is effective at the time of the filing of the certificate of registration.



1       **Sec. 23.** NRS 87.510 is hereby amended to read as follows:

2       87.510 1. A registered limited-liability partnership shall, on  
3 or before the last day of the first month after the filing of its  
4 certificate of registration with the Secretary of State, and annually  
5 thereafter on or before the last day of the month in which the  
6 anniversary date of the filing of its certificate of registration with the  
7 Secretary of State occurs, file with the Secretary of State, on a form  
8 furnished by him, a list that contains:

9       (a) The name of the registered limited-liability partnership;

10       (b) The file number of the registered limited-liability  
11 partnership, if known;

12       (c) The names of all of its managing partners;

13       (d) The address, either residence or business, of each managing  
14 partner;

15       (e) The name and *street* address of ~~the~~ *its* lawfully designated  
16 resident agent ~~of the registered limited-liability partnership;~~ *in this*  
17 *State;* and

18       (f) The signature of a managing partner of the registered limited-  
19 liability partnership certifying that the list is true, complete and  
20 accurate.

21       ↪ Each list filed pursuant to this subsection must be accompanied  
22 by a declaration under penalty of perjury that the registered limited-  
23 liability partnership has complied with the provisions of NRS  
24 360.780 and which acknowledges that pursuant to NRS 239.330 it is  
25 a category C felony to knowingly offer any false or forged  
26 instrument for filing in the Office of the Secretary of State.

27       2. Upon filing:

28       (a) The initial list required by subsection 1, the registered  
29 limited-liability partnership shall pay to the Secretary of State a fee  
30 of \$125.

31       (b) Each annual list required by subsection 1, the registered  
32 limited-liability partnership shall pay to the Secretary of State a fee  
33 of \$125.

34       3. If a managing partner of a registered limited-liability  
35 partnership resigns and the resignation is not ~~made in conjunction~~  
36 ~~with the filing of an~~ *reflected on the* annual or amended list of  
37 managing partners, the registered limited-liability partnership *or the*  
38 *resigning managing partner* shall pay to the Secretary of State a fee  
39 of \$75 to file the resignation . ~~of the managing partner.~~

40       4. The Secretary of State shall, at least 90 days before the last  
41 day for filing each annual list required by subsection 1, cause to be  
42 mailed to the registered limited-liability partnership a notice of the  
43 fee due pursuant to subsection 2 and a reminder to file the annual  
44 list required by subsection 1. The failure of any registered limited-



1 liability partnership to receive a notice or form does not excuse it  
2 from complying with the provisions of this section.

3 5. If the list to be filed pursuant to the provisions of subsection  
4 1 is defective, or the fee required by subsection 2 is not paid, the  
5 Secretary of State may return the list for correction or payment.

6 6. An annual list that is filed by a registered limited-liability  
7 partnership which is not in default more than 90 days before it is due  
8 shall be deemed an amended list for the previous year and does not  
9 satisfy the requirements of subsection 1 for the year to which the  
10 due date is applicable.

11 **Sec. 24.** NRS 87.541 is hereby amended to read as follows:

12 87.541 1. Each foreign registered limited-liability partnership  
13 doing business in this State shall, on or before the last day of the  
14 first month after the filing of its application for registration as a  
15 foreign registered limited-liability partnership with the Secretary of  
16 State, and annually thereafter on or before the last day of the month  
17 in which the anniversary date of its qualification to do business in  
18 this State occurs in each year, file with the Secretary of State a list,  
19 on a form furnished by him, that contains:

20 (a) The name of the foreign registered limited-liability  
21 partnership;

22 (b) The file number of the foreign registered limited-liability  
23 partnership, if known;

24 (c) The names of all its managing partners;

25 (d) The address, either residence or business, of each managing  
26 partner;

27 (e) The name and *street* address of ~~{the}~~ *its* lawfully designated  
28 resident agent ~~{of the foreign registered limited liability~~  
29 ~~partnership;} *in this State;* and~~

30 (f) The signature of a managing partner of the foreign registered  
31 limited-liability partnership certifying that the list is true, complete  
32 and accurate.

33 2. Each list filed pursuant to this section must be accompanied  
34 by a declaration under penalty of perjury that the foreign registered  
35 limited-liability partnership:

36 (a) Has complied with the provisions of NRS 360.780; and

37 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
38 C felony to knowingly offer any false or forged instrument for filing  
39 in the Office of the Secretary of State.

40 3. Upon filing:

41 (a) The initial list required by this section, the foreign registered  
42 limited-liability partnership shall pay to the Secretary of State a fee  
43 of \$125.



1 (b) Each annual list required by this section, the foreign  
2 registered limited-liability partnership shall pay to the Secretary of  
3 State a fee of \$125.

4 4. If a managing partner of a foreign registered limited-liability  
5 partnership resigns and the resignation is not ~~made in conjunction~~  
6 ~~with the filing of an~~ *reflected on the* annual or amended list of  
7 managing partners, the foreign registered limited-liability  
8 partnership *or the managing partner* shall pay to the Secretary of  
9 State a fee of \$75 to file the resignation. ~~[of the managing partner.]~~

10 5. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
11 for filing each annual list required by subsection 1, cause to be  
12 mailed to each foreign registered limited-liability partnership which  
13 is required to comply with the provisions of NRS 87.541 to 87.544,  
14 inclusive, and which has not become delinquent, the blank forms to  
15 be completed and filed with him. Failure of any foreign registered  
16 limited-liability partnership to receive the forms does not excuse it  
17 from the penalty imposed by the provisions of NRS 87.541 to  
18 87.544, inclusive.

19 6. If the list to be filed pursuant to the provisions of subsection  
20 1 is defective or the fee required by subsection 3 is not paid, the  
21 Secretary of State may return the list for correction or payment.

22 7. An annual list for a foreign registered limited-liability  
23 partnership not in default which is received by the Secretary of State  
24 more than 90 days before its due date must be deemed an amended  
25 list for the previous year and does not satisfy the requirements of  
26 subsection 1 for the year to which the due date is applicable.

27 **Sec. 25.** NRS 87.550 is hereby amended to read as follows:

28 87.550 In addition to any other fees required by NRS 87.440 to  
29 87.540, inclusive, and 87.560, the Secretary of State shall charge  
30 and collect the following fees for services rendered pursuant to  
31 those sections:

32 1. For certifying records required by NRS 87.440 to 87.540,  
33 inclusive, and 87.560, \$30 per certification.

34 2. For signing a certificate verifying the existence of a  
35 registered limited-liability partnership, if the registered limited-  
36 liability partnership has not filed a certificate of amendment, \$50.

37 3. For signing a certificate verifying the existence of a  
38 registered limited-liability partnership, if the registered limited-  
39 liability partnership has filed a certificate of amendment, \$50.

40 4. For signing, certifying or filing any certificate or record not  
41 required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

42 5. For any copies ~~made~~ *provided* by the Office of the  
43 Secretary of State, \$2 per page.

44 6. For examining and provisionally approving any record  
45 before the record is presented for filing, \$125.



1       **Sec. 26.** NRS 88.355 is hereby amended to read as follows:  
2       88.355 1. A certificate of limited partnership is amended by  
3 filing a certificate of amendment thereto in the Office of the  
4 Secretary of State. The certificate must set forth:

- 5       (a) The name of the limited partnership; and
- 6       (b) The amendment.

7       2. Within 30 days after the happening of any of the following  
8 events an amendment to a certificate of limited partnership  
9 reflecting the occurrence of the event or events must be filed:

- 10       (a) The admission of a new general partner;
- 11       (b) The withdrawal of a general partner; or
- 12       (c) The continuation of the business under NRS 88.550 after an  
13 event of withdrawal of a general partner.

14       3. A general partner who becomes aware that any statement in  
15 a certificate of limited partnership was false when made or that any  
16 arrangements or other facts described, except the address of its  
17 office or the name or address of its resident agent, have changed,  
18 making the certificate inaccurate in any respect, shall promptly  
19 amend the certificate.

20       4. A certificate of limited partnership may be amended at any  
21 time for any other proper purpose the general partners determine.

22       5. No person has any liability because an amendment to a  
23 certificate of limited partnership has not been filed to reflect the  
24 occurrence of any event referred to in subsection 2 if the amendment  
25 is filed within the 30-day period specified in subsection 2.

26       6. A restated certificate of limited partnership may be signed  
27 and filed in the same manner as a certificate of amendment. If the  
28 certificate alters or amends the certificate of limited partnership in  
29 any manner, it must be accompanied by ~~§~~

30 ~~—(a) A resolution; or~~  
31 ~~—(b) A] a~~ form prescribed by the Secretary of State ~~§~~  
32 ~~→]~~ setting forth which provisions of the certificate of limited  
33 partnership on file with the Secretary of State are being altered or  
34 amended.

35       **Sec. 27.** NRS 88.375 is hereby amended to read as follows:

36       88.375 1. Each certificate required by NRS 88.350 to 88.390,  
37 inclusive, to be filed in the Office of the Secretary of State must be  
38 signed in the following manner:

- 39       (a) An original certificate of limited partnership must be signed  
40 by all ~~[general partners;]~~ **organizers;**
- 41       (b) A certificate of amendment must be signed by at least one  
42 general partner and by each other general partner designated in the  
43 certificate as a new general partner; and
- 44       (c) A certificate of cancellation must be signed by all general  
45 partners.





1       2. Any person may sign a certificate by an attorney-in-fact, but  
2 a power of attorney to sign a certificate relating to the admission of  
3 a general partner must specifically describe the admission.

4       3. The signing of a certificate by a general partner constitutes  
5 an affirmation under the penalties of perjury that the facts stated  
6 therein are true.

7       **Sec. 28.** NRS 88.395 is hereby amended to read as follows:

8       88.395 1. A limited partnership shall, on or before the last  
9 day of the first month after the filing of its certificate of limited  
10 partnership with the Secretary of State, and annually thereafter on or  
11 before the last day of the month in which the anniversary date of the  
12 filing of its certificate of limited partnership occurs, file with the  
13 Secretary of State, on a form furnished by him, a list that contains:

14       (a) The name of the limited partnership;

15       (b) The file number of the limited partnership, if known;

16       (c) The names of all of its general partners;

17       (d) The address, either residence or business, of each general  
18 partner;

19       (e) The name and *street* address of ~~[the]~~ *its* lawfully designated  
20 resident agent ~~[of the limited partnership;]~~ *in this State;* and

21       (f) The signature of a general partner of the limited partnership  
22 certifying that the list is true, complete and accurate.

23       ↪ Each list filed pursuant to this subsection must be accompanied  
24 by a declaration under penalty of perjury that the limited partnership  
25 has complied with the provisions of NRS 360.780 and which  
26 acknowledges that pursuant to NRS 239.330 it is a category C  
27 felony to knowingly offer any false or forged instrument for filing in  
28 the Office of the Secretary of State.

29       2. Except as otherwise provided in subsection 3, a limited  
30 partnership shall, upon filing:

31       (a) The initial list required by subsection 1, pay to the Secretary  
32 of State a fee of \$125.

33       (b) Each annual list required by subsection 1, pay to the  
34 Secretary of State a fee of \$125.

35       3. A registered limited-liability limited partnership shall, upon  
36 filing:

37       (a) The initial list required by subsection 1, pay to the Secretary  
38 of State a fee of \$125.

39       (b) Each annual list required by subsection 1, pay to the  
40 Secretary of State a fee of \$175.

41       4. If a general partner of a limited partnership resigns and the  
42 resignation is not ~~[made in conjunction with the filing of an]~~  
43 *reflected on the* annual or amended list of general partners, the  
44 limited partnership *or the resigning general partner* shall pay to the





1 Secretary of State a fee of \$75 to file the resignation . ~~[of the general~~  
2 ~~partner.]~~

3 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
4 for filing each annual list required by subsection 1, cause to be  
5 mailed to each limited partnership which is required to comply with  
6 the provisions of this section, and which has not become delinquent,  
7 a notice of the fee due pursuant to the provisions of subsection 2 or  
8 3, as appropriate, and a reminder to file the annual list. Failure of  
9 any limited partnership to receive a notice or form does not excuse it  
10 from the penalty imposed by NRS 88.400.

11 6. If the list to be filed pursuant to the provisions of subsection  
12 1 is defective or the fee required by subsection 2 or 3 is not paid, the  
13 Secretary of State may return the list for correction or payment.

14 7. An annual list for a limited partnership not in default that is  
15 received by the Secretary of State more than 90 days before its due  
16 date shall be deemed an amended list for the previous year and does  
17 not satisfy the requirements of subsection 1 for the year to which the  
18 due date is applicable.

19 8. A filing made pursuant to this section does not satisfy the  
20 provisions of NRS 88.355 and may not be substituted for filings  
21 submitted pursuant to NRS 88.355.

22 **Sec. 29.** NRS 88.415 is hereby amended to read as follows:

23 88.415 The Secretary of State, for services relating to his  
24 official duties and the records of his office, shall charge and collect  
25 the following fees:

26 1. For filing a certificate of limited partnership, or for  
27 registering a foreign limited partnership, \$75.

28 2. For filing a certificate of registration of limited-liability  
29 limited partnership, or for registering a foreign registered limited-  
30 liability *limited* partnership, \$100.

31 3. For filing a certificate of amendment of limited partnership  
32 or restated certificate of limited partnership, \$175.

33 4. For filing a certificate of a change of location of the records  
34 office of a limited partnership or the office of its resident agent, or a  
35 designation of a new resident agent, \$60.

36 5. For certifying a *copy of a* certificate of limited partnership,  
37 an amendment to the certificate, or a certificate as amended , ~~[where~~  
38 ~~a copy is provided.]~~ \$30 per certification.

39 6. For certifying an authorized printed copy of the limited  
40 partnership law, \$30.

41 7. For reserving a limited partnership name, or for signing,  
42 filing or certifying any other record, \$25.

43 8. For copies ~~[made at]~~ *provided by* the Office of the Secretary  
44 of State, \$2 per page.



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1 9. For filing a certificate of cancellation of a limited  
2 partnership, \$75.

3 ↪ Except as otherwise provided in this section, the fees set forth in  
4 NRS 78.785 apply to this chapter.

5 **Sec. 30.** NRS 88.591 is hereby amended to read as follows:

6 88.591 1. Each foreign limited partnership doing business in  
7 this State shall, on or before the last day of the first month after the  
8 filing of its application for registration as a foreign limited  
9 partnership with the Secretary of State, and annually thereafter on or  
10 before the last day of the month in which the anniversary date of its  
11 qualification to do business in this State occurs in each year, file  
12 with the Secretary of State a list, on a form furnished by him, that  
13 contains:

14 (a) The name of the foreign limited partnership;

15 (b) The file number of the foreign limited partnership, if known;

16 (c) The names of all its general partners;

17 (d) The address, either residence or business, of each general  
18 partner;

19 (e) The name and *street* address of its lawfully designated  
20 resident agent in this State; and

21 (f) The signature of a general partner of the foreign limited  
22 partnership certifying that the list is true, complete and accurate.

23 2. Each list filed pursuant to this section must be accompanied  
24 by a declaration under penalty of perjury that the foreign limited  
25 partnership:

26 (a) Has complied with the provisions of NRS 360.780; and

27 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
28 C felony to knowingly offer any false or forged instrument for filing  
29 in the Office of the Secretary of State.

30 3. Upon filing:

31 (a) The initial list required by this section, the foreign limited  
32 partnership shall pay to the Secretary of State a fee of \$125.

33 (b) Each annual list required by this section, the foreign limited  
34 partnership shall pay to the Secretary of State a fee of \$125.

35 4. If a general partner of a foreign limited partnership resigns  
36 and the resignation is not ~~made in conjunction with the filing of an~~  
37 *reflected on the* annual or amended list of general partners, the  
38 foreign limited partnership *or the resigning general partner* shall  
39 pay to the Secretary of State a fee of \$75 to file the resignation of  
40 the general partner.

41 5. The Secretary of State shall, ~~{60}~~ *90* days before the last day  
42 for filing each annual list required by subsection 1, cause to be  
43 mailed to each foreign limited partnership, which is required to  
44 comply with the provisions of NRS 88.591 to 88.5945, inclusive,  
45 and which has not become delinquent, the blank forms to be



1 completed and filed with him. Failure of any foreign limited  
2 partnership to receive the forms does not excuse it from the penalty  
3 imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

4 6. If the list to be filed pursuant to the provisions of subsection  
5 1 is defective or the fee required by subsection 3 is not paid, the  
6 Secretary of State may return the list for correction or payment.

7 7. An annual list for a foreign limited partnership not in default  
8 which is received by the Secretary of State more than 90 days before  
9 its due date must be deemed an amended list for the previous year  
10 and does not satisfy the requirements of subsection 1 for the year to  
11 which the due date is applicable.

12 **Sec. 31.** NRS 88A.210 is hereby amended to read as follows:

13 88A.210 1. One or more persons may create a business trust  
14 by adopting a governing instrument and signing and filing with the  
15 Secretary of State a certificate of trust and a certificate of acceptance  
16 of appointment signed by the resident agent of the business trust.  
17 The certificate of trust must set forth:

18 (a) The name of the business trust;

19 (b) The name and ~~[the mailing or street]~~ address, either  
20 residence or business, of at least one trustee;

21 (c) The name of the person designated as the resident agent for  
22 the business trust, the street address of the resident agent where  
23 process may be served upon the business trust and the mailing  
24 address of the resident agent if different from the street address;

25 (d) The name and ~~[mailing or street]~~ address, either residence or  
26 business, of each person signing the certificate of trust; and

27 (e) Any other information the trustees determine to include.

28 2. Upon the filing of the certificate of trust and the certificate  
29 of acceptance with the Secretary of State and the payment to him of  
30 the required filing fee, the Secretary of State shall issue to the  
31 business trust a certificate that the required records with the required  
32 content have been filed. From the date of that filing, the business  
33 trust is legally formed pursuant to this chapter.

34 **Sec. 32.** NRS 88A.600 is hereby amended to read as follows:

35 88A.600 1. A business trust formed pursuant to this chapter  
36 shall, on or before the last day of the first month after the filing of  
37 its certificate of trust with the Secretary of State, and annually  
38 thereafter on or before the last day of the month in which the  
39 anniversary date of the filing of its certificate of trust with the  
40 Secretary of State occurs, file with the Secretary of State, on a form  
41 furnished by him, a list signed by at least one trustee that contains  
42 the name and ~~[mailing]~~ *street* address of its lawfully designated  
43 resident agent *in this State* and at least one trustee. Each list filed  
44 pursuant to this subsection must be accompanied by a declaration  
45 under penalty of perjury that the business trust:



1 (a) Has complied with the provisions of NRS 360.780; and  
2 (b) Acknowledges that pursuant to NRS 239.330, it is a category  
3 C felony to knowingly offer any false or forged instrument for filing  
4 in the Office of the Secretary of State.

5 2. Upon filing:

6 (a) The initial list required by subsection 1, the business trust  
7 shall pay to the Secretary of State a fee of \$125.

8 (b) Each annual list required by subsection 1, the business trust  
9 shall pay to the Secretary of State a fee of \$125.

10 3. If a trustee of a business trust resigns and the resignation is  
11 not ~~made in conjunction with the filing of an~~ *reflected on the*  
12 annual or amended list of trustees, the business trust *or the*  
13 *resigning trustee* shall pay to the Secretary of State a fee of \$75 to  
14 file the resignation . ~~[of the trustee.]~~

15 4. The Secretary of State shall, ~~[60]~~ *90* days before the last day  
16 for filing each annual list required by subsection 1, cause to be  
17 mailed to each business trust which is required to comply with the  
18 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
19 not become delinquent, the blank forms to be completed and filed  
20 with him. Failure of a business trust to receive the forms does not  
21 excuse it from the penalty imposed by law.

22 5. An annual list for a business trust not in default which is  
23 received by the Secretary of State more than 90 days before its due  
24 date shall be deemed an amended list for the previous year.

25 **Sec. 33.** NRS 88A.732 is hereby amended to read as follows:

26 88A.732 1. Each foreign business trust doing business in this  
27 State shall, on or before the last day of the first month after the filing  
28 of its application for registration as a foreign business trust with the  
29 Secretary of State, and annually thereafter on or before the last day  
30 of the month in which the anniversary date of its qualification to do  
31 business in this State occurs in each year, file with the Secretary of  
32 State a list, on a form furnished by him, that contains:

- 33 (a) The name of the foreign business trust;
- 34 (b) The file number of the foreign business trust, if known;
- 35 (c) The name of at least one of its trustees;
- 36 (d) The address, either residence or business, of the trustee listed  
37 pursuant to paragraph (c);
- 38 (e) The name and *street* address of its lawfully designated  
39 resident agent in this State; and
- 40 (f) The signature of a trustee of the foreign business trust  
41 certifying that the list is true, complete and accurate.

42 2. Each list required to be filed pursuant to this section must be  
43 accompanied by a declaration under penalty of perjury that the  
44 foreign business trust:

45 (a) Has complied with the provisions of NRS 360.780; and



1 (b) Acknowledges that pursuant to NRS 239.330 it is a category  
2 C felony to knowingly offer any false or forged instrument for filing  
3 in the Office of the Secretary of State.

4 3. Upon filing:

5 (a) The initial list required by this section, the foreign business  
6 trust shall pay to the Secretary of State a fee of \$125.

7 (b) Each annual list required by this section, the foreign business  
8 trust shall pay to the Secretary of State a fee of \$125.

9 4. If a trustee of a foreign business trust resigns and the  
10 resignation is not ~~made in conjunction with the filing of an~~  
11 *reflected on the* annual or amended list of trustees, the foreign  
12 business trust *or the resigning trustee* shall pay to the Secretary of  
13 State a fee of \$75 to file the resignation. ~~[of the trustee.]~~

14 5. The Secretary of State shall, ~~[60]~~ 90 days before the last day  
15 for filing each annual list required by subsection 1, cause to be  
16 mailed to each foreign business trust which is required to comply  
17 with the provisions of NRS 88A.732 to 88A.738, inclusive, and  
18 which has not become delinquent, the blank forms to be completed  
19 and filed with him. Failure of any foreign business trust to receive  
20 the forms does not excuse it from the penalty imposed by the  
21 provisions of NRS 88A.732 to 88A.738, inclusive.

22 6. If the list to be filed pursuant to the provisions of subsection  
23 1 is defective or the fee required by subsection 3 is not paid, the  
24 Secretary of State may return the list for correction or payment.

25 7. An annual list for a foreign business trust not in default  
26 which is received by the Secretary of State more than 90 days before  
27 its due date must be deemed an amended list for the previous year  
28 and does not satisfy the requirements of subsection 1 for the year to  
29 which the due date is applicable.

30 **Sec. 34.** NRS 89.250 is hereby amended to read as follows:

31 89.250 1. Except as otherwise provided in subsection 2, a  
32 professional association shall, on or before the last day of the first  
33 month after the filing of its articles of association with the Secretary  
34 of State, and annually thereafter on or before the last day of the  
35 month in which the anniversary date of its organization occurs in  
36 each year, ~~[furnish a statement to]~~ *file with* the Secretary of State *a*  
37 *list* showing the names and addresses, either residence or business,  
38 of all members and employees in the professional association and  
39 certifying that all members and employees are licensed to render  
40 professional service in this State.

41 2. A professional association organized and practicing pursuant  
42 to the provisions of this chapter and NRS 623.349 shall, on or  
43 before the last day of the first month after the filing of its articles of  
44 association with the Secretary of State, and annually thereafter on or  
45 before the last day of the month in which the anniversary date of its



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1 organization occurs in each year, ~~file with~~ *file with*  
2 the Secretary of State ~~file with~~ *a list*:

3 (a) Showing the names and addresses, either residence or  
4 business, of all members and employees of the professional  
5 association who are licensed or otherwise authorized by law to  
6 render professional service in this State;

7 (b) Certifying that all members and employees who render  
8 professional service are licensed or otherwise authorized by law to  
9 render professional service in this State; and

10 (c) Certifying that all members who are not licensed to render  
11 professional service in this State do not render professional service  
12 on behalf of the professional association except as authorized by  
13 law.

14 3. Each ~~statement~~ *list* filed pursuant to this section must be:

15 (a) Made on a form ~~prescribed~~ *furnished* by the Secretary of  
16 State and must not contain any fiscal or other information except  
17 that expressly called for by this section.

18 (b) Signed by the chief executive officer of the professional  
19 association.

20 (c) Accompanied by a declaration under penalty of perjury that  
21 the professional association:

22 (1) Has complied with the provisions of NRS 360.780; and

23 (2) Acknowledges that pursuant to NRS 239.330, it is a  
24 category C felony to knowingly offer any false or forged instrument  
25 for filing in the Office of the Secretary of State.

26 4. Upon filing:

27 (a) The initial ~~statement~~ *list* required by this section, the  
28 professional association shall pay to the Secretary of State a fee of  
29 \$125.

30 (b) Each annual ~~statement~~ *list* required by this section, the  
31 professional association shall pay to the Secretary of State a fee of  
32 \$125.

33 **Sec. 35.** NRS 89.256 is hereby amended to read as follows:

34 89.256 1. Except as otherwise provided in subsections 3 and  
35 4, the Secretary of State shall reinstate any professional association  
36 which has forfeited its right to transact business under the provisions  
37 of this chapter and restore the right to carry on business in this State  
38 and exercise its privileges and immunities if it:

39 (a) Files with the Secretary of State:

40 (1) The ~~statement~~ *list* and certification required by NRS  
41 89.250; and

42 (2) A certificate of acceptance of appointment signed by its  
43 resident agent; and

44 (b) Pays to the Secretary of State:





1 (1) The filing fee and penalty set forth in NRS 89.250 and  
2 89.252 for each year or portion thereof during which the articles of  
3 association have been revoked; and

4 (2) A fee of \$300 for reinstatement.

5 2. When the Secretary of State reinstates the professional  
6 association, he shall issue to the professional association a  
7 certificate of reinstatement if the professional association:

8 (a) Requests a certificate of reinstatement; and

9 (b) Pays the required fees pursuant to subsection 8 of  
10 NRS 78.785.

11 3. The Secretary of State shall not order a reinstatement unless  
12 all delinquent fees and penalties have been paid, and the revocation  
13 of the articles of association occurred only by reason of the failure  
14 to pay the fees and penalties.

15 4. If the articles of association of a professional association  
16 have been revoked pursuant to the provisions of this chapter and  
17 have remained revoked for 10 consecutive years, the articles must  
18 not be reinstated.

19 **Sec. 36.** Chapter 225 of NRS is hereby amended by adding  
20 thereto a new section to read as follows:

21 *1. A person shall not willfully file, promote the filing of, or*  
22 *cause to be filed, or attempt or conspire to file, promote the filing*  
23 *of, or cause to be filed, any record in the Office of the Secretary of*  
24 *State if the person has actual knowledge that the record:*

25 *(a) Is forged or fraudulently altered;*

26 *(b) Contains a false statement of material fact; or*

27 *(c) Is being filed in bad faith or for the purpose of harassing*  
28 *or defrauding any person.*

29 *2. Any person who violates this section is liable in a civil*  
30 *action brought pursuant to this section for:*

31 *(a) Actual damages caused by each separate violation of this*  
32 *section, or \$10,000 for each separate violation of this section,*  
33 *whichever is greater;*

34 *(b) All costs of bringing and maintaining the action, including*  
35 *investigative expenses and fees for expert witnesses;*

36 *(c) Reasonable attorney's fees; and*

37 *(d) Any punitive damages that the facts may warrant.*

38 *3. A civil action may be brought pursuant to this section by:*

39 *(a) Any person who is damaged by a violation of this section,*  
40 *including, without limitation, any person who is damaged as the*  
41 *result of an action taken in reliance on a record filed in violation*  
42 *of this section; or*

43 *(b) The Attorney General, in the name of the State of Nevada,*  
44 *if the matter is referred to the Attorney General by the Secretary of*  
45 *State and if the Attorney General, after due inquiry, determines*



1 *that a civil action should be brought pursuant to this section. Any*  
2 *money recovered by the Attorney General pursuant to this*  
3 *paragraph, after deducting all costs and expenses incurred by the*  
4 *Attorney General and the Secretary of State to investigate and act*  
5 *upon the violation, must be deposited in the State General Fund.*

6 *4. For the purposes of this section, each filing of a single*  
7 *record that constitutes a violation of this section shall be deemed*  
8 *to be a separate violation.*

9 *5. The rights, remedies and penalties provided pursuant to*  
10 *this section are cumulative and do not abrogate and are in*  
11 *addition to any other rights, remedies and penalties that may exist*  
12 *at law or in equity, including, without limitation, any criminal*  
13 *penalty that may be imposed pursuant to NRS 239.330.*

14 *6. As used in this section, "record" means information that*  
15 *is:*

16 *(a) Inscribed on a tangible medium or that is stored in an*  
17 *electronic or other medium and is retrievable in perceivable form;*  
18 *and*

19 *(b) Filed or offered for filing by a person pursuant to any*  
20 *provision of title 7 of NRS or Article 9 of the Uniform Commercial*  
21 *Code.*

22 **Sec. 37.** NRS 225.140 is hereby amended to read as follows:

23 225.140 1. Except as otherwise provided in subsection 2, in  
24 addition to other fees authorized by law, the Secretary of State shall  
25 charge and collect the following fees:

- 26 For certifying to a copy of any law, joint resolution,
- 27 transcript of record or other paper on file or of
- 28 record with the Secretary of State, including, but
- 29 not limited to, a document required to be filed
- 30 pursuant to title 24 of NRS, and use of the State
- 31 Seal, for each impression ..... \$20
- 32 For each passport or other document signed by the
- 33 Governor and attested by the Secretary of State ..... 10
- 34
- 35

36 2. The Secretary of State:

37 (a) Shall charge a reasonable fee for searching records and  
38 documents kept in his office, including, but not limited to, records  
39 and documents that are stored on a computer database.

40 (b) May charge or collect any filing or other fees for services  
41 rendered by him to the State of Nevada, any local governmental  
42 agency or agency of the Federal Government, or any officer thereof  
43 in his official capacity or respecting his office or official duties.

44 (c) May not charge or collect a filing or other fee for:



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1 (1) Attesting extradition papers or executive warrants for  
2 other states.

3 (2) Any commission or appointment issued or made by the  
4 Governor, either for the use of the State Seal or otherwise.

5 (d) May charge a reasonable fee, not to exceed:

6 (1) *One thousand dollars, for providing service within 1*  
7 *hour after the time service is requested;*

8 (2) Five hundred dollars, for providing service *more than 1*  
9 *hour but* within 2 hours after the time the service is requested; and

10 ~~[(2)]~~ (3) One hundred twenty-five dollars, for providing any  
11 other special service, including, but not limited to, providing service  
12 more than 2 hours but within 24 hours after the time the service is  
13 requested, accepting documents filed by facsimile machine and  
14 other use of new technology.

15 (e) Shall charge a person, for each check or other negotiable  
16 instrument returned to the Office of the Secretary of State because  
17 the person had insufficient money or credit with the drawee to pay  
18 the check or other instrument or because the person stopped  
19 payment on the check or other instrument:

20 (1) A fee of \$25; and

21 (2) If the check or other instrument that was returned had  
22 been presented for the payment of a filing fee for more than one  
23 entity, an additional fee in an amount equal to the actual cost  
24 incurred by the Office of the Secretary of State to perform the  
25 following actions as a result of the returned check or instrument:

26 (I) Reversing the status of the entities in the records of the  
27 Office of the Secretary of State; and

28 (II) Recouping any fees charged for services rendered by  
29 the Office of the Secretary of State to the entities, including, without  
30 limitation, fees charged for providing service pursuant to paragraph  
31 (d), providing copies or issuing certificates.

32 ➔ The Secretary of State shall, by regulation, establish procedures  
33 for the imposition of the fees authorized by this paragraph and the  
34 manner in which a fee authorized by subparagraph (2) will be  
35 calculated.

36 (f) *May charge a reasonable fee for searching for and*  
37 *cancelling or removing, if requested, any filing that has been*  
38 *submitted to him but not yet processed.*

39 3. From each fee collected pursuant to paragraph (d) of  
40 subsection 2:

41 (a) ~~[The entire amount or \$62.50, whichever is less, of the fee~~  
42 ~~collected pursuant to subparagraph (1) of that paragraph and one~~  
43 ~~half]~~ *One-half* of the fee collected ~~[pursuant to subparagraph (2) of~~  
44 ~~that paragraph]~~ must be deposited with the State Treasurer for credit  
45 to the Account for Special Services of the Secretary of State in the



1 State General Fund. Any amount remaining in the Account at the  
2 end of a fiscal year in excess of \$2,000,000 must be transferred to  
3 the State General Fund. Money in the Account may be transferred to  
4 the Secretary of State's Operating General Fund Budget Account  
5 and must only be used to create and maintain the capability of the  
6 Office of the Secretary of State to provide special services,  
7 including, but not limited to, providing service:

- 8 (1) On the day it is requested or within 24 hours; or
- 9 (2) Necessary to increase or maintain the efficiency of the  
10 Office.

11 ➔ Any transfer of money from the Account for expenditure by the  
12 Secretary of State must be approved by the Interim Finance  
13 Committee.

14 (b) After deducting the amount required pursuant to paragraph  
15 (a), the remainder must be deposited with the State Treasurer for  
16 credit to the State General Fund.

17 4. The Secretary of State shall post a schedule of the fees  
18 authorized to be charged pursuant to this section in a conspicuous  
19 place at each office at which such fees are collected.

20 **Sec. 38.** Chapter 240 of NRS is hereby amended by adding  
21 thereto the provisions set forth as sections 39 and 40 of this act.

22 **Sec. 39. 1. A notary public who is appointed pursuant to**  
23 **this chapter shall not willfully notarize the signature of a person**  
24 **unless the person is in the presence of the notary public and:**

- 25 (a) *Is known to the notary public; or*
- 26 (b) *If unknown to the notary public, provides documentary*  
27 *evidence of identification to the notary public.*

- 28 2. *A person who:*
- 29 (a) *Violates the provisions of subsection 1; or*
- 30 (b) *Aids and abets a notary public to commit a violation of*  
31 *subsection 1,*

32 **➔ is guilty of a gross misdemeanor.**

33 **Sec. 40. 1. Except as otherwise provided in subsection 2,**  
34 **the Secretary of State shall, upon request and payment of a fee of**  
35 **\$20, issue an authentication to verify that the signature of the**  
36 **notarial officer on a document is genuine and that the notarial**  
37 **officer holds the office indicated on the document. If the**  
38 **document:**

39 (a) *Is intended for use in a foreign country that is a participant*  
40 *in the Hague Convention of October 5, 1961, the Secretary of*  
41 *State must issue an apostille in the form prescribed by the Hague*  
42 *Convention of October 5, 1961.*

43 (b) *Is intended for use in the United States or in a foreign*  
44 *country that is not a participant in the Hague Convention of*  
45 *October 5, 1961, the Secretary of State must issue a certification.*



1       **2. The Secretary of State shall not issue an authentication**  
2 **pursuant to subsection 1 if:**

3       **(a) The document has not been notarized in accordance with**  
4 **the provisions of this chapter; or**

5       **(b) The Secretary of State has reasonable cause to believe that**  
6 **the document may be used to accomplish any fraudulent, criminal**  
7 **or unlawful purpose.**

8       **Sec. 41.** NRS 240.001 is hereby amended to read as follows:

9       240.001 As used in NRS 240.001 to 240.169, inclusive, **and**  
10 **sections 39 and 40 of this act**, unless the context otherwise requires,  
11 the words and terms defined in NRS 240.002 to 240.005, inclusive,  
12 have the meanings ascribed to them in those sections.

13       **Sec. 42.** NRS 240.007 is hereby amended to read as follows:

14       240.007 1. Except as otherwise provided in subsection 2,  
15 information and documents filed with or obtained by the Secretary  
16 of State pursuant to NRS 240.001 to 240.169, inclusive, **and**  
17 **sections 39 and 40 of this act** are public information and are  
18 available for public examination.

19       2. Except as otherwise provided in subsections 3 and 4,  
20 information and documents obtained by or filed with the Secretary  
21 of State in connection with an investigation concerning a possible  
22 violation of the provisions of NRS 240.001 to 240.169, inclusive,  
23 **and sections 39 and 40 of this act** are not public information and  
24 are confidential.

25       3. The Secretary of State may submit any information or  
26 evidence obtained in connection with an investigation concerning a  
27 possible violation of the provisions of NRS 240.001 to 240.169,  
28 inclusive, **and sections 39 and 40 of this act** to the appropriate  
29 district attorney for the purpose of prosecuting a criminal action.

30       4. The Secretary of State may disclose any information or  
31 documents obtained in connection with an investigation concerning  
32 a possible violation of the provisions of NRS 240.001 to 240.169,  
33 inclusive, **and sections 39 and 40 of this act** to an agency of this  
34 State or a political subdivision of this State.

35       **Sec. 43.** NRS 240.010 is hereby amended to read as follows:

36       240.010 1. The Secretary of State may appoint notaries  
37 public in this State.

38       2. The Secretary of State shall not appoint as a notary public a  
39 person:

40       (a) Who submits an application containing a substantial and  
41 material misstatement or omission of fact.

42       (b) Whose previous appointment as a notary public in this State  
43 has been revoked.





1 (c) Who has been convicted of a crime involving moral  
2 turpitude, if the Secretary of State is aware of such a conviction  
3 before he makes the appointment.

4 (d) Against whom a complaint that alleges a violation of a  
5 provision of this chapter is pending.

6 3. A notary public may cancel his appointment by submitting a  
7 written notice to the Secretary of State.

8 4. It is unlawful for a person to:

9 (a) Represent himself as a notary public appointed pursuant to  
10 this section if he has not received a certificate of appointment from  
11 the Secretary of State pursuant to this chapter.

12 (b) Submit an application for appointment as a notary public that  
13 contains a substantial and material misstatement or omission of fact.

14 ***5. The Secretary of State may request that the Attorney  
15 General bring an action to enjoin any violation of paragraph (a)  
16 of subsection 4.***

17 **Sec. 44.** NRS 240.033 is hereby amended to read as follows:

18 240.033 1. The bond required to be filed pursuant to NRS  
19 240.030 must be executed by the person applying to become a  
20 notary public as principal and by a surety company qualified and  
21 authorized to do business in this State. The bond must be made  
22 payable to the State of Nevada and be conditioned to provide  
23 indemnification to a person determined to have suffered damage as  
24 a result of an act by the notary public which violates a provision of  
25 NRS 240.001 to 240.169, inclusive ***[ ]***, ***and sections 39 and 40 of  
26 this act.*** The surety company shall pay a final, nonappealable  
27 judgment of a court of this State that has jurisdiction, upon receipt  
28 of written notice of final judgment. The bond may be continuous  
29 but, regardless of the duration of the bond, the aggregate liability of  
30 the surety does not exceed the penal sum of the bond.

31 2. If the penal sum of the bond is exhausted, the surety  
32 company shall notify the Secretary of State in writing within 30  
33 days after its exhaustion.

34 3. The surety bond must cover the period of the appointment of  
35 the notary public, except when a surety is released.

36 4. A surety on a bond filed pursuant to NRS 240.030 may be  
37 released after the surety gives 30 days' written notice to the  
38 Secretary of State and notary public, but the release does not  
39 discharge or otherwise affect a claim filed by a person for damage  
40 resulting from an act of the notary public which is alleged to have  
41 occurred while the bond was in effect.

42 5. The appointment of a notary public is suspended by  
43 operation of law when the notary public is no longer covered by a  
44 surety bond as required by this section and NRS 240.030 or the  
45 penal sum of the bond is exhausted. If the Secretary of State





1 receives notice pursuant to subsection 4 that the bond will be  
2 released or pursuant to subsection 2 that the penal sum of the bond  
3 is exhausted, the Secretary *of State* shall immediately notify the  
4 notary public in writing that his appointment will be suspended by  
5 operation of law until another surety bond is filed in the same  
6 manner and amount as the bond being terminated.

7 6. The Secretary of State may reinstate the appointment of a  
8 notary public whose appointment has been suspended pursuant to  
9 subsection 5, if the notary public, before his current term of  
10 appointment expires:

11 (a) Submits to the Secretary of State:

12 (1) An application for an amended certificate of appointment  
13 as a notary public; and

14 (2) A certificate issued by the clerk of the county in which  
15 the applicant resides or, if the applicant is a resident of an adjoining  
16 state, the county in this State in which the applicant maintains a  
17 place of business or is employed, which indicates that the applicant  
18 filed a new surety bond with the clerk.

19 (b) Pays to the Secretary of State a fee of \$10.

20 **Sec. 45.** NRS 240.161 is hereby amended to read as follows:

21 240.161 1. NRS 240.161 to 240.169, inclusive, *and section*  
22 *40 of this act* may be cited as the Uniform Law on Notarial Acts.

23 2. These sections must be applied and construed to effectuate  
24 their general purpose to make uniform the law with respect to the  
25 subject of these sections among states enacting them.

26 **Sec. 46.** NRS 240.165 is hereby amended to read as follows:

27 240.165 1. A notarial act has the same effect under the law of  
28 this State as if performed by a notarial officer of this State if  
29 performed within the jurisdiction of and under authority of a foreign  
30 nation or its constituent units or a multinational or international  
31 organization by the following persons:

32 (a) A notary public;

33 (b) A judge, clerk or deputy clerk of a court of record; or

34 (c) A person authorized by the law of that jurisdiction to  
35 perform notarial acts.

36 2. ~~[An "apostille" in the form prescribed by the Hague~~  
37 ~~Convention of October 5, 1961, conclusively establishes that the~~  
38 ~~signature of the notarial officer is genuine and that the officer holds~~  
39 ~~the indicated office. The Secretary of State shall, upon request and~~  
40 ~~payment of a fee of \$20, issue an apostille to verify a signature of a~~  
41 ~~notarial officer on a document that is kept in the records of the~~  
42 ~~Secretary of State unless the document had not been notarized in~~  
43 ~~accordance with the provisions of this chapter.~~

44 ~~—3.]~~ A certificate by an officer of the foreign service or consular  
45 officer of the United States stationed in the nation under the



1 jurisdiction of which the notarial act was performed, or a certificate  
2 by an officer of the foreign service or consular officer of that nation  
3 stationed in the United States, conclusively establishes a matter  
4 relating to the authenticity or validity of the notarial act set forth in  
5 the certificate.

6 ~~[4.]~~ 3. An official stamp or seal of the person performing the  
7 notarial act is prima facie evidence that the signature is genuine and  
8 that the person holds the indicated title.

9 ~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph  
10 (a) or (b) of subsection 1 is prima facie evidence that a person with  
11 the indicated title has authority to perform notarial acts.

12 ~~[6.]~~ 5. If the title of office and indication of authority to  
13 perform notarial acts appears either in a digest of foreign law or in a  
14 list customarily used as a source for that information, the authority  
15 of an officer with that title to perform notarial acts is conclusively  
16 established.

17 **Sec. 47.** NRS 600.340 is hereby amended to read as follows:

18 600.340 1. A person who has adopted and is using a mark in  
19 this State may file in the Office of the Secretary of State, on a form  
20 to be furnished by the Secretary of State, an application for  
21 registration of that mark setting forth, but not limited to, the  
22 following information:

23 (a) Whether the mark to be registered is a trademark, trade name  
24 or service mark;

25 (b) A description of the mark by name, words displayed in it or  
26 other information;

27 (c) The name and business address of the person applying for  
28 the registration and, if it is a corporation, limited-liability company,  
29 limited partnership or registered limited-liability partnership, the  
30 state of incorporation or organization;

31 (d) The specific goods or services in connection with which the  
32 mark is used and the mode or manner in which the mark is used in  
33 connection with those goods or services and the class as designated  
34 by the Secretary of State which includes those goods or services;

35 (e) The date when the mark was first used anywhere and the  
36 date when it was first used in this State by the applicant or his  
37 predecessor in business which must precede the filing of the  
38 application; and

39 (f) A statement that the applicant is the owner of the mark and  
40 that no other person has the right to use the mark in this State either  
41 in the form set forth in the application or in such near resemblance  
42 to it as might deceive or cause mistake.

43 2. The application must:

44 (a) Be signed and verified by the applicant or by a member of  
45 the firm or an officer of the corporation or association applying.



\* S B 4 5 3 R 4 \*



1 (b) Be accompanied by a specimen or facsimile of the mark ~~in~~  
2 ~~duplicate~~ *on white paper that is 8 1/2 inches by 11 inches in size*  
3 and by a filing fee of \$100 payable to the Secretary of State.  
4 3. If the application fails to comply with this section or NRS  
5 600.343, the Secretary of State shall return it for correction.



**Amendment No. CA17**

First Conference Committee Amendment to Senate Bill No. 453 Third Reprint (BDR 7-576)

**Proposed by:** First Conference Committee

**Amendment Box:**

**Resolves Conflicts with:** N/A

**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No

Adoption of this amendment will MAINTAIN a 2/3s majority vote requirement for final passage of S.B. 453 R3 (§ 37).

Amend sec. 36, page 31, between lines 13 and 14, by inserting:

*“6. As used in this section, “record” means information that is:*

*(a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and*

*(b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or Article 9 of the Uniform Commercial Code.”.*

LEGISLATIVE INTENT SERVICE (800) 666-1917



BAW

Date: 6/5/2005

S.B. No. 453—Makes various changes concerning business entities and notaries public.



CHAPTER.....

AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto.

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

**Section 1.** NRS 78.150 is hereby amended to read as follows:

78.150 1. A corporation organized pursuant to the laws of this State shall, on or before the last day of the first month after the filing of its articles of incorporation with the Secretary of State, file with the Secretary of State a list, on a form furnished by him, containing:

- (a) The name of the corporation;
- (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
- (d) The address, either residence or business, of each officer and director listed, following the name of the officer or director;
- (e) The name and address of the lawfully designated resident agent of the corporation ~~in~~ *in this State*; and
- (f) The signature of an officer of the corporation certifying that the list is true, complete and accurate.

2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year, file with the Secretary of State, on a form furnished by him, an annual list containing all of the information required in subsection 1.

3. Each list required by subsection 1 or 2 must be accompanied by:

- (a) A declaration under penalty of perjury that the corporation:
  - (1) Has complied with the provisions of NRS 360.780; and



(2) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.

(b) A statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on his Internet website the Central Index Key of a corporation provided pursuant to this paragraph and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

4. Upon filing the list required by:

(a) Subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.

(b) Subsection 2, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less .....	\$125
Over \$75,000 and not over \$200,000.....	175
Over \$200,000 and not over \$500,000.....	275
Over \$500,000 and not over \$1,000,000.....	375
Over \$1,000,000:	
For the first \$1,000,000 .....	375
For each additional \$500,000 or fraction thereof.....	275

The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.

5. If a director or officer of a corporation resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of directors and officers, the corporation *or the resigning director or officer* shall pay to the Secretary of State a fee of \$75 to file the resignation . ~~of the director or officer.~~

6. The Secretary of State shall, ~~60~~ *90* days before the last day for filing each annual list required by subsection 2, cause to be mailed to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of any corporation to receive a notice or form does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.





8. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and must be accompanied by the appropriate fee as provided in subsection 4 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.

**Sec. 2.** NRS 78.1955 is hereby amended to read as follows:

78.1955 1. If the voting powers, designations, preferences, limitations, restrictions and relative rights of any class or series of stock have been established by a resolution of the board of directors pursuant to a provision in the articles of incorporation, a certificate of designation setting forth the resolution *and stating the number of shares for each designation* must be signed by an officer of the corporation and filed with the Secretary of State. A certificate of designation signed and filed pursuant to this section must become effective before the issuance of any shares of the class or series.

2. Unless otherwise provided in the articles of incorporation or the certificate of designation being amended, if no shares of a class or series of stock established by a resolution of the board of directors have been issued, the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series may be amended by a resolution of the board of directors pursuant to a certificate of amendment filed in the manner provided in subsection 4.

3. Unless otherwise provided in the articles of incorporation or the certificate of designation, if shares of a class or series of stock established by a resolution of the board of directors have been issued, the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series may be amended by a resolution of the board of directors only if the amendment is approved as provided in this subsection. Unless otherwise provided in the articles of incorporation or the certificate of designation, the proposed amendment adopted by the board of directors must be approved by the vote of stockholders holding shares in the corporation entitling them to exercise a majority of the voting power, or such greater proportion of the voting power as may be required by the articles of incorporation or the certificate of designation, of:

- (a) The class or series of stock being amended; and
- (b) Each class and each series of stock which, before amendment, is senior to the class or series being amended as to the payment of distributions upon dissolution of the corporation,



regardless of any limitations or restrictions on the voting power of that class or series.

4. A certificate of amendment to a certificate of designation must be signed by an officer of the corporation and filed with the Secretary of State and must:

(a) Set forth the original designation and the new designation, if the designation of the class or series is being amended;

(b) State that no shares of the class or series have been issued or state that the approval of the stockholders required pursuant to subsection 3 has been obtained; and

(c) Set forth the amendment to the class or series or set forth the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series, as amended.

5. A certificate filed pursuant to subsection 1 or 4 becomes effective upon filing with the Secretary of State or upon a later date specified in the certificate, which must not be later than 90 days after the certificate is filed.

6. If shares of a class or series of stock established by a certificate of designation are not outstanding, the corporation may file a certificate which states that no shares of the class or series are outstanding and which contains the resolution of the board of directors authorizing the withdrawal of the certificate of designation establishing the class or series of stock. The certificate *must identify the date and certificate of designation being withdrawn and* must be signed by an officer of the corporation and filed with the Secretary of State. Upon filing the certificate and payment of the fee required pursuant to NRS 78.765, all matters contained in the certificate of designation regarding the class or series of stock are eliminated from the articles of incorporation.

7. NRS 78.380, 78.385 and 78.390 do not apply to certificates of amendment filed pursuant to this section.

**Sec. 3.** NRS 78.780 is hereby amended to read as follows:

78.780 ~~[1.— The fee for filing a certificate of extension of corporate existence of any corporation is an amount equal to one-fourth of the fee computed at the rates specified in NRS 78.760 for filing articles of incorporation.~~

~~—2.]~~ The fee for filing a certificate of dissolution whether it occurs before or after payment of capital and beginning of business is \$75.

**Sec. 4.** NRS 78.785 is hereby amended to read as follows:

78.785 1. The fee for filing a certificate of change of location of a corporation's registered office and resident agent, or a new designation of resident agent, is \$60.

2. The fee for certifying *a copy of* articles of incorporation ~~[where a copy is provided]~~ is \$30.



3. The fee for certifying a copy of an amendment to articles of incorporation, or to a copy of the articles as amended, ~~[where a copy is furnished,]~~ is \$30.

4. The fee for certifying an authorized printed copy of the general corporation law as compiled by the Secretary of State is \$30.

5. The fee for reserving a corporate name is \$25.

6. The fee for signing a certificate of corporate existence which does not list the previous records relating to the corporation, or a certificate of change in a corporate name, is \$50.

7. The fee for signing a certificate of corporate existence which lists the previous records relating to the corporation is \$50.

8. The fee for signing, certifying or filing any certificate or record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.

9. The fee for copies ~~[made at]~~ *provided by* the Office of the Secretary of State is \$2 per page.

10. The fees for filing articles of incorporation, articles of merger, or certificates of amendment increasing the basic surplus of a mutual or reciprocal insurer must be computed pursuant to NRS 78.760, 78.765 and 92A.210, on the basis of the amount of basic surplus of the insurer.

11. The fee for examining and provisionally approving any record at any time before the record is presented for filing is \$125.

**Sec. 5.** NRS 80.110 is hereby amended to read as follows:

80.110 1. Each foreign corporation doing business in this State shall, on or before the last day of the first month after the filing of its certificate of corporate existence with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The names and addresses, either residence or business, of its president, secretary and treasurer, or the equivalent thereof, and all of its directors;

(b) The name and street address of the lawfully designated resident agent of the corporation in this State; and

(c) The signature of an officer of the corporation.

➔ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the foreign corporation has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State. Each list filed pursuant to this subsection must also be accompanied by a statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list



its Central Index Key. The Secretary of State shall include on his Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

2. Upon filing:

(a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less .....	\$125
Over \$75,000 and not over \$200,000.....	175
Over \$200,000 and not over \$500,000.....	275
Over \$500,000 and not over \$1,000,000.....	375
Over \$1,000,000:	
For the first \$1,000,000.....	375
For each additional \$500,000 or fraction thereof.....	275

The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.

3. If a director or officer of a corporation resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of directors and officers, the corporation *or the resigning director or officer* shall pay to the Secretary of State a fee of \$75 to file the resignation . ~~[of the director or officer.]~~

4. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any corporation to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.

5. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 6.** Chapter 81 of NRS is hereby amended by adding thereto the provisions set forth as sections 8, 9 and 10 of this act.

**Sec. 7. 1.** *The Secretary of State shall not accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation of any corporation formed under the*



*provisions of NRS 81.010 to 81.160, inclusive, and this section which provides that the name of the corporation contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of incorporation or certificate of amendment of articles of incorporation that the purpose of the corporation is to operate as a unit-owners' association pursuant to chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the corporation has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that a corporation which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of State shall deem the corporation to be in default. If, after the corporation is deemed to be in default, the Administrator notifies the Secretary of State that the corporation has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the corporation if the corporation complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185.*

**Sec. 8.** *1. The Secretary of State shall not accept for filing any articles of association or any certificate of amendment of articles of association of any association formed under the provisions of NRS 81.170 to 81.270, inclusive, and this section which provides that the name of the association contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of association or certificate of amendment of articles of association that the purpose of the association is to operate as a unit-owners' association pursuant to chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the association has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that an association which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of*





*State shall deem the association to be in default. If, after the association is deemed to be in default, the Administrator notifies the Secretary of State that the association has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the association if the association complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185 and pays the fees required pursuant to NRS 82.193.*

**Sec. 9.** *1. The Secretary of State shall not accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation of any corporation formed under the provisions of NRS 81.410 to 81.540, inclusive, and this section which provides that the name of the corporation contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of incorporation or certificate of amendment of articles of incorporation that the purpose of the corporation is to operate as a unit-owners' association pursuant to chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the corporation has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that a corporation which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of State shall deem the corporation to be in default. If, after the corporation is deemed to be in default, the Administrator notifies the Secretary of State that the corporation has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the corporation if the corporation complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185 and pays the fees required pursuant to NRS 82.193.*

**Sec. 10.** NRS 81.010 is hereby amended to read as follows:

81.010 1. Nonprofit cooperative corporations may be formed by the voluntary association of any three or more persons in the manner prescribed in NRS 81.010 to 81.160, inclusive ~~[-]~~, *and section 7 of this act.* A majority of the persons must be residents of this State, and such a corporation has and may exercise the powers necessarily incident thereto. Except as otherwise provided in subsection 2, the provisions of chapter 78 of NRS govern each nonprofit cooperative corporation organized pursuant to NRS





81.010 to 81.160, inclusive ~~[ ]~~, *and section 7 of this act*. If such a nonprofit cooperative corporation is organized without shares of stock, the members shall be deemed to be “shareholders” or “stockholders” as these terms are used in chapter 78 of NRS.

2. If the term for which a nonprofit cooperative corporation was to exist has expired but the corporation has continued to perform the activities authorized by its original articles of incorporation or any amendment thereto, revival of its corporate existence does not require the consent of its members or stockholders. Each required action to accomplish a revival may be taken by a majority of the surviving directors. The revival is effective as of the date of expiration of the original term.

**Sec. 11.** NRS 81.170 is hereby amended to read as follows:

81.170 1. NRS 81.170 to 81.270, inclusive, *and section 8 of this act* being passed to promote association for mutual welfare, the words “lawful business” extend to every kind of lawful effort for business, education, industrial, benevolent, social or political purposes, whether conducted for profit or not.

2. NRS 81.170 to 81.270, inclusive, *and section 8 of this act* must not be strictly construed, but their provisions must at all times be liberally construed with a view to effect their object and to promote their purposes.

**Sec. 12.** NRS 81.200 is hereby amended to read as follows:

81.200 1. Each association formed under NRS 81.170 to 81.270, inclusive, *and section 8 of this act* shall prepare articles of association in writing, setting forth:

- (a) The name of the association.
- (b) The purpose for which it is formed.
- (c) The name of the person designated as the resident agent, the street address for service of process, and the mailing address if different from the street address.
- (d) The term for which it is to exist, which may be perpetual.
- (e) The names and addresses, either residence or business, of the directors selected for the first year.
- (f) The amount which each member is to pay upon admission as a fee for membership, and that each member signing the articles has actually paid the fee.
- (g) That the interest and right of each member therein is to be equal.
- (h) The name and address, either residence or business, of each of the persons signing the articles of association.

2. The articles of association must be signed by the original associates or members.

3. The articles so signed must be filed, together with a certificate of acceptance of appointment signed by the resident agent for the association, in the Office of the Secretary of State . ~~[ ]~~, *who*



~~shall furnish a certified copy thereof.]~~ From the time of the filing in the Office of the Secretary of State, the association may exercise all the powers for which it was formed.

**Sec. 13.** NRS 81.410 is hereby amended to read as follows:

81.410 1. Nonprofit cooperative corporations may be formed by the voluntary association of any three or more persons in the manner prescribed in NRS 81.410 to 81.540, inclusive ~~[-]~~, *and section 9 of this act.*

2. Except as otherwise provided in subsection 3, the provisions of chapter 82 of NRS govern a nonprofit cooperative corporation organized pursuant to NRS 81.410 to 81.540, inclusive, *and section 9 of this act*, except to the extent that the provisions of chapter 82 of NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[-]~~, *and section 9 of this act.*

3. NRS 82.081 and 82.136 do not apply to a nonprofit cooperative corporation organized pursuant to NRS 81.410 to 81.540, inclusive ~~[-]~~, *and section 9 of this act.*

**Sec. 14.** NRS 82.371 is hereby amended to read as follows:

82.371 1. A corporation may restate, or amend and restate, in a single certificate the entire text of its articles as amended by filing with the Secretary of State a certificate which must set forth the articles as amended to the date of the certificate. If the certificate alters or amends the articles in any manner, it must comply with the provisions of NRS 82.346, 82.351 and 82.356, as applicable, and must be accompanied by ~~[-]~~:

~~—(a) A resolution; or~~

~~—(b) A] a~~ form prescribed by the Secretary of State ~~[-]~~

~~→]~~ setting forth which provisions of the articles of incorporation on file with the Secretary of State are being altered or amended.

2. If the certificate does not alter or amend the articles, it must be signed by an officer of the corporation and must state that he has been authorized to sign the certificate by resolution of the board of directors adopted on the date stated, and that the certificate correctly sets forth the text of the articles as amended to the date of the certificate.

3. The following may be omitted from the restated articles:

(a) The names, addresses, signatures and acknowledgments of the incorporators;

(b) The names and addresses of the members of the past and present board of directors; and

(c) The name and address of the resident agent.

4. Whenever a corporation is required to file a certified copy of its articles, in lieu thereof it may file a certified copy of the most recent certificate restating its articles as amended, subject to the provisions of subsection 2, together with certified copies of all certificates of amendment filed after the restated articles and



certified copies of all certificates supplementary to the original articles.

**Sec. 15.** NRS 82.546 is hereby amended to read as follows:

82.546 1. Any corporation which did exist or is existing pursuant to the laws of this State may, upon complying with the provisions of NRS 78.150 and 82.193, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities secured or imposed by its original charter and amendments thereto, or its existing charter, by filing:

(a) A certificate with the Secretary of State, which must set forth:

(1) The name of the corporation, which must be the name of the corporation at the time of the renewal or revival, or its name at the time its original charter expired.

(2) The name and street address of the lawfully designated resident agent of the filing corporation, and his mailing address if different from his street address.

(3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.

(4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.

(5) That the corporation desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.

(b) A list of its president, secretary and treasurer and all of its directors and their mailing or street addresses, either residence or business.

2. A corporation whose charter has not expired and is being renewed shall cause the certificate to be signed by ~~its president or vice president and secretary or assistant secretary.~~ *an officer of the corporation.* The certificate must be approved by a majority of the last-appointed surviving directors.

3. A corporation seeking to revive its original or amended charter shall cause the certificate to be signed by its president or vice president and secretary or assistant secretary. The signing and filing of the certificate must be approved unanimously by the last-appointed surviving directors of the corporation and must contain a recital that unanimous consent was secured. The corporation shall pay to the Secretary of State the fee required to establish a new corporation pursuant to the provisions of this chapter.



4. The filed certificate, or a copy thereof which has been certified under the hand and seal of the Secretary of State, must be received in all courts and places as prima facie evidence of the facts therein stated and of the existence and incorporation of the corporation named therein.

**Sec. 16.** NRS 86.141 is hereby amended to read as follows:

86.141 ~~[A]~~

*1. Except as otherwise provided in subsection 2, a limited-liability company may be organized under this chapter for any lawful purpose. ~~[, except insurance.]~~*

*2. A limited-liability company may not be organized for the purpose of insurance unless approved to do so by the Commissioner of Insurance.*

**Sec. 17.** NRS 86.171 is hereby amended to read as follows:

86.171 1. The name of a limited-liability company formed under the provisions of this chapter must contain the words "Limited-Liability Company," "Limited Liability Company," "Limited Company," or "Limited" or the abbreviations "Ltd.," "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be abbreviated as "Co."

2. The name proposed for a limited-liability company must be distinguishable on the records of the Secretary of State from the names of all other artificial persons formed, organized, registered or qualified pursuant to the provisions of this title that are on file in the Office of the Secretary of State and all names that are reserved in the Office of the Secretary of State pursuant to the provisions of this title. If a proposed name is not so distinguishable, the Secretary of State shall return the articles of organization to the organizer, unless the written, acknowledged consent of the holder of the name on file or reserved name to use the same name or the requested similar name accompanies the articles of organization.

3. For the purposes of this section and NRS 86.176, a proposed name is not distinguishable from a name on file or reserved name solely because one or the other contains distinctive lettering, a distinctive mark, a trademark or a trade name, or any combination thereof.

4. The name of a limited-liability company whose charter has been revoked, which has merged and is not the surviving entity or whose existence has otherwise terminated is available for use by any other artificial person.

5. The Secretary of State shall not accept for filing any articles of organization for any limited-liability company if the name of the limited-liability company contains the word "accountant," "accounting," "accountancy," "auditor" or "auditing" unless the Nevada State Board of Accountancy certifies that the limited-liability company:



(a) Is registered pursuant to the provisions of chapter 628 of NRS; or

(b) Has filed with the Nevada State Board of Accountancy under penalty of perjury a written statement that the limited-liability company is not engaged in the practice of accounting and is not offering to practice accounting in this State.

6. The Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the laws of this State which provides that the name of the limited-liability company contains the word “bank” or “trust” unless:

(a) It appears from the articles of organization or the certificate of amendment that the limited-liability company proposes to carry on business as a banking or trust company, exclusively or in connection with its business as a bank, savings and loan association or thrift company; and

(b) The articles of organization or certificate of amendment is first approved by the Commissioner of Financial Institutions.

7. The Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the provisions of this chapter if it appears from the articles or the certificate of amendment that the business to be carried on by the limited-liability company is subject to supervision by the Commissioner of Insurance or by the Commissioner of Financial Institutions unless the articles or certificate of amendment is approved by the Commissioner who will supervise the business of the ~~foreign~~ limited-liability company.

8. Except as otherwise provided in subsection 7, the Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the laws of this State which provides that the name of the limited-liability company contains the words “engineer,” “engineered,” “engineering,” “professional engineer,” “registered engineer” or “licensed engineer” unless:

(a) The State Board of Professional Engineers and Land Surveyors certifies that the principals of the limited-liability company are licensed to practice engineering pursuant to the laws of this State; or

(b) The State Board of Professional Engineers and Land Surveyors certifies that the limited-liability company is exempt from the prohibitions of NRS 625.520.

9. The Secretary of State may adopt regulations that interpret the requirements of this section.





**Sec. 18.** NRS 86.221 is hereby amended to read as follows:

86.221 1. The articles of organization of a limited-liability company may be amended for any purpose, not inconsistent with law, as determined by all of the members or permitted by the articles or an operating agreement.

2. An amendment must be made in the form of a certificate setting forth:

(a) The name of the limited-liability company;

(b) Whether the limited-liability company is managed by managers or members; and

(c) The amendment to the articles of organization.

3. The certificate of amendment must be signed by a manager of the company or, if management is not vested in a manager, by a member.

4. Restated articles of organization may be signed and filed in the same manner as a certificate of amendment. If the certificate alters or amends the articles in any manner, it must be accompanied by ~~[-~~

~~-(a) A resolution; or~~

~~-(b) A] a~~ form prescribed by the Secretary of State ~~[-~~

~~→]~~ setting forth which provisions of the articles of organization on file with the Secretary of State are being altered or amended.

**Sec. 19.** NRS 86.263 is hereby amended to read as follows:

86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State, file with the Secretary of State, on a form furnished by him, a list that contains:

(a) The name of the limited-liability company;

(b) The file number of the limited-liability company, if known;

(c) The names and titles of all of its managers or, if there is no manager, all of its managing members;

(d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member;

(e) The name and *street* address of ~~[the]~~ *its* lawfully designated resident agent ~~[of the limited-liability company;]~~ *in this State;* and

(f) The signature of a manager or managing member of the limited-liability company certifying that the list is true, complete and accurate.

2. The limited-liability company shall annually thereafter, on or before the last day of the month in which the anniversary date of its organization occurs, file with the Secretary of State, on a form furnished by him, an amended list containing all of the information required in subsection 1.





3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that the limited-liability company:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

4. Upon filing:

(a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of \$125.

5. If a manager or managing member of a limited-liability company resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of managers and managing members, the limited-liability company *or the resigning manager or managing member* shall pay to the Secretary of State a fee of \$75 to file the resignation . ~~[of the manager or managing member.]~~

6. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each list required by subsection 2, cause to be mailed to each limited-liability company which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file a list required by subsection 2. Failure of any company to receive a notice or form does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

**Sec. 20.** NRS 86.5461 is hereby amended to read as follows:

86.5461 1. Each foreign limited-liability company doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited-liability company with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list on a form furnished by him that contains:

(a) The name of the foreign limited-liability company;

(b) The file number of the foreign limited-liability company, if known;

(c) The names and titles of all its managers or, if there is no manager, all its managing members;



(d) The address, either residence or business, of each manager or managing member listed pursuant to paragraph (c);

(e) The name and *street* address of its lawfully designated resident agent in this State; and

(f) The signature of a manager or managing member of the foreign limited-liability company certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign limited-liability company:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.

3. Upon filing:

(a) The initial list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.

4. If a manager or managing member of a foreign limited-liability company resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of managers and managing members, the foreign limited-liability company *or the resigning manager or managing member* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the manager or managing member.]~~

5. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each annual list required by this section, cause to be mailed to each foreign limited-liability company which is required to comply with the provisions of NRS 86.5461 to 86.5468, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign limited-liability company to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 86.5461 to 86.5468, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited-liability company not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of this section for the year to which the due date is applicable.

**Sec. 21.** NRS 86.561 is hereby amended to read as follows:

86.561 1. The Secretary of State shall charge and collect for:



(a) Filing the original articles of organization, or for registration of a foreign company, \$75;

(b) Amending or restating the articles of organization, amending the registration of a foreign company or filing a certificate of correction, \$175;

(c) Filing the articles of dissolution of a domestic or foreign company, \$75;

(d) Filing a statement of change of address of a records or registered office, or change of the resident agent, \$60;

(e) Certifying *a copy of* articles of organization or an amendment to the articles, ~~[in both cases where a copy is provided,]~~ \$30;

(f) Certifying an authorized printed copy of this chapter, \$30;

(g) Reserving a name for a limited-liability company, \$25;

(h) Filing a certificate of cancellation, \$75;

(i) Signing, filing or certifying any other record, \$50; and

(j) Copies ~~[made at]~~ *provided by* the Office of the Secretary of State, \$2 per page.

2. The Secretary of State shall charge and collect, at the time of any service of process on him as agent for service of process of a limited-liability company, \$100 which may be recovered as taxable costs by the party to the action causing the service to be made if the party prevails in the action.

3. Except as otherwise provided in this section, the fees set forth in NRS 78.785 apply to this chapter.

**Sec. 22.** NRS 87.440 is hereby amended to read as follows:

87.440 1. To become a registered limited-liability partnership, a partnership shall file with the Secretary of State a certificate of registration stating each of the following:

(a) The name of the partnership.

(b) The street address of its principal office.

(c) The name of the person designated as the partnership's resident agent, the street address of the resident agent where process may be served upon the partnership and the mailing address of the resident agent if it is different than his street address.

(d) The name and business address of each managing partner in this State.

(e) A brief statement of the professional service rendered by the partnership.

(f) That the partnership thereafter will be a registered limited-liability partnership.

(g) Any other information that the partnership wishes to include.

2. The certificate of registration must be signed by a majority in interest of the partners or by one or more partners authorized to sign such a certificate.



3. The certificate of registration must be accompanied by a fee of ~~[\$175.]~~ \$75.

4. The Secretary of State shall register as a registered limited-liability partnership any partnership that submits a completed certificate of registration with the required fee.

5. The registration of a registered limited-liability partnership is effective at the time of the filing of the certificate of registration.

**Sec. 23.** NRS 87.510 is hereby amended to read as follows:

87.510 1. A registered limited-liability partnership shall, on or before the last day of the first month after the filing of its certificate of registration with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the registered limited-liability partnership;
- (b) The file number of the registered limited-liability partnership, if known;
- (c) The names of all of its managing partners;
- (d) The address, either residence or business, of each managing partner;
- (e) The name and *street* address of ~~[the]~~ *its* lawfully designated resident agent ~~[of the registered limited-liability partnership;]~~ *in this State;* and
- (f) The signature of a managing partner of the registered limited-liability partnership certifying that the list is true, complete and accurate.

↪ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

2. Upon filing:

(a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

3. If a managing partner of a registered limited-liability partnership resigns and the resignation is not ~~[made in conjunction with the filing of an]~~ *reflected on the* annual or amended list of managing partners, the registered limited-liability partnership *or the resigning managing partner* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the managing partner.]~~



4. The Secretary of State shall, at least 90 days before the last day for filing each annual list required by subsection 1, cause to be mailed to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice or form does not excuse it from complying with the provisions of this section.

5. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.

6. An annual list that is filed by a registered limited-liability partnership which is not in default more than 90 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 24.** NRS 87.541 is hereby amended to read as follows:

87.541 1. Each foreign registered limited-liability partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign registered limited-liability partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The name of the foreign registered limited-liability partnership;

(b) The file number of the foreign registered limited-liability partnership, if known;

(c) The names of all its managing partners;

(d) The address, either residence or business, of each managing partner;

(e) The name and *street* address of ~~the~~ *its* lawfully designated resident agent ~~{of the foreign registered limited liability partnership;} in this State;~~ and

(f) The signature of a managing partner of the foreign registered limited-liability partnership certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign registered limited-liability partnership:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:





(a) The initial list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

4. If a managing partner of a foreign registered limited-liability partnership resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of managing partners, the foreign registered limited-liability partnership *or the managing partner* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the managing partner.]~~

5. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign registered limited-liability partnership which is required to comply with the provisions of NRS 87.541 to 87.544, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign registered limited-liability partnership to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 87.541 to 87.544, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign registered limited-liability partnership not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 25.** NRS 87.550 is hereby amended to read as follows:

87.550 In addition to any other fees required by NRS 87.440 to 87.540, inclusive, and 87.560, the Secretary of State shall charge and collect the following fees for services rendered pursuant to those sections:

1. For certifying records required by NRS 87.440 to 87.540, inclusive, and 87.560, \$30 per certification.

2. For signing a certificate verifying the existence of a registered limited-liability partnership, if the registered limited-liability partnership has not filed a certificate of amendment, \$50.

3. For signing a certificate verifying the existence of a registered limited-liability partnership, if the registered limited-liability partnership has filed a certificate of amendment, \$50.

4. For signing, certifying or filing any certificate or record not required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

5. For any copies ~~made~~ *provided* by the Office of the Secretary of State, \$2 per page.





6. For examining and provisionally approving any record before the record is presented for filing, \$125.

**Sec. 26.** NRS 88.355 is hereby amended to read as follows:

88.355 1. A certificate of limited partnership is amended by filing a certificate of amendment thereto in the Office of the Secretary of State. The certificate must set forth:

- (a) The name of the limited partnership; and
- (b) The amendment.

2. Within 30 days after the happening of any of the following events an amendment to a certificate of limited partnership reflecting the occurrence of the event or events must be filed:

- (a) The admission of a new general partner;
- (b) The withdrawal of a general partner; or
- (c) The continuation of the business under NRS 88.550 after an event of withdrawal of a general partner.

3. A general partner who becomes aware that any statement in a certificate of limited partnership was false when made or that any arrangements or other facts described, except the address of its office or the name or address of its resident agent, have changed, making the certificate inaccurate in any respect, shall promptly amend the certificate.

4. A certificate of limited partnership may be amended at any time for any other proper purpose the general partners determine.

5. No person has any liability because an amendment to a certificate of limited partnership has not been filed to reflect the occurrence of any event referred to in subsection 2 if the amendment is filed within the 30-day period specified in subsection 2.

6. A restated certificate of limited partnership may be signed and filed in the same manner as a certificate of amendment. If the certificate alters or amends the certificate of limited partnership in any manner, it must be accompanied by ~~f~~:

- ~~(a) A resolution; or~~
- ~~(b) A } a form prescribed by the Secretary of State ~~f~~,~~
- ~~→ } setting forth which provisions of the certificate of limited partnership on file with the Secretary of State are being altered or amended.~~

**Sec. 27.** NRS 88.375 is hereby amended to read as follows:

88.375 1. Each certificate required by NRS 88.350 to 88.390, inclusive, to be filed in the Office of the Secretary of State must be signed in the following manner:

- (a) An original certificate of limited partnership must be signed by all ~~[general partners;]~~ *organizers*;
- (b) A certificate of amendment must be signed by at least one general partner and by each other general partner designated in the certificate as a new general partner; and

(c) A certificate of cancellation must be signed by all general partners.

2. Any person may sign a certificate by an attorney-in-fact, but a power of attorney to sign a certificate relating to the admission of a general partner must specifically describe the admission.

3. The signing of a certificate by a general partner constitutes an affirmation under the penalties of perjury that the facts stated therein are true.

**Sec. 28.** NRS 88.395 is hereby amended to read as follows:

88.395 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

(a) The name of the limited partnership;  
(b) The file number of the limited partnership, if known;  
(c) The names of all of its general partners;  
(d) The address, either residence or business, of each general partner;

(e) The name and *street* address of ~~[the]~~ *its* lawfully designated resident agent ~~[of the limited partnership;]~~ *in this State;* and

(f) The signature of a general partner of the limited partnership certifying that the list is true, complete and accurate.

↪ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:

(a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$125.

3. A registered limited-liability limited partnership shall, upon filing:

(a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$175.

4. If a general partner of a limited partnership resigns and the resignation is not ~~[made in conjunction with the filing of an]~~ *reflected on the* annual or amended list of general partners, the limited partnership *or the resigning general partner* shall pay to the



Secretary of State a fee of \$75 to file the resignation . ~~[of the general partner.]~~

5. The Secretary of State shall, ~~[60]~~ 90 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list. Failure of any limited partnership to receive a notice or form does not excuse it from the penalty imposed by NRS 88.400.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.

**Sec. 29.** NRS 88.415 is hereby amended to read as follows:

88.415 The Secretary of State, for services relating to his official duties and the records of his office, shall charge and collect the following fees:

1. For filing a certificate of limited partnership, or for registering a foreign limited partnership, \$75.

2. For filing a certificate of registration of limited-liability limited partnership, or for registering a foreign registered limited-liability *limited* partnership, \$100.

3. For filing a certificate of amendment of limited partnership or restated certificate of limited partnership, \$175.

4. For filing a certificate of a change of location of the records office of a limited partnership or the office of its resident agent, or a designation of a new resident agent, \$60.

5. For certifying a *copy of a* certificate of limited partnership, an amendment to the certificate, or a certificate as amended , ~~[where a copy is provided,]~~ \$30 per certification.

6. For certifying an authorized printed copy of the limited partnership law, \$30.

7. For reserving a limited partnership name, or for signing, filing or certifying any other record, \$25.

8. For copies ~~[made at]~~ *provided by* the Office of the Secretary of State, \$2 per page.

9. For filing a certificate of cancellation of a limited partnership, \$75.



↳ Except as otherwise provided in this section, the fees set forth in NRS 78.785 apply to this chapter.

**Sec. 30.** NRS 88.591 is hereby amended to read as follows:

88.591 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

- (a) The name of the foreign limited partnership;
- (b) The file number of the foreign limited partnership, if known;
- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner;
- (e) The name and *street* address of its lawfully designated resident agent in this State; and
- (f) The signature of a general partner of the foreign limited partnership certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign limited partnership:

- (a) Has complied with the provisions of NRS 360.780; and
- (b) Acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:

- (a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.

4. If a general partner of a foreign limited partnership resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of general partners, the foreign limited partnership *or the resigning general partner* shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.

5. The Secretary of State shall, ~~60~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign limited partnership, which is required to comply with the provisions of NRS 88.591 to 88.5945, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign limited partnership to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 88.591 to 88.5945, inclusive.



6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 31.** NRS 88A.210 is hereby amended to read as follows:

88A.210 1. One or more persons may create a business trust by adopting a governing instrument and signing and filing with the Secretary of State a certificate of trust and a certificate of acceptance of appointment signed by the resident agent of the business trust. The certificate of trust must set forth:

(a) The name of the business trust;

(b) The name and ~~[the mailing or street]~~ address, either residence or business, of at least one trustee;

(c) The name of the person designated as the resident agent for the business trust, the street address of the resident agent where process may be served upon the business trust and the mailing address of the resident agent if different from the street address;

(d) The name and ~~[mailing or street]~~ address, either residence or business, of each person signing the certificate of trust; and

(e) Any other information the trustees determine to include.

2. Upon the filing of the certificate of trust and the certificate of acceptance with the Secretary of State and the payment to him of the required filing fee, the Secretary of State shall issue to the business trust a certificate that the required records with the required content have been filed. From the date of that filing, the business trust is legally formed pursuant to this chapter.

**Sec. 32.** NRS 88A.600 is hereby amended to read as follows:

88A.600 1. A business trust formed pursuant to this chapter shall, on or before the last day of the first month after the filing of its certificate of trust with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list signed by at least one trustee that contains the name and ~~[mailing]~~ *street* address of its lawfully designated resident agent *in this State* and at least one trustee. Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the business trust:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.





2. Upon filing:

(a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.

3. If a trustee of a business trust resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of trustees, the business trust *or the resigning trustee* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the trustee.]~~

4. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of a business trust to receive the forms does not excuse it from the penalty imposed by law.

5. An annual list for a business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

**Sec. 33.** NRS 88A.732 is hereby amended to read as follows:

88A.732 1. Each foreign business trust doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign business trust with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The name of the foreign business trust;

(b) The file number of the foreign business trust, if known;

(c) The name of at least one of its trustees;

(d) The address, either residence or business, of the trustee listed pursuant to paragraph (c);

(e) The name and *street* address of its lawfully designated resident agent in this State; and

(f) The signature of a trustee of the foreign business trust certifying that the list is true, complete and accurate.

2. Each list required to be filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign business trust:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:





(a) The initial list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.

4. If a trustee of a foreign business trust resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of trustees, the foreign business trust *or the resigning trustee* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~of the trustee.~~

5. The Secretary of State shall, ~~60~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign business trust which is required to comply with the provisions of NRS 88A.732 to 88A.738, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign business trust to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 88A.732 to 88A.738, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign business trust not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 34.** NRS 89.250 is hereby amended to read as follows:

89.250 1. Except as otherwise provided in subsection 2, a professional association shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, ~~furnish a statement to~~ *file with* the Secretary of State *a list* showing the names and addresses, either residence or business, of all members and employees in the professional association and certifying that all members and employees are licensed to render professional service in this State.

2. A professional association organized and practicing pursuant to the provisions of this chapter and NRS 623.349 shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, ~~furnish a statement to~~ *file with* the Secretary of State ~~[:]~~ *a list:*

(a) Showing the names and addresses, either residence or business, of all members and employees of the professional



association who are licensed or otherwise authorized by law to render professional service in this State;

(b) Certifying that all members and employees who render professional service are licensed or otherwise authorized by law to render professional service in this State; and

(c) Certifying that all members who are not licensed to render professional service in this State do not render professional service on behalf of the professional association except as authorized by law.

3. Each **[statement] list** filed pursuant to this section must be:

(a) Made on a form **[prescribed] furnished** by the Secretary of State and must not contain any fiscal or other information except that expressly called for by this section.

(b) Signed by the chief executive officer of the professional association.

(c) Accompanied by a declaration under penalty of perjury that the professional association:

(1) Has complied with the provisions of NRS 360.780; and

(2) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

4. Upon filing:

(a) The initial **[statement] list** required by this section, the professional association shall pay to the Secretary of State a fee of \$125.

(b) Each annual **[statement] list** required by this section, the professional association shall pay to the Secretary of State a fee of \$125.

**Sec. 35.** NRS 89.256 is hereby amended to read as follows:

89.256 1. Except as otherwise provided in subsections 3 and 4, the Secretary of State shall reinstate any professional association which has forfeited its right to transact business under the provisions of this chapter and restore the right to carry on business in this State and exercise its privileges and immunities if it:

(a) Files with the Secretary of State:

(1) The **[statement] list** and certification required by NRS 89.250; and

(2) A certificate of acceptance of appointment signed by its resident agent; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 89.250 and 89.252 for each year or portion thereof during which the articles of association have been revoked; and

(2) A fee of \$300 for reinstatement.



2. When the Secretary of State reinstates the professional association, he shall issue to the professional association a certificate of reinstatement if the professional association:

- (a) Requests a certificate of reinstatement; and
- (b) Pays the required fees pursuant to subsection 8 of NRS 78.785.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the articles of association occurred only by reason of the failure to pay the fees and penalties.

4. If the articles of association of a professional association have been revoked pursuant to the provisions of this chapter and have remained revoked for 10 consecutive years, the articles must not be reinstated.

**Sec. 36.** Chapter 225 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. A person shall not willfully file, promote the filing of, or cause to be filed, or attempt or conspire to file, promote the filing of, or cause to be filed, any record in the Office of the Secretary of State if the person has actual knowledge that the record:*

- (a) Is forged or fraudulently altered;*
- (b) Contains a false statement of material fact; or*
- (c) Is being filed in bad faith or for the purpose of harassing or defrauding any person.*

*2. Any person who violates this section is liable in a civil action brought pursuant to this section for:*

- (a) Actual damages caused by each separate violation of this section, or \$10,000 for each separate violation of this section, whichever is greater;*
- (b) All costs of bringing and maintaining the action, including investigative expenses and fees for expert witnesses;*
- (c) Reasonable attorney's fees; and*
- (d) Any punitive damages that the facts may warrant.*

*3. A civil action may be brought pursuant to this section by:*

*(a) Any person who is damaged by a violation of this section, including, without limitation, any person who is damaged as the result of an action taken in reliance on a record filed in violation of this section; or*

*(b) The Attorney General, in the name of the State of Nevada, if the matter is referred to the Attorney General by the Secretary of State and if the Attorney General, after due inquiry, determines that a civil action should be brought pursuant to this section. Any money recovered by the Attorney General pursuant to this paragraph, after deducting all costs and expenses incurred by the Attorney General and the Secretary of State to investigate and act upon the violation, must be deposited in the State General Fund.*



4. *For the purposes of this section, each filing of a single record that constitutes a violation of this section shall be deemed to be a separate violation.*

5. *The rights, remedies and penalties provided pursuant to this section are cumulative and do not abrogate and are in addition to any other rights, remedies and penalties that may exist at law or in equity, including, without limitation, any criminal penalty that may be imposed pursuant to NRS 239.330.*

6. *As used in this section, "record" means information that is:*

*(a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and*

*(b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or Article 9 of the Uniform Commercial Code.*

**Sec. 37.** NRS 225.140 is hereby amended to read as follows:

225.140 1. Except as otherwise provided in subsection 2, in addition to other fees authorized by law, the Secretary of State shall charge and collect the following fees:

For certifying to a copy of any law, joint resolution, transcript of record or other paper on file or of record with the Secretary of State, including, but not limited to, a document required to be filed pursuant to title 24 of NRS, and use of the State Seal, for each impression .....	\$20
For each passport or other document signed by the Governor and attested by the Secretary of State .....	10

2. The Secretary of State:

(a) Shall charge a reasonable fee for searching records and documents kept in his office, including, but not limited to, records and documents that are stored on a computer database.

(b) May charge or collect any filing or other fees for services rendered by him to the State of Nevada, any local governmental agency or agency of the Federal Government, or any officer thereof in his official capacity or respecting his office or official duties.

(c) May not charge or collect a filing or other fee for:

(1) Attesting extradition papers or executive warrants for other states.

(2) Any commission or appointment issued or made by the Governor, either for the use of the State Seal or otherwise.

(d) May charge a reasonable fee, not to exceed:

(1) *One thousand dollars, for providing service within 1 hour after the time service is requested;*



(2) Five hundred dollars, for providing service *more than 1 hour but* within 2 hours after the time the service is requested; and

~~[(2)]~~ (3) One hundred twenty-five dollars, for providing any other special service, including, but not limited to, providing service more than 2 hours but within 24 hours after the time the service is requested, accepting documents filed by facsimile machine and other use of new technology.

(e) Shall charge a person, for each check or other negotiable instrument returned to the Office of the Secretary of State because the person had insufficient money or credit with the drawee to pay the check or other instrument or because the person stopped payment on the check or other instrument:

(1) A fee of \$25; and

(2) If the check or other instrument that was returned had been presented for the payment of a filing fee for more than one entity, an additional fee in an amount equal to the actual cost incurred by the Office of the Secretary of State to perform the following actions as a result of the returned check or instrument:

(I) Reversing the status of the entities in the records of the Office of the Secretary of State; and

(II) Recouping any fees charged for services rendered by the Office of the Secretary of State to the entities, including, without limitation, fees charged for providing service pursuant to paragraph (d), providing copies or issuing certificates.

➤ The Secretary of State shall, by regulation, establish procedures for the imposition of the fees authorized by this paragraph and the manner in which a fee authorized by subparagraph (2) will be calculated.

*(f) May charge a reasonable fee for searching for and cancelling or removing, if requested, any filing that has been submitted to him but not yet processed.*

3. From each fee collected pursuant to paragraph (d) of subsection 2:

(a) ~~[(The entire amount or \$62.50, whichever is less, of the fee collected pursuant to subparagraph (1) of that paragraph and one-half)]~~ *One-half* of the fee collected ~~[(pursuant to subparagraph (2) of that paragraph)]~~ must be deposited with the State Treasurer for credit to the Account for Special Services of the Secretary of State in the State General Fund. Any amount remaining in the Account at the end of a fiscal year in excess of \$2,000,000 must be transferred to the State General Fund. Money in the Account may be transferred to the Secretary of State's Operating General Fund Budget Account and must only be used to create and maintain the capability of the Office of the Secretary of State to provide special services, including, but not limited to, providing service:

(1) On the day it is requested or within 24 hours; or





(2) Necessary to increase or maintain the efficiency of the Office.

↳ Any transfer of money from the Account for expenditure by the Secretary of State must be approved by the Interim Finance Committee.

(b) After deducting the amount required pursuant to paragraph (a), the remainder must be deposited with the State Treasurer for credit to the State General Fund.

4. The Secretary of State shall post a schedule of the fees authorized to be charged pursuant to this section in a conspicuous place at each office at which such fees are collected.

**Sec. 38.** Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 39 and 40 of this act.

**Sec. 39. 1.** *A notary public who is appointed pursuant to this chapter shall not willfully notarize the signature of a person unless the person is in the presence of the notary public and:*

*(a) Is known to the notary public; or*

*(b) If unknown to the notary public, provides documentary evidence of identification to the notary public.*

*2. A person who:*

*(a) Violates the provisions of subsection 1; or*

*(b) Aids and abets a notary public to commit a violation of subsection 1,*

*↳ is guilty of a gross misdemeanor.*

**Sec. 40. 1.** *Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication to verify that the signature of the notarial officer on a document is genuine and that the notarial officer holds the office indicated on the document. If the document:*

*(a) Is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961.*

*(b) Is intended for use in the United States or in a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*

*2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:*

*(a) The document has not been notarized in accordance with the provisions of this chapter; or*

*(b) The Secretary of State has reasonable cause to believe that the document may be used to accomplish any fraudulent, criminal or unlawful purpose.*





**Sec. 41.** NRS 240.001 is hereby amended to read as follows:

240.001 As used in NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act*, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

**Sec. 42.** NRS 240.007 is hereby amended to read as follows:

240.007 1. Except as otherwise provided in subsection 2, information and documents filed with or obtained by the Secretary of State pursuant to NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* are public information and are available for public examination.

2. Except as otherwise provided in subsections 3 and 4, information and documents obtained by or filed with the Secretary of State in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* are not public information and are confidential.

3. The Secretary of State may submit any information or evidence obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* to the appropriate district attorney for the purpose of prosecuting a criminal action.

4. The Secretary of State may disclose any information or documents obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* to an agency of this State or a political subdivision of this State.

**Sec. 43.** NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

(a) Who submits an application containing a substantial and material misstatement or omission of fact.

(b) Whose previous appointment as a notary public in this State has been revoked.

(c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.

(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.

3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.

4. It is unlawful for a person to:



(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.

(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

**5. *The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 4.***

**Sec. 44.** NRS 240.033 is hereby amended to read as follows:

240.033 1. The bond required to be filed pursuant to NRS 240.030 must be executed by the person applying to become a notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the notary public which violates a provision of NRS 240.001 to 240.169, inclusive ~~[-]~~, ***and sections 39 and 40 of this act.*** The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous but, regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.

3. The surety bond must cover the period of the appointment of the notary public, except when a surety is released.

4. A surety on a bond filed pursuant to NRS 240.030 may be released after the surety gives 30 days' written notice to the Secretary of State and notary public, but the release does not discharge or otherwise affect a claim filed by a person for damage resulting from an act of the notary public which is alleged to have occurred while the bond was in effect.

5. The appointment of a notary public is suspended by operation of law when the notary public is no longer covered by a surety bond as required by this section and NRS 240.030 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary ***of State*** shall immediately notify the notary public in writing that his appointment will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.

6. The Secretary of State may reinstate the appointment of a notary public whose appointment has been suspended pursuant to



subsection 5, if the notary public, before his current term of appointment expires:

(a) Submits to the Secretary of State:

(1) An application for an amended certificate of appointment as a notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk.

(b) Pays to the Secretary of State a fee of \$10.

**Sec. 45.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, *and section 40 of this act* may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 46.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

(a) A notary public;

(b) A judge, clerk or deputy clerk of a court of record; or

(c) A person authorized by the law of that jurisdiction to perform notarial acts.

~~2. [An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.~~

~~3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.



~~5.~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~6.~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.

**Sec. 47.** NRS 600.340 is hereby amended to read as follows:

600.340 1. A person who has adopted and is using a mark in this State may file in the Office of the Secretary of State, on a form to be furnished by the Secretary of State, an application for registration of that mark setting forth, but not limited to, the following information:

(a) Whether the mark to be registered is a trademark, trade name or service mark;

(b) A description of the mark by name, words displayed in it or other information;

(c) The name and business address of the person applying for the registration and, if it is a corporation, limited-liability company, limited partnership or registered limited-liability partnership, the state of incorporation or organization;

(d) The specific goods or services in connection with which the mark is used and the mode or manner in which the mark is used in connection with those goods or services and the class as designated by the Secretary of State which includes those goods or services;

(e) The date when the mark was first used anywhere and the date when it was first used in this State by the applicant or his predecessor in business which must precede the filing of the application; and

(f) A statement that the applicant is the owner of the mark and that no other person has the right to use the mark in this State either in the form set forth in the application or in such near resemblance to it as might deceive or cause mistake.

2. The application must:

(a) Be signed and verified by the applicant or by a member of the firm or an officer of the corporation or association applying.

(b) Be accompanied by a specimen or facsimile of the mark ~~in duplicate~~ *on white paper that is 8 1/2 inches by 11 inches in size* and by a filing fee of \$100 payable to the Secretary of State.

3. If the application fails to comply with this section or NRS 600.343, the Secretary of State shall return it for correction.



## Senate Bill No. 453—Committee on Judiciary

## CHAPTER 468

AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto.

[Approved: June 17, 2005]

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

**Section 1.** NRS 78.150 is hereby amended to read as follows:

78.150 1. A corporation organized pursuant to the laws of this State shall, on or before the last day of the first month after the filing of its articles of incorporation with the Secretary of State, file with the Secretary of State a list, on a form furnished by him, containing:

- (a) The name of the corporation;
- (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
- (d) The address, either residence or business, of each officer and director listed, following the name of the officer or director;
- (e) The name and address of the lawfully designated resident agent of the corporation [;] *in this State*; and
- (f) The signature of an officer of the corporation certifying that the list is true, complete and accurate.

2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year, file with the Secretary of State, on a form furnished by him, an annual list containing all of the information required in subsection 1.

3. Each list required by subsection 1 or 2 must be accompanied by:

- (a) A declaration under penalty of perjury that the corporation:
  - (1) Has complied with the provisions of NRS 360.780; and
  - (2) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.

(b) A statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on his Internet website the Central Index Key of a corporation provided pursuant to this paragraph and instructions describing the manner in which a member of



the public may obtain information concerning the corporation from the Securities and Exchange Commission.

4. Upon filing the list required by:

(a) Subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.

(b) Subsection 2, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less.....	\$125
Over \$75,000 and not over \$200,000.....	175
Over \$200,000 and not over \$500,000.....	275
Over \$500,000 and not over \$1,000,000.....	375
Over \$1,000,000:	
For the first \$1,000,000 .....	375
For each additional \$500,000 or fraction thereof.....	275

The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.

5. If a director or officer of a corporation resigns and the resignation is not ~~made in conjunction with the filing of an~~ **reflected on the** annual or amended list of directors and officers, the corporation **or the resigning director or officer** shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the director or officer.]~~

6. The Secretary of State shall, ~~{60}~~ **90** days before the last day for filing each annual list required by subsection 2, cause to be mailed to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of any corporation to receive a notice or form does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and must be accompanied by the appropriate fee as provided in subsection 4 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.

**Sec. 2. NRS 78.1955** is hereby amended to read as follows:

78.1955 1. If the voting powers, designations, preferences, limitations, restrictions and relative rights of any class or series of stock have been established by a resolution of the board of directors pursuant to a provision in the articles of incorporation, a certificate of designation setting forth the resolution **and stating the number of shares for each designation** must be signed by an officer of the corporation and filed with the Secretary of State. A certificate of designation signed and filed pursuant to this section must become effective before the issuance of any shares of the class or series.

2. Unless otherwise provided in the articles of incorporation or the certificate of designation being amended, if no shares of a class or series of



stock established by a resolution of the board of directors have been issued, the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series may be amended by a resolution of the board of directors pursuant to a certificate of amendment filed in the manner provided in subsection 4.

3. Unless otherwise provided in the articles of incorporation or the certificate of designation, if shares of a class or series of stock established by a resolution of the board of directors have been issued, the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series may be amended by a resolution of the board of directors only if the amendment is approved as provided in this subsection. Unless otherwise provided in the articles of incorporation or the certificate of designation, the proposed amendment adopted by the board of directors must be approved by the vote of stockholders holding shares in the corporation entitling them to exercise a majority of the voting power, or such greater proportion of the voting power as may be required by the articles of incorporation or the certificate of designation, of:

(a) The class or series of stock being amended; and

(b) Each class and each series of stock which, before amendment, is senior to the class or series being amended as to the payment of distributions upon dissolution of the corporation, regardless of any limitations or restrictions on the voting power of that class or series.

4. A certificate of amendment to a certificate of designation must be signed by an officer of the corporation and filed with the Secretary of State and must:

(a) Set forth the original designation and the new designation, if the designation of the class or series is being amended;

(b) State that no shares of the class or series have been issued or state that the approval of the stockholders required pursuant to subsection 3 has been obtained; and

(c) Set forth the amendment to the class or series or set forth the designation of the class or series, the number of the class or series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the class or series, as amended.

5. A certificate filed pursuant to subsection 1 or 4 becomes effective upon filing with the Secretary of State or upon a later date specified in the certificate, which must not be later than 90 days after the certificate is filed.

6. If shares of a class or series of stock established by a certificate of designation are not outstanding, the corporation may file a certificate which states that no shares of the class or series are outstanding and which contains the resolution of the board of directors authorizing the withdrawal of the certificate of designation establishing the class or series of stock. The certificate *must identify the date and certificate of designation being withdrawn and* must be signed by an officer of the corporation and filed with the Secretary of State. Upon filing the certificate and payment of the fee required pursuant to NRS 78.765, all matters contained in the certificate of designation regarding the class or series of stock are eliminated from the articles of incorporation.

7. NRS 78.380, 78.385 and 78.390 do not apply to certificates of amendment filed pursuant to this section.



**Sec. 3. NRS 78.780** is hereby amended to read as follows:

78.780 ~~{1. The fee for filing a certificate of extension of corporate existence of any corporation is an amount equal to one fourth of the fee computed at the rates specified in NRS 78.760 for filing articles of incorporation.~~

~~—2.} The fee for filing a certificate of dissolution whether it occurs before or after payment of capital and beginning of business is \$75.~~

**Sec. 4. NRS 78.785** is hereby amended to read as follows:

78.785 1. The fee for filing a certificate of change of location of a corporation's registered office and resident agent, or a new designation of resident agent, is \$60.

2. The fee for certifying *a copy of* articles of incorporation ~~{where a copy is provided}~~ is \$30.

3. The fee for certifying a copy of an amendment to articles of incorporation, or to a copy of the articles as amended, ~~{where a copy is furnished,}~~ is \$30.

4. The fee for certifying an authorized printed copy of the general corporation law as compiled by the Secretary of State is \$30.

5. The fee for reserving a corporate name is \$25.

6. The fee for signing a certificate of corporate existence which does not list the previous records relating to the corporation, or a certificate of change in a corporate name, is \$50.

7. The fee for signing a certificate of corporate existence which lists the previous records relating to the corporation is \$50.

8. The fee for signing, certifying or filing any certificate or record not provided for in NRS 78.760 to 78.785, inclusive, is \$50.

9. The fee for copies ~~{made at}~~ *provided by* the Office of the Secretary of State is \$2 per page.

10. The fees for filing articles of incorporation, articles of merger, or certificates of amendment increasing the basic surplus of a mutual or reciprocal insurer must be computed pursuant to NRS 78.760, 78.765 and 92A.210, on the basis of the amount of basic surplus of the insurer.

11. The fee for examining and provisionally approving any record at any time before the record is presented for filing is \$125.

**Sec. 5. NRS 80.110** is hereby amended to read as follows:

80.110 1. Each foreign corporation doing business in this State shall, on or before the last day of the first month after the filing of its certificate of corporate existence with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The names and addresses, either residence or business, of its president, secretary and treasurer, or the equivalent thereof, and all of its directors;

(b) The name and street address of the lawfully designated resident agent of the corporation in this State; and

(c) The signature of an officer of the corporation.

↪ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the foreign corporation has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.



Each list filed pursuant to this subsection must also be accompanied by a statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on his Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

2. Upon filing:

(a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less.....	\$125
Over \$75,000 and not over \$200,000.....	175
Over \$200,000 and not over \$500,000.....	275
Over \$500,000 and not over \$1,000,000.....	375
Over \$1,000,000:	
For the first \$1,000,000 .....	375
For each additional \$500,000 or fraction thereof .....	275

The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.

3. If a director or officer of a corporation resigns and the resignation is not ~~made in conjunction with the filing of an~~ **reflected on the** annual or amended list of directors and officers, the corporation **or the resigning director or officer** shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the director or officer.]~~

4. The Secretary of State shall, ~~{60}~~ **90** days before the last day for filing each annual list required by subsection 1, cause to be mailed to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any corporation to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.

5. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 6. Chapter 81 of NRS** is hereby amended by adding thereto the provisions set forth as sections 7, 8 and 9 of this act.

**Sec. 7. 1. The Secretary of State shall not accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation of any corporation formed under the provisions of NRS 81.010 to 81.160, inclusive, and this section which provides that the name of the corporation contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of incorporation or certificate of amendment of articles of incorporation that the purpose of the corporation is to operate as a unit-owners' association pursuant to**



*chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the corporation has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that a corporation which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of State shall deem the corporation to be in default. If, after the corporation is deemed to be in default, the Administrator notifies the Secretary of State that the corporation has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the corporation if the corporation complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185.*

*Sec. 8. 1. The Secretary of State shall not accept for filing any articles of association or any certificate of amendment of articles of association of any association formed under the provisions of NRS 81.170 to 81.270, inclusive, and this section which provides that the name of the association contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of association or certificate of amendment of articles of association that the purpose of the association is to operate as a unit-owners' association pursuant to chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the association has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that an association which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of State shall deem the association to be in default. If, after the association is deemed to be in default, the Administrator notifies the Secretary of State that the association has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the association if the association complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185 and pays the fees required pursuant to NRS 82.193.*

*Sec. 9. 1. The Secretary of State shall not accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation of any corporation formed under the provisions of NRS 81.410 to 81.540, inclusive, and this section which provides that the name of the corporation contains the words "unit-owners' association" or "homeowners' association" or if it appears in the articles of incorporation or certificate of amendment of articles of incorporation that the purpose of the corporation is to operate as a unit-owners' association pursuant to*



*chapter 116 of NRS unless the Administrator of the Real Estate Division of the Department of Business and Industry certifies that the corporation has:*

*(a) Registered with the Ombudsman for Owners in Common-Interest Communities pursuant to NRS 116.31158; and*

*(b) Paid to the Administrator of the Real Estate Division the fees required pursuant to NRS 116.31155.*

*2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that a corporation which is a unit-owners' association as defined in NRS 116.011 has failed to register pursuant to NRS 116.31158 or failed to pay the fees pursuant to NRS 116.31155, the Secretary of State shall deem the corporation to be in default. If, after the corporation is deemed to be in default, the Administrator notifies the Secretary of State that the corporation has registered pursuant to NRS 116.31158 and paid the fees pursuant to NRS 116.31155, the Secretary of State shall reinstate the corporation if the corporation complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185 and pays the fees required pursuant to NRS 82.193.*

**Sec. 10.** NRS 81.010 is hereby amended to read as follows:

81.010 1. Nonprofit cooperative corporations may be formed by the voluntary association of any three or more persons in the manner prescribed in NRS 81.010 to 81.160, inclusive [ ] , *and section 7 of this act*. A majority of the persons must be residents of this State, and such a corporation has and may exercise the powers necessarily incident thereto. Except as otherwise provided in subsection 2, the provisions of chapter 78 of NRS govern each nonprofit cooperative corporation organized pursuant to NRS 81.010 to 81.160, inclusive [ ] , *and section 7 of this act*. If such a nonprofit cooperative corporation is organized without shares of stock, the members shall be deemed to be "shareholders" or "stockholders" as these terms are used in chapter 78 of NRS.

2. If the term for which a nonprofit cooperative corporation was to exist has expired but the corporation has continued to perform the activities authorized by its original articles of incorporation or any amendment thereto, revival of its corporate existence does not require the consent of its members or stockholders. Each required action to accomplish a revival may be taken by a majority of the surviving directors. The revival is effective as of the date of expiration of the original term.

**Sec. 11.** NRS 81.170 is hereby amended to read as follows:

81.170 1. NRS 81.170 to 81.270, inclusive, *and section 8 of this act* being passed to promote association for mutual welfare, the words "lawful business" extend to every kind of lawful effort for business, education, industrial, benevolent, social or political purposes, whether conducted for profit or not.

2. NRS 81.170 to 81.270, inclusive, *and section 8 of this act* must not be strictly construed, but their provisions must at all times be liberally construed with a view to effect their object and to promote their purposes.

**Sec. 12.** NRS 81.200 is hereby amended to read as follows:

81.200 1. Each association formed under NRS 81.170 to 81.270, inclusive, *and section 8 of this act* shall prepare articles of association in writing, setting forth:

- (a) The name of the association.
- (b) The purpose for which it is formed.

(c) The name of the person designated as the resident agent, the street address for service of process, and the mailing address if different from the street address.

(d) The term for which it is to exist, which may be perpetual.

(e) The names and addresses, either residence or business, of the directors selected for the first year.

(f) The amount which each member is to pay upon admission as a fee for membership, and that each member signing the articles has actually paid the fee.

(g) That the interest and right of each member therein is to be equal.

(h) The name and address, either residence or business, of each of the persons signing the articles of association.

2. The articles of association must be signed by the original associates or members.

3. The articles so signed must be filed, together with a certificate of acceptance of appointment signed by the resident agent for the association, in the Office of the Secretary of State . ~~[-, who shall furnish a certified copy thereof.]~~ From the time of the filing in the Office of the Secretary of State, the association may exercise all the powers for which it was formed.

**Sec. 13. NRS 81.410** is hereby amended to read as follows:

81.410 1. Nonprofit cooperative corporations may be formed by the voluntary association of any three or more persons in the manner prescribed in NRS 81.410 to 81.540, inclusive ~~[-]~~, **and section 9 of this act.**

2. Except as otherwise provided in subsection 3, the provisions of chapter 82 of NRS govern a nonprofit cooperative corporation organized pursuant to NRS 81.410 to 81.540, inclusive, **and section 9 of this act**, except to the extent that the provisions of chapter 82 of NRS are inconsistent with NRS 81.410 to 81.540, inclusive ~~[-]~~, **and section 9 of this act.**

3. NRS 82.081 and 82.136 do not apply to a nonprofit cooperative corporation organized pursuant to NRS 81.410 to 81.540, inclusive ~~[-]~~, **and section 9 of this act.**

**Sec. 14. NRS 82.371** is hereby amended to read as follows:

82.371 1. A corporation may restate, or amend and restate, in a single certificate the entire text of its articles as amended by filing with the Secretary of State a certificate which must set forth the articles as amended to the date of the certificate. If the certificate alters or amends the articles in any manner, it must comply with the provisions of NRS 82.346, 82.351 and 82.356, as applicable, and must be accompanied by ~~[-~~

~~—(a) A resolution; or~~

~~—(b) A] a form prescribed by the Secretary of State [-~~

~~→] setting forth which provisions of the articles of incorporation on file with the Secretary of State are being altered or amended.~~

2. If the certificate does not alter or amend the articles, it must be signed by an officer of the corporation and must state that he has been authorized to sign the certificate by resolution of the board of directors adopted on the date stated, and that the certificate correctly sets forth the text of the articles as amended to the date of the certificate.

3. The following may be omitted from the restated articles:

(a) The names, addresses, signatures and acknowledgments of the incorporators;

(b) The names and addresses of the members of the past and present board of directors; and





(c) The name and address of the resident agent.

4. Whenever a corporation is required to file a certified copy of its articles, in lieu thereof it may file a certified copy of the most recent certificate restating its articles as amended, subject to the provisions of subsection 2, together with certified copies of all certificates of amendment filed after the restated articles and certified copies of all certificates supplementary to the original articles.

**Sec. 15. NRS 82.546** is hereby amended to read as follows:

82.546 1. Any corporation which did exist or is existing pursuant to the laws of this State may, upon complying with the provisions of NRS 78.150 and 82.193, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities secured or imposed by its original charter and amendments thereto, or its existing charter, by filing:

(a) A certificate with the Secretary of State, which must set forth:

(1) The name of the corporation, which must be the name of the corporation at the time of the renewal or revival, or its name at the time its original charter expired.

(2) The name and street address of the lawfully designated resident agent of the filing corporation, and his mailing address if different from his street address.

(3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.

(4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.

(5) That the corporation desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.

(b) A list of its president, secretary and treasurer and all of its directors and their mailing or street addresses, either residence or business.

2. A corporation whose charter has not expired and is being renewed shall cause the certificate to be signed by ~~its president or vice president and secretary or assistant secretary.~~ **an officer of the corporation.** The certificate must be approved by a majority of the last-appointed surviving directors.

3. A corporation seeking to revive its original or amended charter shall cause the certificate to be signed by its president or vice president and secretary or assistant secretary. The signing and filing of the certificate must be approved unanimously by the last-appointed surviving directors of the corporation and must contain a recital that unanimous consent was secured. The corporation shall pay to the Secretary of State the fee required to establish a new corporation pursuant to the provisions of this chapter.

4. The filed certificate, or a copy thereof which has been certified under the hand and seal of the Secretary of State, must be received in all courts and places as prima facie evidence of the facts therein stated and of the existence and incorporation of the corporation named therein.

**Sec. 16. NRS 86.141** is hereby amended to read as follows:

86.141 [A]



1. *Except as otherwise provided in subsection 2, a limited-liability company may be organized under this chapter for any lawful purpose . [ except insurance.]*

2. *A limited-liability company may not be organized for the purpose of insurance unless approved to do so by the Commissioner of Insurance.*

**Sec. 17.** NRS 86.171 is hereby amended to read as follows:

86.171 1. The name of a limited-liability company formed under the provisions of this chapter must contain the words "Limited-Liability Company," "Limited Liability Company," "Limited Company," or "Limited" or the abbreviations "Ltd.," "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be abbreviated as "Co."

2. The name proposed for a limited-liability company must be distinguishable on the records of the Secretary of State from the names of all other artificial persons formed, organized, registered or qualified pursuant to the provisions of this title that are on file in the Office of the Secretary of State and all names that are reserved in the Office of the Secretary of State pursuant to the provisions of this title. If a proposed name is not so distinguishable, the Secretary of State shall return the articles of organization to the organizer, unless the written, acknowledged consent of the holder of the name on file or reserved name to use the same name or the requested similar name accompanies the articles of organization.

3. For the purposes of this section and NRS 86.176, a proposed name is not distinguishable from a name on file or reserved name solely because one or the other contains distinctive lettering, a distinctive mark, a trademark or a trade name, or any combination thereof.

4. The name of a limited-liability company whose charter has been revoked, which has merged and is not the surviving entity or whose existence has otherwise terminated is available for use by any other artificial person.

5. The Secretary of State shall not accept for filing any articles of organization for any limited-liability company if the name of the limited-liability company contains the word "accountant," "accounting," "accountancy," "auditor" or "auditing" unless the Nevada State Board of Accountancy certifies that the limited-liability company:

- (a) Is registered pursuant to the provisions of chapter 628 of NRS; or
- (b) Has filed with the Nevada State Board of Accountancy under penalty of perjury a written statement that the limited-liability company is not engaged in the practice of accounting and is not offering to practice accounting in this State.

6. The Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the laws of this State which provides that the name of the limited-liability company contains the word "bank" or "trust" unless:

- (a) It appears from the articles of organization or the certificate of amendment that the limited-liability company proposes to carry on business as a banking or trust company, exclusively or in connection with its business as a bank, savings and loan association or thrift company; and
- (b) The articles of organization or certificate of amendment is first approved by the Commissioner of Financial Institutions.

7. The Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the provisions of



this chapter if it appears from the articles or the certificate of amendment that the business to be carried on by the limited-liability company is subject to supervision by the Commissioner of Insurance or by the Commissioner of Financial Institutions unless the articles or certificate of amendment is approved by the Commissioner who will supervise the business of the ~~foreign~~ limited-liability company.

8. Except as otherwise provided in subsection 7, the Secretary of State shall not accept for filing any articles of organization or certificate of amendment of articles of organization of any limited-liability company formed or existing pursuant to the laws of this State which provides that the name of the limited-liability company contains the words “engineer,” “engineered,” “engineering,” “professional engineer,” “registered engineer” or “licensed engineer” unless:

(a) The State Board of Professional Engineers and Land Surveyors certifies that the principals of the limited-liability company are licensed to practice engineering pursuant to the laws of this State; or

(b) The State Board of Professional Engineers and Land Surveyors certifies that the limited-liability company is exempt from the prohibitions of NRS 625.520.

9. The Secretary of State may adopt regulations that interpret the requirements of this section.

**Sec. 18. NRS 86.221** is hereby amended to read as follows:

86.221 1. The articles of organization of a limited-liability company may be amended for any purpose, not inconsistent with law, as determined by all of the members or permitted by the articles or an operating agreement.

2. An amendment must be made in the form of a certificate setting forth:

(a) The name of the limited-liability company;

(b) Whether the limited-liability company is managed by managers or members; and

(c) The amendment to the articles of organization.

3. The certificate of amendment must be signed by a manager of the company or, if management is not vested in a manager, by a member.

4. Restated articles of organization may be signed and filed in the same manner as a certificate of amendment. If the certificate alters or amends the articles in any manner, it must be accompanied by ~~[-~~

~~—(a) A resolution; or~~

~~—(b) A} a form prescribed by the Secretary of State [-~~

~~→} setting forth which provisions of the articles of organization on file with the Secretary of State are being altered or amended.~~

**Sec. 19. NRS 86.263** is hereby amended to read as follows:

86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State, file with the Secretary of State, on a form furnished by him, a list that contains:

(a) The name of the limited-liability company;

(b) The file number of the limited-liability company, if known;

(c) The names and titles of all of its managers or, if there is no manager, all of its managing members;

(d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member;



(e) The name and *street* address of ~~the~~ *its* lawfully designated resident agent ~~[of the limited liability company;]~~ *in this State*; and

(f) The signature of a manager or managing member of the limited-liability company certifying that the list is true, complete and accurate.

2. The limited-liability company shall annually thereafter, on or before the last day of the month in which the anniversary date of its organization occurs, file with the Secretary of State, on a form furnished by him, an amended list containing all of the information required in subsection 1.

3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that the limited-liability company:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

4. Upon filing:

(a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of \$125.

5. If a manager or managing member of a limited-liability company resigns and the resignation is not ~~[made in conjunction with the filing of an]~~ *reflected on the* annual or amended list of managers and managing members, the limited-liability company *or the resigning manager or managing member* shall pay to the Secretary of State a fee of \$75 to file the resignation ~~. [of the manager or managing member.]~~

6. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each list required by subsection 2, cause to be mailed to each limited-liability company which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file a list required by subsection 2. Failure of any company to receive a notice or form does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

**Sec. 20. NRS 86.5461** is hereby amended to read as follows:

86.5461 1. Each foreign limited-liability company doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited-liability company with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list on a form furnished by him that contains:

(a) The name of the foreign limited-liability company;

(b) The file number of the foreign limited-liability company, if known;

(c) The names and titles of all its managers or, if there is no manager, all its managing members;

(d) The address, either residence or business, of each manager or managing member listed pursuant to paragraph (c);



(e) The name and *street* address of its lawfully designated resident agent in this State; and

(f) The signature of a manager or managing member of the foreign limited-liability company certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign limited-liability company:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.

3. Upon filing:

(a) The initial list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of \$125.

4. If a manager or managing member of a foreign limited-liability company resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of managers and managing members, the foreign limited-liability company *or the resigning manager or managing member* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the manager or managing member.]~~

5. The Secretary of State shall, ~~{60}~~ **90** days before the last day for filing each annual list required by this section, cause to be mailed to each foreign limited-liability company which is required to comply with the provisions of NRS 86.5461 to 86.5468, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign limited-liability company to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 86.5461 to 86.5468, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited-liability company not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of this section for the year to which the due date is applicable.

**Sec. 21. NRS 86.561** is hereby amended to read as follows:

86.561 1. The Secretary of State shall charge and collect for:

(a) Filing the original articles of organization, or for registration of a foreign company, \$75;

(b) Amending or restating the articles of organization, amending the registration of a foreign company or filing a certificate of correction, \$175;

(c) Filing the articles of dissolution of a domestic or foreign company, \$75;

(d) Filing a statement of change of address of a records or registered office, or change of the resident agent, \$60;

(e) Certifying *a copy of* articles of organization or an amendment to the articles, ~~[in both cases where a copy is provided,]~~ \$30;

(f) Certifying an authorized printed copy of this chapter, \$30;



- (g) Reserving a name for a limited-liability company, \$25;
- (h) Filing a certificate of cancellation, \$75;
- (i) Signing, filing or certifying any other record, \$50; and
- (j) Copies ~~made at~~ **provided by** the Office of the Secretary of State, \$2 per page.

2. The Secretary of State shall charge and collect, at the time of any service of process on him as agent for service of process of a limited-liability company, \$100 which may be recovered as taxable costs by the party to the action causing the service to be made if the party prevails in the action.

3. Except as otherwise provided in this section, the fees set forth in NRS 78.785 apply to this chapter.

**Sec. 22. NRS 87.440** is hereby amended to read as follows:

87.440 1. To become a registered limited-liability partnership, a partnership shall file with the Secretary of State a certificate of registration stating each of the following:

- (a) The name of the partnership.
- (b) The street address of its principal office.
- (c) The name of the person designated as the partnership's resident agent, the street address of the resident agent where process may be served upon the partnership and the mailing address of the resident agent if it is different than his street address.
- (d) The name and business address of each managing partner in this State.
- (e) A brief statement of the professional service rendered by the partnership.
- (f) That the partnership thereafter will be a registered limited-liability partnership.
- (g) Any other information that the partnership wishes to include.

2. The certificate of registration must be signed by a majority in interest of the partners or by one or more partners authorized to sign such a certificate.

3. The certificate of registration must be accompanied by a fee of ~~[\$175.]~~ \$75.

4. The Secretary of State shall register as a registered limited-liability partnership any partnership that submits a completed certificate of registration with the required fee.

5. The registration of a registered limited-liability partnership is effective at the time of the filing of the certificate of registration.

**Sec. 23. NRS 87.510** is hereby amended to read as follows:

87.510 1. A registered limited-liability partnership shall, on or before the last day of the first month after the filing of its certificate of registration with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the registered limited-liability partnership;
- (b) The file number of the registered limited-liability partnership, if known;
- (c) The names of all of its managing partners;
- (d) The address, either residence or business, of each managing partner;
- (e) The name and *street* address of ~~the~~ **its** lawfully designated resident agent ~~of the registered limited liability partnership;~~ **in this State;** and





(f) The signature of a managing partner of the registered limited-liability partnership certifying that the list is true, complete and accurate.

↳ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

2. Upon filing:

(a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

3. If a managing partner of a registered limited-liability partnership resigns and the resignation is not ~~made in conjunction with the filing of an~~ **reflected on the** annual or amended list of managing partners, the registered limited-liability partnership **or the resigning managing partner** shall pay to the Secretary of State a fee of \$75 to file the resignation . ~~{of the managing partner.}~~

4. The Secretary of State shall, at least 90 days before the last day for filing each annual list required by subsection 1, cause to be mailed to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice or form does not excuse it from complying with the provisions of this section.

5. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.

6. An annual list that is filed by a registered limited-liability partnership which is not in default more than 90 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 24. NRS 87.541** is hereby amended to read as follows:

87.541 1. Each foreign registered limited-liability partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign registered limited-liability partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The name of the foreign registered limited-liability partnership;

(b) The file number of the foreign registered limited-liability partnership, if known;

(c) The names of all its managing partners;

(d) The address, either residence or business, of each managing partner;

(e) The name and *street* address of ~~{the}~~ **its** lawfully designated resident agent ~~{of the foreign registered limited liability partnership;} in this State;~~ and

(f) The signature of a managing partner of the foreign registered limited-liability partnership certifying that the list is true, complete and accurate.



2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign registered limited-liability partnership:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:

(a) The initial list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of \$125.

4. If a managing partner of a foreign registered limited-liability partnership resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of managing partners, the foreign registered limited-liability partnership *or the managing partner* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the managing partner.]~~

5. The Secretary of State shall, ~~[60]~~ *90* days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign registered limited-liability partnership which is required to comply with the provisions of NRS 87.541 to 87.544, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign registered limited-liability partnership to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 87.541 to 87.544, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign registered limited-liability partnership not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 25. NRS 87.550** is hereby amended to read as follows:

87.550 In addition to any other fees required by NRS 87.440 to 87.540, inclusive, and 87.560, the Secretary of State shall charge and collect the following fees for services rendered pursuant to those sections:

1. For certifying records required by NRS 87.440 to 87.540, inclusive, and 87.560, \$30 per certification.

2. For signing a certificate verifying the existence of a registered limited-liability partnership, if the registered limited-liability partnership has not filed a certificate of amendment, \$50.

3. For signing a certificate verifying the existence of a registered limited-liability partnership, if the registered limited-liability partnership has filed a certificate of amendment, \$50.

4. For signing, certifying or filing any certificate or record not required by NRS 87.440 to 87.540, inclusive, and 87.560, \$50.

5. For any copies ~~made~~ *provided* by the Office of the Secretary of State, \$2 per page.

6. For examining and provisionally approving any record before the record is presented for filing, \$125.



**Sec. 26.** NRS 88.355 is hereby amended to read as follows:

88.355 1. A certificate of limited partnership is amended by filing a certificate of amendment thereto in the Office of the Secretary of State. The certificate must set forth:

- (a) The name of the limited partnership; and
- (b) The amendment.

2. Within 30 days after the happening of any of the following events an amendment to a certificate of limited partnership reflecting the occurrence of the event or events must be filed:

- (a) The admission of a new general partner;
- (b) The withdrawal of a general partner; or
- (c) The continuation of the business under NRS 88.550 after an event of withdrawal of a general partner.

3. A general partner who becomes aware that any statement in a certificate of limited partnership was false when made or that any arrangements or other facts described, except the address of its office or the name or address of its resident agent, have changed, making the certificate inaccurate in any respect, shall promptly amend the certificate.

4. A certificate of limited partnership may be amended at any time for any other proper purpose the general partners determine.

5. No person has any liability because an amendment to a certificate of limited partnership has not been filed to reflect the occurrence of any event referred to in subsection 2 if the amendment is filed within the 30-day period specified in subsection 2.

6. A restated certificate of limited partnership may be signed and filed in the same manner as a certificate of amendment. If the certificate alters or amends the certificate of limited partnership in any manner, it must be accompanied by {:

~~—(a) A resolution; or~~

~~—(b) A} a form prescribed by the Secretary of State {;~~

~~→} setting forth which provisions of the certificate of limited partnership on file with the Secretary of State are being altered or amended.~~

**Sec. 27.** NRS 88.375 is hereby amended to read as follows:

88.375 1. Each certificate required by NRS 88.350 to 88.390, inclusive, to be filed in the Office of the Secretary of State must be signed in the following manner:

(a) An original certificate of limited partnership must be signed by all ~~[general partners;]~~ **organizers;**

(b) A certificate of amendment must be signed by at least one general partner and by each other general partner designated in the certificate as a new general partner; and

(c) A certificate of cancellation must be signed by all general partners.

2. Any person may sign a certificate by an attorney-in-fact, but a power of attorney to sign a certificate relating to the admission of a general partner must specifically describe the admission.

3. The signing of a certificate by a general partner constitutes an affirmation under the penalties of perjury that the facts stated therein are true.

**Sec. 28.** NRS 88.395 is hereby amended to read as follows:

88.395 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited



partnership occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the limited partnership;
- (b) The file number of the limited partnership, if known;
- (c) The names of all of its general partners;
- (d) The address, either residence or business, of each general partner;
- (e) The name and *street* address of ~~the~~ *its* lawfully designated resident agent ~~of the limited partnership;~~ *in this State;* and
- (f) The signature of a general partner of the limited partnership certifying that the list is true, complete and accurate.

↳ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of NRS 360.780 and which acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:

- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$125.

3. A registered limited-liability limited partnership shall, upon filing:

- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of \$125.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \$175.

4. If a general partner of a limited partnership resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of general partners, the limited partnership *or the resigning general partner* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~of the general partner.~~

5. The Secretary of State shall, ~~60~~ **90** days before the last day for filing each annual list required by subsection 1, cause to be mailed to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list. Failure of any limited partnership to receive a notice or form does not excuse it from the penalty imposed by NRS 88.400.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.

**Sec. 29. NRS 88.415** is hereby amended to read as follows:

88.415 The Secretary of State, for services relating to his official duties and the records of his office, shall charge and collect the following fees:



1. For filing a certificate of limited partnership, or for registering a foreign limited partnership, \$75.

2. For filing a certificate of registration of limited-liability limited partnership, or for registering a foreign registered limited-liability *limited* partnership, \$100.

3. For filing a certificate of amendment of limited partnership or restated certificate of limited partnership, \$175.

4. For filing a certificate of a change of location of the records office of a limited partnership or the office of its resident agent, or a designation of a new resident agent, \$60.

5. For certifying a *copy of a* certificate of limited partnership, an amendment to the certificate, or a certificate as amended, [~~where a copy is provided,~~] \$30 per certification.

6. For certifying an authorized printed copy of the limited partnership law, \$30.

7. For reserving a limited partnership name, or for signing, filing or certifying any other record, \$25.

8. For copies [~~made at~~] *provided by* the Office of the Secretary of State, \$2 per page.

9. For filing a certificate of cancellation of a limited partnership, \$75.

➤ Except as otherwise provided in this section, the fees set forth in NRS 78.785 apply to this chapter.

**Sec. 30. NRS 88.591** is hereby amended to read as follows:

88.591 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

- (a) The name of the foreign limited partnership;
- (b) The file number of the foreign limited partnership, if known;
- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner;
- (e) The name and *street* address of its lawfully designated resident agent in this State; and

(f) The signature of a general partner of the foreign limited partnership certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign limited partnership:

- (a) Has complied with the provisions of NRS 360.780; and
- (b) Acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:

(a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of \$125.

4. If a general partner of a foreign limited partnership resigns and the resignation is not [~~made in conjunction with the filing of an~~] *reflected on the* annual or amended list of general partners, the foreign limited partnership *or*



*the resigning general partner* shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.

5. The Secretary of State shall, ~~{60}~~ 90 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign limited partnership, which is required to comply with the provisions of NRS 88.591 to 88.5945, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign limited partnership to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 31. NRS 88A.210** is hereby amended to read as follows:

88A.210 1. One or more persons may create a business trust by adopting a governing instrument and signing and filing with the Secretary of State a certificate of trust and a certificate of acceptance of appointment signed by the resident agent of the business trust. The certificate of trust must set forth:

- (a) The name of the business trust;
- (b) The name and ~~{the mailing or street}~~ address, either residence or business, of at least one trustee;
- (c) The name of the person designated as the resident agent for the business trust, the street address of the resident agent where process may be served upon the business trust and the mailing address of the resident agent if different from the street address;
- (d) The name and ~~{mailing or street}~~ address, either residence or business, of each person signing the certificate of trust; and
- (e) Any other information the trustees determine to include.

2. Upon the filing of the certificate of trust and the certificate of acceptance with the Secretary of State and the payment to him of the required filing fee, the Secretary of State shall issue to the business trust a certificate that the required records with the required content have been filed. From the date of that filing, the business trust is legally formed pursuant to this chapter.

**Sec. 32. NRS 88A.600** is hereby amended to read as follows:

88A.600 1. A business trust formed pursuant to this chapter shall, on or before the last day of the first month after the filing of its certificate of trust with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list signed by at least one trustee that contains the name and ~~{mailing}~~ *street* address of its lawfully designated resident agent *in this State* and at least one trustee. Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the business trust:

- (a) Has complied with the provisions of NRS 360.780; and





(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

2. Upon filing:

(a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$125.

3. If a trustee of a business trust resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or amended list of trustees, the business trust *or the resigning trustee* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~{of the trustee.}~~

4. The Secretary of State shall, ~~{60}~~ 90 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of a business trust to receive the forms does not excuse it from the penalty imposed by law.

5. An annual list for a business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

**Sec. 33. NRS 88A.732** is hereby amended to read as follows:

88A.732 1. Each foreign business trust doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign business trust with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The name of the foreign business trust;

(b) The file number of the foreign business trust, if known;

(c) The name of at least one of its trustees;

(d) The address, either residence or business, of the trustee listed pursuant to paragraph (c);

(e) The name and *street* address of its lawfully designated resident agent in this State; and

(f) The signature of a trustee of the foreign business trust certifying that the list is true, complete and accurate.

2. Each list required to be filed pursuant to this section must be accompanied by a declaration under penalty of perjury that the foreign business trust:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330 it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

3. Upon filing:

(a) The initial list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by this section, the foreign business trust shall pay to the Secretary of State a fee of \$125.

4. If a trustee of a foreign business trust resigns and the resignation is not ~~made in conjunction with the filing of an~~ *reflected on the* annual or



amended list of trustees, the foreign business trust *or the resigning trustee* shall pay to the Secretary of State a fee of \$75 to file the resignation. ~~[of the trustee.]~~

5. The Secretary of State shall, ~~[60]~~ **90** days before the last day for filing each annual list required by subsection 1, cause to be mailed to each foreign business trust which is required to comply with the provisions of NRS 88A.732 to 88A.738, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of any foreign business trust to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 88A.732 to 88A.738, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign business trust not in default which is received by the Secretary of State more than 90 days before its due date must be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

**Sec. 34. NRS 89.250** is hereby amended to read as follows:

89.250 1. Except as otherwise provided in subsection 2, a professional association shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, ~~[furnish a statement to]~~ **file with** the Secretary of State **a list** showing the names and addresses, either residence or business, of all members and employees in the professional association and certifying that all members and employees are licensed to render professional service in this State.

2. A professional association organized and practicing pursuant to the provisions of this chapter and NRS 623.349 shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, ~~[furnish a statement to]~~ **file with** the Secretary of State ~~[:]~~ **a list:**

(a) Showing the names and addresses, either residence or business, of all members and employees of the professional association who are licensed or otherwise authorized by law to render professional service in this State;

(b) Certifying that all members and employees who render professional service are licensed or otherwise authorized by law to render professional service in this State; and

(c) Certifying that all members who are not licensed to render professional service in this State do not render professional service on behalf of the professional association except as authorized by law.

3. Each ~~[statement]~~ **list** filed pursuant to this section must be:

(a) Made on a form ~~[prescribed]~~ **furnished** by the Secretary of State and must not contain any fiscal or other information except that expressly called for by this section.

(b) Signed by the chief executive officer of the professional association.

(c) Accompanied by a declaration under penalty of perjury that the professional association:

(1) Has complied with the provisions of NRS 360.780; and



(2) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

4. Upon filing:

(a) The initial ~~{statement}~~ *list* required by this section, the professional association shall pay to the Secretary of State a fee of \$125.

(b) Each annual ~~{statement}~~ *list* required by this section, the professional association shall pay to the Secretary of State a fee of \$125.

**Sec. 35. NRS 89.256** is hereby amended to read as follows:

89.256 1. Except as otherwise provided in subsections 3 and 4, the Secretary of State shall reinstate any professional association which has forfeited its right to transact business under the provisions of this chapter and restore the right to carry on business in this State and exercise its privileges and immunities if it:

(a) Files with the Secretary of State:

(1) The ~~{statement}~~ *list* and certification required by NRS 89.250; and

(2) A certificate of acceptance of appointment signed by its resident agent; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 89.250 and 89.252 for each year or portion thereof during which the articles of association have been revoked; and

(2) A fee of \$300 for reinstatement.

2. When the Secretary of State reinstates the professional association, he shall issue to the professional association a certificate of reinstatement if the professional association:

(a) Requests a certificate of reinstatement; and

(b) Pays the required fees pursuant to subsection 8 of NRS 78.785.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the articles of association occurred only by reason of the failure to pay the fees and penalties.

4. If the articles of association of a professional association have been revoked pursuant to the provisions of this chapter and have remained revoked for 10 consecutive years, the articles must not be reinstated.

**Sec. 36. Chapter 225 of NRS** is hereby amended by adding thereto a new section to read as follows:

**1. A person shall not willfully file, promote the filing of, or cause to be filed, or attempt or conspire to file, promote the filing of, or cause to be filed, any record in the Office of the Secretary of State if the person has actual knowledge that the record:**

**(a) Is forged or fraudulently altered;**

**(b) Contains a false statement of material fact; or**

**(c) Is being filed in bad faith or for the purpose of harassing or defrauding any person.**

**2. Any person who violates this section is liable in a civil action brought pursuant to this section for:**

**(a) Actual damages caused by each separate violation of this section, or \$10,000 for each separate violation of this section, whichever is greater;**

**(b) All costs of bringing and maintaining the action, including investigative expenses and fees for expert witnesses;**



- (c) Reasonable attorney’s fees; and
- (d) Any punitive damages that the facts may warrant.

3. A civil action may be brought pursuant to this section by:

(a) Any person who is damaged by a violation of this section, including, without limitation, any person who is damaged as the result of an action taken in reliance on a record filed in violation of this section; or

(b) The Attorney General, in the name of the State of Nevada, if the matter is referred to the Attorney General by the Secretary of State and if the Attorney General, after due inquiry, determines that a civil action should be brought pursuant to this section. Any money recovered by the Attorney General pursuant to this paragraph, after deducting all costs and expenses incurred by the Attorney General and the Secretary of State to investigate and act upon the violation, must be deposited in the State General Fund.

4. For the purposes of this section, each filing of a single record that constitutes a violation of this section shall be deemed to be a separate violation.

5. The rights, remedies and penalties provided pursuant to this section are cumulative and do not abrogate and are in addition to any other rights, remedies and penalties that may exist at law or in equity, including, without limitation, any criminal penalty that may be imposed pursuant to NRS 239.330.

6. As used in this section, “record” means information that is:

(a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and

(b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or Article 9 of the Uniform Commercial Code.

Sec. 37. NRS 225.140 is hereby amended to read as follows:

225.140 1. Except as otherwise provided in subsection 2, in addition to other fees authorized by law, the Secretary of State shall charge and collect the following fees:

For certifying to a copy of any law, joint resolution, transcript of record or other paper on file or of record with the Secretary of State, including, but not limited to, a document required to be filed pursuant to title 24 of NRS, and use of the State Seal, for each impression .....	\$20
For each passport or other document signed by the Governor and attested by the Secretary of State .....	10

2. The Secretary of State:

(a) Shall charge a reasonable fee for searching records and documents kept in his office, including, but not limited to, records and documents that are stored on a computer database.

(b) May charge or collect any filing or other fees for services rendered by him to the State of Nevada, any local governmental agency or agency of the Federal Government, or any officer thereof in his official capacity or respecting his office or official duties.

(c) May not charge or collect a filing or other fee for:

(1) Attesting extradition papers or executive warrants for other states.

(2) Any commission or appointment issued or made by the Governor, either for the use of the State Seal or otherwise.

(d) May charge a reasonable fee, not to exceed:

(1) *One thousand dollars, for providing service within 1 hour after the time service is requested;*

(2) Five hundred dollars, for providing service *more than 1 hour but* within 2 hours after the time the service is requested; and

~~[(2)]~~ (3) One hundred twenty-five dollars, for providing any other special service, including, but not limited to, providing service more than 2 hours but within 24 hours after the time the service is requested, accepting documents filed by facsimile machine and other use of new technology.

(e) Shall charge a person, for each check or other negotiable instrument returned to the Office of the Secretary of State because the person had insufficient money or credit with the drawee to pay the check or other instrument or because the person stopped payment on the check or other instrument:

(1) A fee of \$25; and

(2) If the check or other instrument that was returned had been presented for the payment of a filing fee for more than one entity, an additional fee in an amount equal to the actual cost incurred by the Office of the Secretary of State to perform the following actions as a result of the returned check or instrument:

(I) Reversing the status of the entities in the records of the Office of the Secretary of State; and

(II) Recouping any fees charged for services rendered by the Office of the Secretary of State to the entities, including, without limitation, fees charged for providing service pursuant to paragraph (d), providing copies or issuing certificates.

↪ The Secretary of State shall, by regulation, establish procedures for the imposition of the fees authorized by this paragraph and the manner in which a fee authorized by subparagraph (2) will be calculated.

*(f) May charge a reasonable fee for searching for and cancelling or removing, if requested, any filing that has been submitted to him but not yet processed.*

3. From each fee collected pursuant to paragraph (d) of subsection 2:

(a) ~~[The entire amount or \$62.50, whichever is less, of the fee collected pursuant to subparagraph (1) of that paragraph and one-half]~~ **One-half** of the fee collected ~~[pursuant to subparagraph (2) of that paragraph]~~ must be deposited with the State Treasurer for credit to the Account for Special Services of the Secretary of State in the State General Fund. Any amount remaining in the Account at the end of a fiscal year in excess of \$2,000,000 must be transferred to the State General Fund. Money in the Account may be transferred to the Secretary of State's Operating General Fund Budget Account and must only be used to create and maintain the capability of the Office of the Secretary of State to provide special services, including, but not limited to, providing service:

(1) On the day it is requested or within 24 hours; or

(2) Necessary to increase or maintain the efficiency of the Office.

↪ Any transfer of money from the Account for expenditure by the Secretary of State must be approved by the Interim Finance Committee.

(b) After deducting the amount required pursuant to paragraph (a), the remainder must be deposited with the State Treasurer for credit to the State General Fund.



4. The Secretary of State shall post a schedule of the fees authorized to be charged pursuant to this section in a conspicuous place at each office at which such fees are collected.

**Sec. 38.** Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 39 and 40 of this act.

**Sec. 39. 1.** *A notary public who is appointed pursuant to this chapter shall not willfully notarize the signature of a person unless the person is in the presence of the notary public and:*

*(a) Is known to the notary public; or*

*(b) If unknown to the notary public, provides documentary evidence of identification to the notary public.*

**2.** *A person who:*

*(a) Violates the provisions of subsection 1; or*

*(b) Aids and abets a notary public to commit a violation of subsection 1,*

*is guilty of a gross misdemeanor.*

**Sec. 40. 1.** *Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication to verify that the signature of the notarial officer on a document is genuine and that the notarial officer holds the office indicated on the document. If the document:*

*(a) Is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961.*

*(b) Is intended for use in the United States or in a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*

**2.** *The Secretary of State shall not issue an authentication pursuant to subsection 1 if:*

*(a) The document has not been notarized in accordance with the provisions of this chapter; or*

*(b) The Secretary of State has reasonable cause to believe that the document may be used to accomplish any fraudulent, criminal or unlawful purpose.*

**Sec. 41.** NRS 240.001 is hereby amended to read as follows:

240.001 As used in NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act*, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

**Sec. 42.** NRS 240.007 is hereby amended to read as follows:

240.007 **1.** Except as otherwise provided in subsection 2, information and documents filed with or obtained by the Secretary of State pursuant to NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* are public information and are available for public examination.

**2.** Except as otherwise provided in subsections 3 and 4, information and documents obtained by or filed with the Secretary of State in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* are not public information and are confidential.

**3.** The Secretary of State may submit any information or evidence obtained in connection with an investigation concerning a possible violation





of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* to the appropriate district attorney for the purpose of prosecuting a criminal action.

4. The Secretary of State may disclose any information or documents obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, *and sections 39 and 40 of this act* to an agency of this State or a political subdivision of this State.

**Sec. 43. NRS 240.010** is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

(a) Who submits an application containing a substantial and material misstatement or omission of fact.

(b) Whose previous appointment as a notary public in this State has been revoked.

(c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.

(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.

3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.

4. It is unlawful for a person to:

(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.

(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

**5. *The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 4.***

**Sec. 44. NRS 240.033** is hereby amended to read as follows:

240.033 1. The bond required to be filed pursuant to NRS 240.030 must be executed by the person applying to become a notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the notary public which violates a provision of NRS 240.001 to 240.169, inclusive ~~{ }~~, *and sections 39 and 40 of this act*. The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous but, regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.

3. The surety bond must cover the period of the appointment of the notary public, except when a surety is released.

4. A surety on a bond filed pursuant to NRS 240.030 may be released after the surety gives 30 days' written notice to the Secretary of State and notary public, but the release does not discharge or otherwise affect a claim



filed by a person for damage resulting from an act of the notary public which is alleged to have occurred while the bond was in effect.

5. The appointment of a notary public is suspended by operation of law when the notary public is no longer covered by a surety bond as required by this section and NRS 240.030 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary *of State* shall immediately notify the notary public in writing that his appointment will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.

6. The Secretary of State may reinstate the appointment of a notary public whose appointment has been suspended pursuant to subsection 5, if the notary public, before his current term of appointment expires:

(a) Submits to the Secretary of State:

(1) An application for an amended certificate of appointment as a notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk.

(b) Pays to the Secretary of State a fee of \$10.

**Sec. 45.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, *and section 40 of this act* may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 46.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

(a) A notary public;

(b) A judge, clerk or deputy clerk of a court of record; or

(c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. ~~{An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.~~

~~—3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.



~~[4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~[6.]~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.

**Sec. 47. NRS 600.340** is hereby amended to read as follows:

600.340 1. A person who has adopted and is using a mark in this State may file in the Office of the Secretary of State, on a form to be furnished by the Secretary of State, an application for registration of that mark setting forth, but not limited to, the following information:

(a) Whether the mark to be registered is a trademark, trade name or service mark;

(b) A description of the mark by name, words displayed in it or other information;

(c) The name and business address of the person applying for the registration and, if it is a corporation, limited-liability company, limited partnership or registered limited-liability partnership, the state of incorporation or organization;

(d) The specific goods or services in connection with which the mark is used and the mode or manner in which the mark is used in connection with those goods or services and the class as designated by the Secretary of State which includes those goods or services;

(e) The date when the mark was first used anywhere and the date when it was first used in this State by the applicant or his predecessor in business which must precede the filing of the application; and

(f) A statement that the applicant is the owner of the mark and that no other person has the right to use the mark in this State either in the form set forth in the application or in such near resemblance to it as might deceive or cause mistake.

2. The application must:

(a) Be signed and verified by the applicant or by a member of the firm or an officer of the corporation or association applying.

(b) Be accompanied by a specimen or facsimile of the mark ~~in duplicate~~ **on white paper that is 8 1/2 inches by 11 inches in size** and by a filing fee of \$100 payable to the Secretary of State.

3. If the application fails to comply with this section or NRS 600.343, the Secretary of State shall return it for correction.

Assembly Bill No. 499—Committee on Elections, Procedures,  
Ethics, and Constitutional Amendments

#### CHAPTER 469

AN ACT relating to government; repealing the provision prohibiting a person from making a false statement of fact concerning a candidate or a question on a ballot under certain circumstances; repealing



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# FINAL VOLUME

NEVADA LEGISLATURE  
AT CARSON CITY

SEVENTY-THIRD SESSION  
2005

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# SENATE HISTORY

SHOWING HISTORY ACTIONS ON ALL MEASURES

WITH

LIST OF MEMBERS, OFFICERS, ATTACHÉS, COMMITTEES, EFFECTIVE DATES  
OF APPROVED BILLS AND LEGISLATIVE BOX SCORE

SEVENTY-SEVEN LEGISLATIVE DAYS  
ONE HUNDRED TWENTY CALENDAR DAYS

HONORABLE  
LORRAINE T. HUNT  
President

HONORABLE  
MARK E. AMODEI  
President pro Tempore

Compiled Under the Direction of  
Claire J. Clift  
Secretary

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- Apr. 26—From printer. To engrossment. Engrossed. First reprint. Read third time. Passed, as amended. Title approved, as amended. (Yeas: 19, Nays: None, Excused: 2.) To Assembly.
- Apr. 27—In Assembly. Read first time. Referred to Committee on Judiciary. To committee.
- May 23—From committee: Amend, and do pass as amended.
- May 24—Read second time. Amended. (Amend. No. 795.) To printer.
- May 25—From printer. To re-engrossment. Re-engrossed. Second reprint. Taken from General File. Placed on General File for next legislative day.
- May 26—Read third time. Passed, as amended. Title approved. (Yeas: 42, Nays: None.) To Senate.
- May 27—In Senate.
- May 31—Assembly Amendment No. 795 concurred in. To enrollment.
- Jun. 2—Enrolled and delivered to Governor.
- Jun. 3—Approved by the Governor. Chapter 242.

**Sections 2, 3 and 4 effective June 3, 2005. Section 1 effective July 1, 2005.**

**S.B. 453—Committee on Judiciary, Mar. 29.**

- Summary—Makes various changes concerning business entities and notaries public. (BDR 7-576) Fiscal Note: Effect on Local Government: No. Effect on the State: No.
- Mar. 29—Read first time. Referred to Committee on Judiciary. To printer.
- Mar. 30—From printer. To committee.
- Apr. 21—From committee: Amend, and do pass as amended.
- Apr. 22—Read second time. Amended. (Amend. No. 293.) To printer.
- Apr. 25—From printer. To engrossment. Engrossed. First reprint. Read third time. Taken from General File. Placed on General File for next legislative day.
- Apr. 26—Read third time. Amended. (Amend. No. 638.) To printer. From printer. To reengrossment. Reengrossed. Second reprint. Declared an emergency measure under the Constitution. Read third time. Passed, as amended. Title approved, as amended. (Yeas: 20, Nays: None, Excused: 1.) To Assembly.
- Apr. 27—In Assembly. Read first time. Referred to Committee on Judiciary. To committee.
- May 24—From committee: Amend, and do pass as amended. Placed on Second Reading File. Read second time. Amended. (Amend. No. 881.) To printer.
- May 25—From printer. To re-engrossment. Re-engrossed. Third reprint. Taken from General File. Placed on General File for next legislative day.
- May 26—Read third time. Passed, as amended. Title approved, as amended. (Yeas: 42, Nays: None.) To Senate.
- May 27—In Senate.
- Jun. 1—Assembly Amendment No. 881 not concurred in. To Assembly.
- Jun. 2—In Assembly. Assembly Amendment No. 881 not receded from. Conference requested. First Conference Committee appointed by Assembly. To Senate.
- Jun. 3—In Senate. First Conference Committee appointed by Senate. To committee.
- Jun. 5—From committee: Concur in Assembly Amendment No. 881 and further amend. First Conference report adopted by Senate. First Conference report adopted by Assembly.
- Jun. 6—To printer. From printer. To reengrossment. Reengrossed. Third reprint. To enrollment.
- Jun. 13—Enrolled and delivered to Governor.
- Jun. 17—Approved by the Governor. Chapter 468.
- Effective October 1, 2005.**



**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Seventy-third Session  
April 7, 2005**

The Senate Committee on Judiciary was called to order by Chair Mark E. Amodei at 8:21 a.m. on Thursday, April 7, 2005, in Room 2149 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark E. Amodei, Chair  
Senator Maurice E. Washington, Vice Chair  
Senator Mike McGinness  
Senator Dennis Nolan  
Senator Valerie Wiener  
Senator Terry Care  
Senator Steven A. Horsford

**GUEST LEGISLATORS PRESENT:**

Senator Maggie A. Carlton, Clark County Senatorial District No. 2  
Senator Michael A. Schneider, Clark County Senatorial District No. 11

**STAFF MEMBERS PRESENT:**

Nicolas Anthony, Committee Policy Analyst  
Kelly Lee, Committee Counsel  
Gale Maynard, Committee Secretary

**OTHERS PRESENT:**

George Togliatti, Director, Department of Public Safety  
Bill Bradley, Nevada Trial Lawyers Association  
Scott M. Craigie, Nevada State Medical Association  
Steven T. Walther  
John L. Wagner, Burke Consortium of Carson City  
Janine Hansen, Nevada Eagle Forum, Nevada Committee for Full Statehood



Senate Committee on Judiciary  
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Page 2

Pamela B. Wilcox, Administrator and State Land Registrar, Division of State Lands, State Department of Conservation and Natural Resources  
Katy Singlaub, Manager, County Manager's Office, Washoe County  
Lucille Lusk, Nevada Concerned Citizens  
Frank W. Thompson, Evans Creek Limited Liability Corporation  
Mike Chapman, Washoe County  
Robert L. Crowell, Nevada Trial Lawyers Association  
Robert C. Kim, Chair, Executive Committee, Business Law Section, State Bar of Nevada  
Pat Cashill, Nevada Trial Lawyers Association  
Scott W. Anderson, Deputy Secretary of State, Commercial Recordings, Office of the Secretary of State  
Scott Swain, Sergeant, Nevada Highway Patrol, Department of Public Safety  
Misty R. Grimmer, Nevada Resident Agents Association  
Derek Rowley, Nevada Resident Agents Association  
Tracy A. DiFillippo, Black Jack Bail Bonds  
R. Ben Graham, Nevada District Attorneys Association

CHAIR AMODEI:

We will call this meeting of the Senate Committee on Judiciary to order. Senator Carlton has requested to make a statement before the Committee, for the record, in regard to Senate Bill (S.B.) 279 which she has asked to be pulled from our agenda.

SENATE BILL 279: Allows chief executive officers of certain law enforcement agencies of this State to certify peace officers under certain circumstances. (BDR 23-1243)

SENATOR MAGGIE CARLTON (Clark County Senatorial District No. 2):

Senate Bill 279 was drafted to help solve a problem, and the bill has been a great inspiration. Mr. George Togliatti, Director of the Department of Public Safety, is here to give further information on the bill and answer any questions you may have.

GEORGE TOGLIATTI (Director, Department of Public Safety):

I have been assured this issue will be placed on the agenda for the next Peace Officers' Standards and Training Commission (P.O.S.T.) meeting; hopefully, we



Senate Committee on Judiciary  
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CHAIR AMODEI:

I support the concept of this bill in fulfilling the mission; we just want more specifics on who the players are going to be. If there are no further questions for Mr. Swain, we will close the hearing on S.B. 452 and reopen the hearing on Senate Bill 266.

SENATOR MICHAEL A. SCHNEIDER (Clark County Senatorial District No. 11):

This bill is in response to the condo conversions going on in Las Vegas. I am not sure if the wording on this bill is correct. In Las Vegas, because of the price of housing, large developers are buying apartment complexes and converting them into condos. From my understanding, these apartment complexes would be sued for construction defects and the statute of repose starts when the new buyer buys the unit. Some of these buildings are 20 years old; you cannot take a 20-year-old project and sue for construction defects. The intent of this bill is to sue on defects in the modifications of a building.

CHAIR AMODEI:

There was testimony given earlier on this bill to the tune of the bill was fine as it is. Could you talk with Mr. Crowell about your intent and get an amendment?

SENATOR SCHNEIDER:

I spoke with Mr. Crowell yesterday, and we were going to see Jan K. Needham, Senate Bill Drafting Advisor, Legal Division, to get this clarified for an amendment.

CHAIR AMODEI:

We will close the hearing again on S.B. 266 and open the hearing on S.B. 453.

**SENATE BILL 453**: Revises various provisions concerning filings in Office of the Secretary of State. (BDR 7-576)

MR. ANDERSON:

This bill proposes numerous changes to further standardize the filings process of the Secretary of State's Office. Many of the provisions are housekeeping, cleaning up provisions that are nonstandard and those causing confusion to the public. Other provisions offer cleaning up many of the provisions that are streamlining by advancement in business practices, including electronic filing of documents ([Exhibit K](#) and [Exhibit L](#)).



A new system has been implemented, where documents are received and scanned. It is inefficient to then scan additional documents a customer has supplied for the sole purpose of file stamp or certification. We do not have the resources to review each duplicate document provided to our office.

We received word the Governor is not in support of any fee increases, and that position was clarified by his chief of staff, Michael D. Hillerby. While these increases are standard and not new, we would like the opportunity to meet with the Governor's Office to discuss these fees, and then determine if these fees should be amended. We do not want this issue to affect the passage of this bill.

SENATOR WIENER:

In section 45, you are requesting a specimen of a mark be filed on 8 1/2- by 11-inch paper; would the specimen be acceptable on a compact disc or digital video disc?

MR. ANDERSON:

At some point, that might be possible. Currently, we scan the item into the system, along with the payment as it is received, and follow the format of other documents received in our office.

SENATOR WIENER:

How are items such as T-shirts filed?

MR. ANDERSON:

Those items are filed in cabinets. When a customer requests that item, we do our best to reproduce them on a sheet of paper.

MR. KIM:

The State Bar of Nevada executive committee of the business law section has reviewed the bill, and there is no opposition.

MISTY R. GRIMMER (Nevada Resident Agents Association):

Our association supports this bill, and we have been working with the Secretary of State's Office on a friendly amendment, which they support ([Exhibit M](#)).

Nevada is fortunate to enjoy the status as one of the nation's top five incorporation centers. More than 220,000 entities call Nevada home and more than 80 percent of them are represented by resident agents. The majority of



these entities are small and use none of the resources of the State or local governments; however, they generate significant revenue. Nevada's continued competitive status in this industry is beneficial to the State. When money was needed for education in the 2001 Legislative Session, the Legislature came to the resident agents' industry, and the industry delivered \$27 million. In the 2003 Legislative Session, the State was looking for revenue, and one of the proposals was an across-the-board increase of 50 percent on filing fees for Nevada-based entities. The resident agents' industry proposed and increased fees in some areas and decreased fees in other areas where the industry could remain healthy. As a result, the State generated approximately \$75 million in General Fund revenue over the biennium, which was a 35-percent increase over previous years.

Nevada has been an attractive alternative for entities to relocate, primarily due to the Legislature's support in keeping the legal statutes ahead of the game in competition with other states for filings. The amendment proposed today will continue that goal.

We met with the business law section of the State Bar of Nevada and made several changes, at their request, to the amendment. This language was also given to the Nevada Trial Lawyers Association, and there were no objections.

DEREK C. ROWLEY (Nevada Resident Agents Association):

The proposed draft amendment language from the Nevada Resident Agents Association is in [Exhibit M](#); that includes a white paper, "Charging Order Protection for Nevada Corporations." This document gives aspects of the proposals submitted to the Committee for your review.

CHAIR AMODEI:

We will close the hearing on [S.B. 453](#) and open the hearing on [S.B. 490](#).

[SENATE BILL 490](#): Makes various changes relating to bail. (BDR 14-1368)

TRACY A. DIFILLIPPO (Black Jack Bail Bonds):

The purpose of a bail bond is to make sure the defendant reappears in court and justice is served. Various changes made through [S.B. 490](#) make the bail bond statutes consistent with the bail bond process.



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SENATOR HORSFORD:

If we check what we currently have on record, we all signed an affidavit as candidates that we would not engage in this type of activity in a political campaign.

MS. LEE:

Would you like to see a proposed amendment with that language?

CHAIR AMODEI:

Yes, I would like to have something of content, unless it is the consensus of the Legal Division that if we did that, it would counteract the bill as a whole. If there is no further business for this Committee, we are adjourned at 10:37 a.m.

RESPECTFULLY SUBMITTED:

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Gale Maynard,  
Committee Secretary

APPROVED BY:

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Senator Mark E. Amodei, Chair

DATE: \_\_\_\_\_



SENATE AGENDA  
for the  
COMMITTEE ON JUDICIARY

Day Thursday      Date April 7, 2005      Time 8:00 a.m.      Room 2149

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Senate Committee on Judiciary at (775) 684-1473.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 15 COPIES OF YOUR EXHIBITS AND NOTES.**

**THIRD REVISED AGENDA**

- S.B. 326      Makes various changes to provisions governing eminent domain. (BDR 3-78)
- S.B. 266      Revises provisions governing statutes of repose and statutes of limitation in actions relating to deficiencies in construction of improvements to real property. (BDR 2-732)
- S.B. 313      Provides immunity from liability to certain persons and governmental entities for certain claims based on consumption of food. (BDR 3-748)
- S.B. 316      Limits civil liability of certain persons providing gratuitous services under certain circumstances. (BDR 3-739)
- S.B. 338      Makes various changes concerning business associations. (BDR 7-728)
- S.B. 452      Revises provisions pertaining to Central Repository for Nevada Records of Criminal History. (BDR 14-612)
- S.B. 453      Revises various provisions concerning filings in Office of the Secretary of State. (BDR 7-576)
- S.B. 490      Makes various changes relating to bail. (BDR 14-1368)

Possible work session on measures previously considered.  
Public comment. Testimony may be limited.  
Cellular telephones must be turned off while in the committee room.

Any person proposing an amendment to a bill being heard by the committee must include a statement of the intent for the amendment, and the proposal must be submitted in writing with the contact person identified.

**The Committee encourages parties with concerns or amendments on a particular measure to contact the bill's sponsor and the committee policy analyst in advance of the meeting date.**

Meeting ID: 4065



LIS - 3b





**DEAN HELLER**  
Secretary of State

STATE OF NEVADA

**CHARLES E. MOORE**  
Securities Administrator

**RENEE L. PARKER**  
Chief Deputy Secretary  
of State



**SCOTT W. ANDERSON**  
Deputy Secretary  
for Commercial Recordings

**PAMELA A. RUCKEL**  
Deputy Secretary for  
Southern Nevada

**RONDA L. MOORE**  
Deputy Secretary  
for Elections

OFFICE OF THE  
**SECRETARY OF STATE**

April 7, 2005

Senator Mark Amodei, Chair  
Senate Judiciary Committee  
Capitol Complex  
Carson City, NV 89701

Re: Senate Bill 453

Dear Chairman Amodei,

Attached please find my proposed testimony on Senate Bill 453 scheduled for hearing on April 7, 2005. This bill contains numerous housekeeping provisions, further standardizing the requirements and processes for documents filed with the Secretary of State. It also contains additional services and protections to our customers in the 1-hour expedited service and fraudulent filing provisions. Senate Bill 453 will allow the Secretary of State to continue the move into E-Commerce in the office.

If you have any questions concerning the foregoing or require additional information, please do not hesitate to contact me at 684-5711. I remain available to answer any questions posed by the members of the Committee concerning the above.

Respectfully Submitted,

**DEAN HELLER**  
Secretary of State

A handwritten signature in black ink, appearing to read "Scott W. Anderson".

Scott W. Anderson  
Deputy, Commercial Recordings Division

LIS - 3c

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**TESTIMONY ON S.B. 453**

**OFFERED BY DEPUTY SECRETARY OF STATE  
SCOTT ANDERSON**

**ON BEHALF OF  
SECRETARY OF STATE DEAN HELLER**

**April 7, 2005**

SB 453 proposes numerous changes that will further standardize the filings processed by our office. Many of the provisions are housekeeping provisions, cleaning up many of the provisions that are not standard or that have caused confusion to our customers. Other provisions allow for the streamlining of and advancement of business practices, including the electronic filing of documents. There are changes to several sections that were made by LCB during drafting that we support as they further clarify and standardize our requirements.

There are many chapters within Title 7 of the Nevada Revised Statutes that have standard filing provisions. Most of the provisions of this bill similarly affect a number of different chapters. This will be reflected in my testimony relating to multiple sections of the bill.

I will touch on the major provisions of the bill in some detail. I would be happy to answer any questions you may have as we go.

**Sections 1, 5, 23, 24, 27, 28, 32, 34, 37 and 38**

Clarifies the resident agent address requirement for Annual Lists filed with the Secretary of State. It also clarifies the provisions for resignations of officers/managers/managing partners, etc. when said resignation is not reflected on the annual list on file in our office. These sections also provide that the Secretary of State shall within 90 days mail to each entity its annual list. This will give our customers additional time to receive and return the lists prior to its due date.

**Section 2**

Adds the requirement to provide the number of shares per designation when a corporation files a certificate of designation. This section also requires a certificate of withdrawal of designation to properly identify the certificate to be withdrawn.



### **Section 3**

Removes the antiquated fee for the extension of corporate existence. Extensions of corporate existence are accomplished generally through an amendment or certificate of correction, each of which have their own set of requirements and fees.

### **Sections 4, 25, 29 and 33**

Removes the provision for a customer to provide a copy of the documents filed with this office for certification. Removal of this provision remedies two problems. First, it is inefficient to scan duplicate documents into the system. Upon request, a customer may request one copy, at no charge, of the documents filed. Second, it is difficult to determine if a copy submitted by a customer is an exact copy of what is filed. Providing a copy of the original guarantees that it is an exact copy of what is on file.

### **Sections 6 – 9, 11 - 14**

Add the provisions relating to homeowners' and unit-owners' associations to other entities that may be formed for the purposes of homeowners or unit-owners' associations. These provisions are consistent with those added in the 2003 session. The Legislative Counsel Bureau added these sections. We have no objection to these sections.

### **Sections 10, 16, 18, 19, 26, 30, 41 and 42**

Increase or decrease fees to reflect the fees changed during last session for similar services.

### **Section 17**

Standardized the renewal provisions in Chapter 82 to those of other corporations.

### **Section 20**

Allows for a Limited Liability Company to be organized for insurance purposes only when approved by the Commissioner of Insurance. Upon discussions with the Insurance Division, it was determined that there may be instances where an LLC may be formed for insurance purposes.

### **Section 21**

Removes the word foreign from the last line of subsection 7.



### **Sections 15, 22, and 30**

Standardize the provisions for restated or amended and restated articles of incorporation/organization with those for corporations formed under NRS Chapter 78 (see NRS 78.403.)

### **Section 36**

Standardizes the address wording in NRS 88A.210 to reflect changes made to similar statutes during the 2003 Session.

### **Sections 39 and 40**

These changes were added by the Legislative Counsel Bureau and are acceptable.

### **Section 43**

Adds provisions to Chapter 225 of NRS for filing forged or fraudulent documents, or knowingly filing false documents in the office of the Secretary of State. This section was originally proposed as a result of several meetings of the Bogus Filing Task Force comprised of members of the International Association of Commercial Administrators (IACA) and the National Association of Secretaries of State (NASS) in an effort to minimize the number of “bogus” or “harassment” liens filed against public officers. While we initially proposed that this legislation be added to NRS Chapter 104 as it relates to Uniform Commercial Code Filings, LCB felt these provisions would work for all Secretary of State filings.

This legislation would give the Secretary of State the authority to refer complaints regarding the fraudulent filing of documents to the Attorney General for further investigation. It also imposes civil penalties of \$10,000 per each violation.

### **Section 44**

Standardizes the certification fee under NRS 225 with those changed in the 2003 Session.

Section 44 also proposes the addition of a “one-hour” expedited service. Currently the Secretary of State offers 2-hour and 24-hour expedited service for most documents filed in his office. There has been a growing demand for 1-hour or “while you wait” service. Our customers have requested this service in addition to the expedited services we already provide. Delaware offers 1-hour expedited service to its customers.

Additionally, Section 44 would allow the Secretary of State to charge a reasonable fee for searching for or canceling or removing documents that have been submitted, but not yet processed. There are numerous occasions where our customers require that a specific document or filing not be filed. The reasons vary. On any given day, the Secretary of State has thousands of documents in various stages of processing. It is very time consuming to locate and remove a document once received by this office.



We are also proposing an amendment to this section. I have provided a copy of the amendment we provided to LCB on September 9 but did not make it into our bill. This amendment is necessary because the special services fund currently supports over half our salaries. The original purpose of this fund was to improve the technology in the office of the Secretary of State so we could better serve our customers. With the introduction of our new e-SOS system we are likely to see fewer expedites. Because so much of the expedite fee collected go straight to the General Fund, we will likely be unable to support the salary pressure on this fund if we continue to only receive \$62.50 of each expedite fee collected.

#### **Section 45**

Adds the requirement that a specimen of a mark filed in the office of the Secretary of State is provided on 8 1/2' x 11" white paper. Currently, specimens may be submitted on shirt, hats, cups, pens, etc., all which are costly to store and difficult to reproduce upon customer request. The 8 1/2' x 11" white paper specimen will allow for scanning into electronic format, making it efficient to store and reproduce. This will eventually allow for specimens to be viewed via the Internet.

The provisions of SB 453 further standardize the filings processed by the Secretary of State, provide additional services and protections to our customers and citizens and allow Nevada to continue as a leader in business entity filings.

Thank you for the opportunity to present this bill to you today. I would be happy to answer any questions the committee might have.



**DEAN HELLER**  
Secretary of State

STATE OF NEVADA

**CHARLES E. MOORE**  
Securities Administrator

**RENEE L. PARKER**  
Chief Deputy Secretary  
of State



**SCOTT W. ANDERSON**  
Deputy Secretary  
for Commercial Recordings

**PAMELA A. RUCKEL**  
Deputy Secretary for  
Southern Nevada

**RONDA L. MOORE**  
Deputy Secretary  
for Elections

OFFICE OF THE  
**SECRETARY OF STATE**

April 7, 2005

Senator Mark Amodei, Chair  
Senate Judiciary Committee  
Capitol Complex  
Carson City, NV 89701

Re: Senate Bill 453

Dear Chairman Amodei,

Attached please find my proposed amendment to Senate Bill 453 scheduled for hearing on April 7, 2005. This amendment contains changes to subsection 3 of NRS 225.140 we inadvertently omitted from our original Bill Draft Request. While we provided these changes to LCB in September, they did not make it into Senate Bill 453.

This amendment is necessary because the special services fund currently supports over half our salaries. The original purpose of this fund was to improve the technology in the office of the Secretary of State so we could better serve our customers. With the introduction of our new e-SOS system we are likely to see fewer expedites. Because so much of the expedite fee collected goes straight to the General Fund, we will likely be unable to support the salary pressure on this fund.

If you have any questions concerning the foregoing or require additional information, please do not hesitate to contact me at 684-5711. I remain available to answer any questions posed by the members of the Committee concerning the above.

Respectfully Submitted,

**DEAN HELLER**  
Secretary of State

A handwritten signature in black ink, appearing to read "Scott W. Anderson".

Scott W. Anderson  
Deputy, Commercial Recordings Division

LIS - 3d

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**Sec. 44. NRS 225.140 is hereby amended to read as follows:**

1. Except as otherwise provided in subsection 2, in addition to other fees authorized by law, the Secretary of State shall charge and collect the following fees:

For certifying to a copy of any law, joint resolution, transcript of record or other paper on file or of record with the Secretary of State, including, but not limited to, a document required to be filed pursuant to title 24 of NRS, and use of the State Seal, for each impression \$20 30

For each passport or other document signed by the Governor and attested by the Secretary of State..... 10

2. The Secretary of State:

(a) Shall charge a reasonable fee for searching records and documents kept in his office, including, but not limited to, records and documents that are stored on a computer database.

(b) May charge or collect any filing or other fees for services rendered by him to the State of Nevada, any local governmental agency or agency of the Federal Government, or any officer thereof in his official capacity or respecting his office or official duties.

(c) May not charge or collect a filing or other fee for:

(1) Attesting extradition papers or executive warrants for other states.

(2) Any commission or appointment issued or made by the Governor, either for the use of the State Seal or otherwise.

(d) May charge a reasonable fee, not to exceed:

*(1) One thousand dollars, for providing service within 1 hour after the time the service is requested; and*



*(f) The Secretary of State may charge a reasonable fee for searching and removing any filing that has been submitted to him but not yet processed for the purposes of canceling the filing as requested by the customer.*

3. From each fee collected pursuant to paragraph (d) of subsection 2:

(a) ~~The entire amount or \$62.50, whichever is less, of the fee collected pursuant to subparagraph (1) of that paragraph and~~ ~~One-half of the fee collected pursuant to subparagraph (2) of that paragraph~~ must be deposited with the State Treasurer for credit to the Account for Special Services of the Secretary of State in the State General Fund. Any amount remaining in the Account at the end of a fiscal year in excess of \$2,000,000 must be transferred to the State General Fund. Money in the Account may be transferred to the Secretary of State's Operating General Fund Budget Account and must only be used to create and maintain the capability of the Office of the Secretary of State to provide special services, including, but not limited to, providing service:

(1) On the day it is requested or within 24 hours; or

(2) Necessary to increase or maintain the efficiency of the Office.

Any transfer of money from the Account for expenditure by the Secretary of State must be approved by the Interim Finance Committee.

(b) After deducting the amount required pursuant to paragraph (a), the remainder must be deposited with the State Treasurer for credit to the State General Fund.

4. The Secretary of State shall post a schedule of the fees authorized to be charged pursuant to this section in a conspicuous place at each office at which such fees are collected.



(12) Five hundred dollars, for providing service *more than 1 hour but within 2 hours* after the time the service is requested; and

(23) One hundred twenty-five dollars, for providing any other special service, including, but not limited to, providing service more than 2 hours but within 24 hours after the time the service is requested, accepting documents filed by facsimile machine and other use of new technology.

(e) Shall charge a person, for each check or other negotiable instrument returned to the Office of the Secretary of State because the person had insufficient money or credit with the drawee to pay the check or other instrument or because the person stopped payment on the check or other instrument:

(1) A fee of \$25; and

(2) If the check or other instrument that was returned had been presented for the payment of a filing fee for more than one entity, an additional fee in an amount equal to the actual cost incurred by the Office of the Secretary of State to perform the following actions as a result of the returned check or instrument:

(I) Reversing the status of the entities in the records of the Office of the Secretary of State; and

(II) Recouping any fees charged for services rendered by the Office of the Secretary of State to the entities, including, without limitation, fees charged for providing service pursuant to paragraph (d), providing copies or issuing certificates.

The Secretary of State shall, by regulation, establish procedures for the imposition of the fees authorized by this paragraph and the manner in which a fee authorized by subparagraph (2) will be calculated.



DRAFT AMENDMENT LANGUAGE

NEVADA RESIDENT AGENTS ASSOCIATION

Rights and remedies of creditor of stockholder.

1. On application to a court of competent jurisdiction by a judgment creditor of a stockholder, the court may charge the stockholder's stock with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the stockholder's stock.
2. This section:
  - (a) Applies only to a corporation that:
    - (1) Has more than one, but fewer than 75 stockholder's of record at any time;
    - (2) Is not a subsidiary of another publicly traded corporation, either in whole or in part
    - (3) Is not a professional corporation, as filed under NRS 89.040.
  - (b) Provides the exclusive remedy by which a judgment creditor of a stockholder or an assignee of a stockholder may satisfy a judgment out of the stockholder's stock of the judgment debtor.
  - (c) Does not deprive any stockholder of the benefit of any exemption applicable to his interest.
3. This section is does not supersede any private agreements between stockholders and creditors.
4. This section does not apply to stockholder liabilities that exist as the result of actions filed prior to [implementation date].
5. Stock of a corporation that meets the requirements of this section is not defined as personal property as used in NRS 21.180

Proposed by Derek Rowley and Misty Grimmer

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# Charging Order Protection for Nevada Corporations

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A White Paper by the Nevada Resident Agent Association

**2005 Legislature**

By Derek G. Rowley  
NRAA President

February 2005

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## Executive Summary

The right of a judgment creditor to collect against the assets of a judgment debtor varies depending upon the nature of the assets. Some asset types – primarily liquid assets – can be directly attached, while other asset types have limitations on attachment by the judgment creditor. Assets that cannot generally be directly taken by a judgment creditor usually provide for other recourse, such as potential foreclosure and forced sale of assets, or the imposition of a “charging order” against future income of assets.

When the assets of a judgment debtor include ownership interest in business entities, the rights of the creditor have also traditionally varied, depending upon the specific type of business entity owned. This variance creates inconsistencies in the application of creditors’ remedies against different types of business interests.

The Nevada Resident Agent Association (NRAA) proposes to the Nevada Legislature that charging order protection be provided as the judgment creditor remedy against the ownership of corporate stock of small business corporations, consistent with the application of the charging order as it currently applies to limited partnerships and limited liability companies.

This paper discusses the use of the charging order in support of legislative changes which would standardize the remedies of creditors under Nevada law. Additionally, the changes proposed in this paper would create a significant advantage for the State of Nevada in attracting additional commercial recordings and associated revenues, particularly in the area of promoting new corporate filings.





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## Introduction

### Background

A charging order is an order by a court of proper jurisdiction which places a "charge" in the amount owed against the property of a judgment debtor. While the charging order does not normally provide immediate relief to the creditor, it may safeguard the value of the asset in the future.

Currently, charging order relief in Nevada is provided as a creditor's remedy against a debtor's ownership interest in either a limited partnership (LP) or limited liability company (LLC). The charging order generally prevents the creditor from foreclosing upon the ownership interest in the LP or LLC, and from forcing a sale of the entity's interest or assets to satisfy the judgment.

The purpose and theory behind the charging order limitation is to protect innocent partners (in the case of an LP) or members (in the case of an LLC) from being forced to inherit potentially hostile parties as partners/members in a partnership-type arrangement as the result of creditor foreclosure or forced sale. Such a consequence would likely have serious and significant negative economic impact on innocent partner/members.

The charging order remedy protects the value of the creditor's interest, while also protecting the innocent partner/member. The creditor becomes an "assignee" of any income that the debtor would derive from the ownership interest. As a result, any amounts that would normally be paid to the debtor/owner, whether as distribution of profit or by virtue of the unforced, market-value sale of the entity ownership interest – which could include the exercise of internal partnership/LLC agreement provisions allowing existing innocent partner/members to exercise buy-out options to divest the interest of debtor/owner.

In most states, the charging order remedy is one of several alternatives available to the judgment creditor and the court. However, the 2003 Nevada Legislature amended the Nevada Revised Statutes to join 8 other states in making the charging order the sole remedy available to creditors. This change has had a significant impact, particularly in LLC filings. Several legal newsletters and websites have discussed the 2003 changes in Nevada's charging order application.<sup>1</sup>

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<sup>1</sup> For a sampling of these discussions, see Commerce Clearing House Business Owner's Toolkit: [http://www.toolkit.cch.com/text/P12\\_4476.asp](http://www.toolkit.cch.com/text/P12_4476.asp); American Bar Association Magazine, May 2004: <http://www.abanet.org/rppt/publications/magazine/2004/ma/letters.html>; Asset Protection Corp.:



## Charging Order Protection for Corporate Stock

Charging order protection for corporations is not currently available in any jurisdiction that we can identify. This places the stock of a corporation, including closely-held or family owned companies, in jeopardy of potential foreclosure and forced sale to satisfy judgment creditors. The legal theory behind for this distinction between ownership of corporate stock as compared with ownership of LP or LLC interests is that stockholders are traditionally thought to be insulated and blind from one another; they are not generally considered to have a relationship or commitment to each other comparable to the partnership.

CCH Business Owner's Toolkit, published by Commerce Clearing House, one of the world's leading legal publishers offers the following analysis:

*"In theory, the relationship among corporate shareholders is an impersonal one (as opposed to that in a partnership or limited liability company). Therefore, when satisfying an owner's personal debt liability, the law allows a creditor who has acquired the shares through attachment to participate in management of the corporation. Thus, the creditor may vote the shares in favor of liquidation or in other ways unfavorable to the debtor's interests. In a small, closely held corporation, this is a real possibility. When you hold a majority interest in the corporation, and this interest is attached by a creditor with a charging order, your creditor may vote to liquidate the business to satisfy the debt. Even setting up your corporation as a statutory close corporation does not eliminate the risk that personal creditors of the owner will be able to attach and then vote the shares in favor of a liquidation of the business."<sup>2</sup>*

However, this legal concept does not reflect the reality of the business world, particularly in Nevada, where corporate statutes have been specifically drafted over time to attract small business corporate filings, as opposed to publicly-traded entities. The typical Nevada corporate filing is a micro-business with shareholders numbering from one to several. The relationship of these shareholders can be closely compared to that of partners, both in terms of their exercise of ownership and management rights.

Likewise, the potential of foreclosure or liquidation of the stock of a judgment debtor can have the same serious and negative economic impact on innocent shareholders as the charging order seeks to forestall where the entity is an LP or LLC.

By providing charging order protection for small business corporations, Nevada can take a tremendous step toward protecting existing shareholders of Nevada corporate entities. Further, by breaking this new ground in the area of corporate law, Nevada will see significant increase in its market share for new corporate filings and enhance its reputation as an international incorporation center.

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<http://www.assetprotectioncorp.com/assetprotectionunderRULPAandLLC.html>; and dozens of websites by Nevada resident agents.

<sup>2</sup> [http://www.toolkit.cch.com/text/P12\\_4471.asp](http://www.toolkit.cch.com/text/P12_4471.asp)



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## **Limitations of Corporate Charging Order Protection**

The Nevada Resident Agent Association has carefully considered the ramifications of adding charging order protection to small business corporations. This protection, as proposed by NRAA, is intended to comply with the generally accepted legal theories currently governing charging order legislation:

1. It is intended to protect stockholders who have a partnership-type relationship with other stockholders in a small business, and who have potential to suffer economic loss in the event of foreclosure or liquidation by judgment creditors of other stockholders.
2. It is intended to comply with existing legal developments in the area of charging order application pertaining to single-member LLC's.<sup>3</sup>
3. It does not protect the corporation or corporate assets from judgments against the corporation directly. Thus, the charging order would not be used to insulate the corporation from risk associated with product liability, defects, errors and omissions, etc. that result from the corporation carrying on its business. The charging order only provides innocent party protection from outside judgments against owners.

### **Single Owner Corporations**

In 2003, a federal judge in Colorado denied charging order protection for single member LLC and allowed the bankruptcy trustee to take possession of the single-member LLC's assets to benefit creditors. This determination was made due to the fact that no innocent third-party member of the LLC existed, and thus there was no economic interest to protect.

NRAA assumes that this legal standard would also apply to single shareholder corporations. As a result, our proposal requires that more than one shareholder is required for charging order protection to be an available remedy.

### **Conformity to Federal Sub-Chapter S Status Qualifications**

Because the intent of this proposal is to provide charging order protection in circumstances related to small business where stockholders are likely to have partnership-type relationships, it was necessary to consider an appropriate cap on the number of stockholders in order to ensure that this measure provides

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<sup>3</sup> Ashley Albright, Bkrptc. (2003)



small business benefits. After considerable discussion, NRAA determined that the federal qualification guidelines for S Corporation eligibility provided an appropriate cap inasmuch as the S corporation election is provided for the intent of providing partnership-type taxation to small business corporation. Clearly, the Internal Revenue Service considers corporations with fewer than 75 shareholders to be a small business.

### **Publicly Traded Corporations**

Stock of a publicly traded Nevada corporation would not be eligible for charging order protection under the NRAA proposal, due to the fact the corporation's status as a public entity removes the partnership/owner relationship that the charging order is designed to protect. In a publicly traded company, stockholders truly are "impersonal" and blind to one another. In addition, stockholders of publicly traded corporations have already assumed the risk associated with potentially hostile stockholders; and statutory and case law pertaining to hostile takeovers are already provided.

### **Subsidiary Corporations**

It is not the intention of the NRAA that charging order protection should be available to corporations that exist as subsidiaries of publicly traded companies, for the same reasons outlined above.



## The Declining Market of Corporate Filings

According to the Annual Report of Jurisdictions published at the 2004 conference of the International Association of Commercial Administrators (IACA), 19 of the 41 states reporting indicated that corporate filings had declined in those states in the period 2002 to 2003. The combined total of all reporting states indicated that corporate filings rose a mere 2.44% overall. This compares with only 2 of 41 states reporting a decline in LLC filing during the same period, with a combined growth in LLC filings of 21.97% nationally.

	<u>2002</u> <u>Corps</u>	<u>2003</u> <u>Corps</u>	<u>% Growth</u>
Alabama	6,273	6,037	-3.76%
Alaska	844	870	3.08%
Arizona	10,806	11,515	6.56%
Arkansas	5,956	5,897	-0.99%
California	78,936	83,763	6.12%
Colorado	19,144	16,976	-11.32%
Connecticut	2,532	2,498	-1.34%
Delaware	36,256	32,180	-11.24%
Florida	135,578	161,559	19.16%
Georgia	31,787	32,311	1.65%
Hawaii	3,030	3,195	5.45%
Iowa	4,338	4,384	1.06%
Indiana	11,237	11,184	-0.47%
Kansas	4,547	4,419	-2.82%
Louisiana	6,267	5,694	-9.14%
Maine	2,592	2,639	1.81%
Maryland	16,867	17,031	0.97%
Massachusetts	12,544	11,941	-4.81%
Minnesota	13,254	13,545	2.20%
Mississippi	4,375	4,170	-4.69%
Missouri	12,550	12,132	-3.33%
Nebraska	2,966	3,017	1.72%
Nevada	28,612	29,120	1.78%
New Hampshire	1,680	1,737	3.39%
New Jersey	25,543	22,198	-13.10%
New Mexico	2,269	2,370	4.91%
New York	77,650	78,104	0.58%
North Carolina	20,975	21,841	4.13%
Ohio	15,005	13,886	-8.14%
Oregon	8,710	8,912	2.32%
Pennsylvania	18,159	17,888	-1.49%
Rhode Island	2,403	2,337	-2.75%
South Dakota	14,954	15,379	2.84%
Tennessee	7,143	7,209	0.92%
Texas	48,188	46,694	-3.10%
Utah	10,303	7,785	-24.44%



Virginia	19,232	19,337	0.55%
Washington	12,069	12,394	2.69%
West Virginia	1,320	1,455	10.23%
Wisconsin	5,780	5,643	-2.37%
Wyoming	<del>2,269</del>	<del>1,977</del>	-12.87%
<b>TOTALS</b>	<b>745,022</b>	<b>763,203</b>	<b>2.44%</b>

For 2003, the report shows a total of 763,203 new corporate filings, compared with 748,083 new LLC filings. Based on those numbers and the trends reported in the 2004 IACA report, we expect that when the 2005 is released with final 2004 figures, it will show that new LLC filings will have surpassed total new corporate filings for the first time.

While the growth in LLC filings is a healthy trend for the economy, as well as for the Commercial Recordings Division and resident agents, the lack of growth or decline in corporate filings is cause for some concern. Since corporate filings have always been a historical staple revenue source generated by the Secretary of State's office and resident agent marketing efforts, any decline in corporate filing numbers will likewise be reflected in a decline in commercial recording fees generated by future new corporate filings.

The NRAA believes that the proposal to provide charging order protection to the stock of Nevada small business corporations will reinvigorate corporate filings in Nevada. Of particular interest to the NRAA is in positioning Nevada to capture a greater share of the market that is currently filing corporate entities in Florida – at a rate, we note, that far exceeds the baseline incorporation level that is supported by the population of the state. A large proportion of Florida corporate filings are generated by law firms who are attracted to Florida's general climate for asset protection (as evidenced by Florida's unlimited homestead exemption on the value of residential real estate).

We feel that the addition of charging order protection for Nevada corporate entities will provide the state with a significant tool to gain national market share in the incorporation market, and to continue to aggressively compete with states such as Florida, Delaware, Wyoming and South Dakota for the importation of corporate filings and its associated revenues and economic development impacts.



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## **Possible Objections**

It is difficult for our Association to fully anticipate all of the possible objections that might arise from our proposal. As groups raise legitimate concerns, we are prepared to sit down with these parties and discuss these concerns rationally in the pursuit of resolving problem issues or reaching workable compromises wherever possible. Nevertheless, as we have discussed this issue at the level of our Executive Board, we have identified the following possible objections:

### **Unreasonable Protection for Debtors**

Clearly, the proposal to add charging order protection to small business corporation stock provides a degree of additional protection from judgment creditors that are not now present. Some, particularly those involved in seeking and collecting judgments, may perceive that this charging order protection may prevent or hinder the collection on legal judgments, or that the charging order has potential for abuse in creditor/debtor relationships.

We would argue that the current law - where foreclosure and forced sale of corporate stock can result - may provide less protection to creditor than the charging order proposal. If stock of a closely-held corporation is liquidated in an auction on the steps of the county courthouse under foreclosure proceedings, the creditor is unlikely to receive anything close to full value for corporate stock or assets because the forced sale does not take place in an environment that enables the stock to be sold at its highest value.

In preparation for bringing this proposal to the legislature, we have discussed this concept with several Nevada attorneys who practice in the area of business law. It was universally noted that the forced liquidation of closely-held corporate stock is rare due to the fact that the creditor is unable to receive sufficient value to justify the expense of the proceedings in such a circumstance.

While the charging order on corporate stock may delay the creditor's ability to collect on the judgment, the likelihood may be much greater that the creditor is able to collect on the full amount, either through the attachment of future dividend distributions or at some future point of sale or transfer of corporate stock.

### **Potential for Abuse**

Some may argue that the charging order has potential for abuse and fraud. Those who would attempt to use the corporation as a tool for fraud are also likely to attempt to hide behind the protection of the corporate veil and any connected charging order limits.





In the event of criminal fraud (and related sanctions and penalties), the charging order would have no application. In civil actions or suits, the charging order would generally apply to judgments obtained against individual shareholders UNLESS the entity is also named as a party to the action, and the court finds that fraud or "manifest injustice" is present in the corporation's involvement or activity. In the presence of fraud or manifest injustice, the corporation veil can be pierced and individuals can be held personally liable.<sup>4</sup> The court has wide latitude to deal with matters of fraud and abuse.

### **Unreasonable Protection from Liability for Corporate Actions**

If the charging order is not properly understood, it may seem to the uninformed that we propose to create additional barriers to legitimate claims against the corporation. Such is not the case. The charging order does not apply to actions against the corporation. Any injured party with a legitimate claim or action against a corporate entity may pursue that action in the courts. If a judgment is obtained against the corporation itself, all assets of the corporation are potentially availability for satisfaction of the judgment. In other words, a corporation cannot use a charging order to prevent satisfaction of claims against the entity for any reason.

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<sup>4</sup> NRS 78.747



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## Conclusions

Providing charging order protection to Nevada small business corporations will give Nevada a significant competitive edge that will have reap tremendous economic benefits for many years. This proposal breaks new legal ground in the area of corporate law in a manner that no other state can currently match. While the Nevada Resident Agent Association is unable to predict the specific impact these changes will have on Nevada filings, we do predict that the consequences will be substantial. If passed, the addition of charging order protection for Nevada corporations will catch the attention of the entire legal community, and will become the subject of a tremendous amount of technical "buzz" and publicity for Nevada's advantages.

This proposal represents an attempt to provide equal treatment among the available business entity types regarding the protection of the economic interests of innocent partner/stockholders of Nevada corporations. However, the charging order also provides important protections to ensure that creditors will receive full value remedies, and thus protects their economic interests as well.

Further, the proposal seeks to provide long-term protection and reinforcement of Nevada's commercial filing staple: the corporation. As Nevada competes with many other states for market share in the corporate filing world, it will be poised to attract a large number of filings that currently go elsewhere.

### Impacted NRS Sections

- NRS 78 Private Corporations
- NRS 78A Close Corporations
- NRS 21 Enforcement of Judgments

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MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY

Seventy-third Session  
April 12, 2005

The Senate Committee on Judiciary was called to order by Chair Mark E. Amodei at 8:10 a.m. on Tuesday, April 12, 2005, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark E. Amodei, Chair  
Senator Maurice E. Washington, Vice Chair  
Senator Mike McGinness  
Senator Dennis Nolan  
Senator Valerie Wiener  
Senator Terry Care  
Senator Steven Horsford

**GUEST LEGISLATORS PRESENT:**

Senator Michael A. Schneider, Clark County Senatorial District No. 11

**STAFF MEMBERS PRESENT:**

Nicolas Anthony, Committee Policy Analyst  
Bradley Wilkinson, Committee Counsel  
Ellie West, Committee Secretary

**OTHERS PRESENT:**

James Wadhams, Nevada Association of Insurance and Financial Advisors  
Tim Donovan, President, Las Vegas Security Chiefs Association  
George Togliatti, Director, Department of Public Safety  
Robert Wideman, Major, Central Repository for Nevada Records of Criminal History, Department of Public Safety  
Virginia A. Lewis, Director, Department of Motor Vehicles



Senate Committee on Judiciary  
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Martha Barnes, Administrator, Central Services and Records Division,  
Department of Motor Vehicles  
Frank Adams, Executive Director, Nevada Sheriffs' and Chiefs' Association  
Carrie Henderson, Legislative Intern, Senator Michael A. Schneider  
Heidi Wixom, Main Street Billboard Committee  
Joy Kendall, Nevada Parent Teacher Association  
Shari Peterson, American Mothers Incorporated  
Susan Leavitt, American Mothers Incorporated  
William Bible, Nevada Resort Association  
Robert D. Faiss, Counsel, Palms Casino Resort  
Jim Hughes, General Manager, Palms Casino Resort  
William R. Uffelman, Nevada Bankers Association

Chair Amodei opened the meeting with Senate Bill (S.B.) 432 and invited James Wadhams to testify.

**SENATE BILL 432**: Revises exemption from execution of certain money, benefits, privileges or immunities arising or growing out of life insurance. (BDR 2-1316)

James Wadhams, Nevada Association of Insurance and Financial Advisors, said the Association's goal was to update the obsolete, 1971 provision related to life insurance policies. Rather than exempting from creditors only benefits from policies whose original, annual premiums totaled less than \$1,000, the proposal was to exempt, in their entirety, the values of life insurance policies. He proposed adding a one-year limit and no-intent-to-defraud language to S.B. 432 to prevent people from putting huge premiums into life insurance policies in anticipation of bankruptcy. Senator Care asked Mr. Wadhams when the language regarding not exceeding \$1,000 was put there. Mr. Wadhams said his research indicated it began in 1971. Chair Amodei asked Mr. Wadhams to give the information to Bradley Wilkinson, Committee Counsel, for a proposed amendment.

Chair Amodei closed the hearing on S.B. 432 and opened the hearing on Senate Bill 308.

**SENATE BILL 308**: Revises provisions governing release and use of certain information contained in records of criminal history and in files of Department of Motor Vehicles. (BDR 14-285)



willing to include the Legislature or not, if that was their preference. Senator McGinness said he would like to eliminate one of the members of the Legislature from the Advisory Committee and add a member from rural Nevada, who would lend a different perspective. Senator Wiener asked if they were still undecided about who made this appointment. Chair Amodei said he was unsure how the Committee felt and called for a motion. Senator Wiener was asked to handle the bill on the Senate Floor.

SENATOR WASHINGTON MOVED TO AMEND AND DO PASS AS AMENDED S.B. 452 WITH THE AMENDMENT AT TAB G OF THE WORK SESSION DOCUMENT AND THE PROVISIO THAT THE TWO APPOINTMENTS FOR LEGISLATORS BE CHOSEN BY LEADERSHIP, THE SPEAKER OF THE ASSEMBLY AND THE MAJORITY LEADER OF THE SENATE.

SENATOR WIENER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS AMODEI AND CARE VOTED NO.)

\*\*\*\*\*

Chair Amodei continued the work session with Senate Bill 453.

**SENATE BILL 453**: Revises various provisions concerning filings in Office of the Secretary of State. (BDR 7-576)

Chair Amodei said S.B. 453 was Secretary of State Dean Heller's bill. He referred to Amendments No. 1 and No. 2 and said Scott W. Anderson, Deputy Secretary of State, Commercial Recordings Division, Office of the Secretary of State, was cited in Tab H of Exhibit I, about having a reasonable fee, not to exceed \$1,000, charged for providing service within 1 hour after the time the service was requested. Mr. Anthony explained that Mr. Anderson's two proposed amendments were under Tab H. The first was to gain support from the Governor's Office for increased fees, and the second amendment deleted sections 10, 16, 18, 19, 35, 41 and 42, which were all related to increased fees. Mr. Anthony referred to Tab I as Amendment No. 3, proposed at the hearing on behalf of the Nevada Resident Agents Association and supported by



the Secretary of State. The last option was Amendment No. 4, from attorney Pat Cashill on behalf of the Nevada Trial Lawyers Association, to amend section 43 of S.B. 453 by adding the word "or" in 2 places, in lieu of the amendment he offered on S.B. 338. Chair Amodei said if there was a consensus motion, it would be to include all four amendments. Mr. Anthony said yes, you could use one motion to approve all of them.

SENATOR WIENER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 453 WITH THE AMENDMENTS AT TABS H AND I AND THE AMENDMENT DESCRIBED AS AMENDMENT NO. 4 ON PAGE 9 OF THE WORK SESSION DOCUMENT.

SENATOR MCGINNESS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\*\*\*\*\*

Chair Amodei continued the work session with Senate Bill 338.

SENATE BILL 338: Makes various changes concerning business associations.  
(BDR 7-728)

Chair Amodei said S.B. 338 was the business association bill and said Mr. Cashill had appeared with a proposed amendment. Mr. Anthony said Mr. Cashill's concerns were taken care of with S.B. 453. Mr. Anthony referred to Tab J of Exhibit I and said it was the same amendment he offered at the hearing with the only change being the addition relating to NRS 86.201 withdrawing any amendment to that section.

SENATOR CARE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 338 WITH THE AMENDMENT AT TAB J OF THE WORK SESSION DOCUMENT.

SENATOR NOLAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee on Judiciary  
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There being no further business to come before the Committee, Chair Amodei adjourned the meeting at 10:14 a.m.

RESPECTFULLY SUBMITTED,

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Ellie West,  
Committee Secretary

APPROVED BY:

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Senator Mark E. Amodei, Chair

DATE: \_\_\_\_\_





SENATE AGENDA  
for the  
COMMITTEE ON JUDICIARY

Day Tuesday      Date April 12, 2005      Time 8:00 a.m.      Room 2149

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Senate Committee on Judiciary at (775) 684-1473.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 10 COPIES OF YOUR EXHIBITS AND NOTES.**

**SECOND REVISED AGENDA**

- S.B. 432      Revises exemption from execution of certain money, benefits, privileges or immunities arising or growing out of life insurance. (BDR 2-1316)
- S.B. 299      Provides that State Gaming Control Board and Nevada Gaming Commission may not take disciplinary action against any person for engaging in lawful advertising that is not false, deceptive or misleading. (BDR 41-624)
- S.B. 308      Revises provisions governing release and use of certain information contained in records of criminal history and in files of Department of Motor Vehicles. (BDR 14-285)
- S.B. 324      Provides for expedited inspection and investigation of gaming devices by State Gaming Control Board. (BDR 41-245)
- S.B. 351      Revises provisions governing resort hotels and nonrestricted gaming licenses in certain counties. (BDR 41-1185)
- S.B. 444      Requires Nevada Gaming Commission to adopt regulations authorizing gaming licensee to charge fee for admission to area in which gaming is conducted under certain circumstances. (BDR 41-1295)
- S.B. 447      Revises definition of "resort hotel" for purposes of certain statutes pertaining to gaming. (BDR 41-1023)

Possible work session on measures previously considered.  
Public comment. Testimony may be limited.  
Cellular telephones must be turned off while in the committee room.

Any person proposing an amendment to a bill being heard by the committee must include a statement of the intent for the amendment, and the proposal must be submitted in writing with the contact person identified.

**\*Note: Interested parties may observe and testify in the proceedings through a simultaneous videoconference in Room 4412 of the Grant Sawyer State Office Building, Las Vegas.**

Meeting ID: 4071



LIS - 4b

# SENATE COMMITTEE ON JUDICIARY



## WORK SESSION DOCUMENT

APRIL 12, 2005

LIS - 4c

WORK SESSION DOCUMENT

SENATE COMMITTEE ON JUDICIARY

APRIL 12, 2005

The following measures may be considered for action during the work session. *It should be noted that all proposed amendments are presented in conceptual form, and the language and its placement in the official amendment may differ.*

- **SENATE BILL 28** (BDR 15-8 was requested by Senator Cegavske).

**This bill creates the crimes of video voyeurism and distribution of product of video voyeurism.**

Committee Action: The bill was heard in Committee on February 16, 2005, and no action was taken. The bill was also called for work session on March 10, 2005, and no action was taken.

Proponents: Senator Cegavske; Stan Olsen, Las Vegas METRO and Nevada Sheriffs' and Chiefs' Association; Michelle Youngs, Washoe County Sheriff's Office.

Opponents: None at the hearing, with the American Civil Liberties Union (ACLU) indicating concerns in a subsequent letter.

Discussion: At the hearing, Chairman Amodei indicated that he had been contacted by the ACLU, and that they would be submitting their concerns and proposals in writing. In an earlier work session, members of the Committee were given a copy of a letter to the Chairman, dated February 16, 2005, from the ACLU.

Within the letter, the ACLU recognizes six points which it suggests the Committee should consider in amending Senate Bill 28:

- Suggests language is too broad and vague, and should be limited to "states of undress or while engaging in sexual behavior";
- Asserts that the language does not define the terms "sexual gratification" or "sexual motive";



- Indicates the crime should not turn on the voyeur's motives and the list of places where one has a reasonable expectation of privacy should be finite;
- Suggests that the bill authorizes investigators to secretly photograph people in zones of privacy and in sexually compromising positions;
- Asserts that language should be added that prevents investigators from improperly circulating images; and
- Offers an exception for attorneys who circulate photos which may be probative of their client's innocence.

Proposed Amendments: At the hearing on February 16, 2005, and in subsequently working with staff, interested parties, and the sponsor of the measure, Senator Care suggested the following conceptual amendments as **TAB A**.

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The amendment attempts to create the crime of intentionally capturing an image of another person's private area, and criminalizes any distribution of such an image. Both offenses would be considered a Category E felony. This language was modeled after federal law (18 USC 1801). Additionally, the proposed conceptual amendment seeks to protect the victim by making the image confidential, whereby it may not be released to the public.

- **SENATE BILL 150** (BDR 23-1168 was requested by the Committee on Government Affairs).

**This bill repeals NRS 199.325 and in lieu of that provision makes it a misdemeanor for a person to knowingly file a false or fraudulent written complaint or allegation of misconduct against any public officer or employee for conduct in the course and scope of employment.**

Committee Action: The bill was heard in Committee on March 10, 2005, and no action was taken.

Proponents: Ron Dreher, Peace Officers' Research Association of Nevada (PORAN); Gary Wolff, State Peace Officers; David Kallas, Las Vegas Police Protective Association; Bob Romer, State of Nevada Employees Association; Anne Leonard, Las Vegas Police Protective Association.

Neutral: Nancy Howard, Nevada League of Cities.

Opponents: Alan Lichtenstein, ACLU; Janine Hansen, Nevada Eagle Forum; Renee Parker, Office of the Secretary of State.



Discussion: Under existing law, a person who knowingly files a false or fraudulent written complaint or allegation of misconduct against a peace officer for conduct in the course and scope of the peace officer's employment is guilty of a misdemeanor (NRS 199.325). The United States District Court for the District of Nevada found that NRS 199.325 criminalizes defamation that is critical of peace officers, but does not criminalize such defamation of other public officials. Therefore, the Court held that the statute was an impermissible content-based regulation of speech in violation of the First Amendment of the *United States Constitution*. (*Eakins v. Nevada*, 219 F.Supp. 2d 1113 (2002)).

Testimony at the hearing in support of the measure indicated that this bill was necessary to prevent patently false allegations from negatively impacting the lives and careers of peace officers legitimately acting in the line of duty. Peace officers are routinely a victim of such false allegations by the nature of their work, yet many officers are often left with a blemish on their personnel files, even though a claim is wholly false and unsubstantiated.

Those with concerns on the bill mentioned the chilling effect on valid claims and the restraints the measure places on free speech. Additionally, some discussion centered on whether all public officials should be availed such protection, and whether the Office of the Secretary of State would be overburdened. Some Committee members expressed concern on the definition of "filing a complaint" (whether an ethics complaint would be covered) and the definition of "public official" in relation to elected officials and candidates for office.

At the hearing, Chairman Amodei noted the concerns on the perceived vagueness of the bill's language and asked Senator Care to work with the interested parties on possible amendatory language.

Proposed Amendments: **TAB B** is a proposed draft amendment prepared by the Legal Division, on behalf of PORAN, in an attempt to address concerns raised by Senator Amodei and Senator Wiener on April 7, 2005.

The amendment seeks to make the measure apply to all public employees, and deletes the reference to public officer, but does not include a person elected to public office while performing duties related to his public office.

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- **SENATE BILL 172** (BDR 9-1029 was requested by the Senate Committee on Judiciary).

**This bill provides that a sale of real property under deed of trust must take place at the courthouse of the county where the property is located.**

Committee Action: The bill was heard in Committee on March 16, 2005, and no action was taken.

Proponents: Mr. Kernin.

Neutral/Concerns: No other testimony.

Discussion: Testimony on S.B. 172 indicated that this measure was necessary for efficiency purposes.

During testimony on a related measure, the sponsors and proponents of S.B. 249, Assemblyman Sibley and Senator Beers, indicated that they would work with the parties to amend S.B. 249 and S.B. 172 so that only one bill would come forward. The parties have agreed to withdraw S.B. 249 and proceed with S.B. 172, with the proposed amendment.

Proposed Amendments: **TAB C** is an amendment proposed by Fidelity National Title. The amendment seeks to revise service requirements; provide for penalties for taking down or defacing a sale notice; require that default sales of real property pursuant to NRS 107.080 take place between certain hours and at a public location in the county where the property is located; and provide for postponement process and for procedures after a bidder refuses to pay for the property sold to him at a sale.

- **SENATE BILL 272** (BDR 15-321 was requested by the Senate Committee on Judiciary).

**This bill revises certain provisions relating to confiscation and disposition of weapons.**

Committee Action: The bill was heard in Committee on March 29, 2005, and no action was taken.

Proponents: Colonel David Hosmer, Chief, Nevada Highway Patrol (NHP), Captain Todd Ellison, NHP.

Opposed/Concerns: Janine Hansen, Nevada Eagle Forum.



Discussion: Discussion indicated that this bill is necessary to bring the weapons forfeiture provisions, for violation of the controlled substance act, in line with the way forfeitures are done for other crimes. During the testimony, Ms. Hansen raised some concerns on whether the weapons would be returned upon acquittal. In discussing the matter with Legal Counsel, it appears that there are due process mechanisms in both the adjudication and civil forfeiture procedures to make certain that a person is not wrongly deprived of his weapon.

Proposed Amendments: None.

■ **SENATE BILL 316** (BDR 3-739 was requested by Senator Nolan).

**This bill limits civil liability of certain persons providing gratuitous services.**

Committee Action: The bill was heard in Committee on April 6 and 7, 2005, and no action was taken.

Proponents: Senator Nolan; Dr. Havens; Brad Sagestad, MD; Lucille Lusk, Nevada Concerned Citizens; Rusty McAllister, Professional Firefighters of Nevada; Scott Craigie.

Opponents: Bill Bradley, Nevada Trial Lawyers Association (NTLA).

Discussion: Proponents suggested this measure was necessary to provide immunity for certain services that were provided gratuitously, but were not done at a clinic.

Proposed Amendments: There were two unrelated proposed amendments offered at the hearing. The Committee may choose to accept either or both.

Amendment Number 1 is attached as **TAB D**, which amends Section 2 of the bill and makes changes to the use of defibrillators to make it so that a person does not have to attend a course to be availed the protections.

Amendment Number 2 was orally proposed by Bill Bradley at the hearing on April 7, 2007. The amendment proposes to **delete subsection 2 of Section 1 of the bill** relating to attorney pro bono services; and to **delete “to the person rendering”** from subsection 11 of Section 2 of the bill, to retain the language as currently written in statute.

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- **SENATE BILL 331** (BDR 14-111 was requested by the Senate Committee on Judiciary on behalf the Attorney General).

**This bill makes various changes to the Advisory Commission on Sentencing.**

Committee Action: The bill was heard in Committee on April 8, 2005, and no action was taken.

Proponents: Randall Munn, Office of the Attorney General.

Opponents: None.

Discussion: Testimony indicated that this measure was necessary in order to revive the Sentencing Commission, and would move the responsibility from the Department of Administration to the Office of the Attorney General.

Proposed Amendments: Mr. Munn orally proposed **deleting Sections 2 and 3** of the bill, so that those functions would remain with the Department of Administration. Chairman Amodei also orally proposed **amending Section 1 to add the Director of the Department of Corrections** to the list of persons who serve on the Commission.

After the hearing, David Smith from the State Board of Parole Commissioners also requested that **the Chairman of State Board of Parole Commissioners be added** to the list of persons who serve on the Commission. As a policy consideration, the Committee may wish to note that this amendment may increase the number of persons to an even number of voting members, and a representative of the Division of Parole and Probation may already be appointed to the Commission.

- **SENATE BILL 198** (BDR 8-542 was requested by Senator Care).

**This bill revises provisions of Articles 3 and 4 of Uniform Commercial Code.**

Committee Action: The bill was heard in Committee on March 31, 2005, and again in Subcommittee on April 11, 2005.

Proponents: Senator Care; Frank Daykin, Uniform Law Commissioner.

Opponents/Concerns: Bill Uffelman, Nevada Bankers Association; Chad Katata, Wells Fargo Bank.

Discussion: Proponents suggested that this language was recommended by NCCUSL and updates provisions of the UCC dealing with payment by checks and other paper instruments to provide essential rules for the new technologies



and practices in payment systems. Opponents contended that this revision places undue challenges on the banking industry.

Proposed Amendments: At the Subcommittee on April 11, 2005, the parties met and the consensus amendments are proposed as **TAB E**. The amendments seek to delete certain references to consumers, delete references to principal and secondary obligors, and make various limitations to certain breach of warranty claims.

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■ **SENATE BILL 201** (BDR 8-357 was requested by Senator Care).

**This bill revises provisions of Articles 1 and 7 of Uniform Commercial Code.**

Committee Action: The bill was heard in Committee on March 31, 2005, and again in Subcommittee on April 11, 2005.

Proponents: Senator Care; Frank Daykin, Uniform Law Commissioner.

Opponents/Concerns: Bill Uffelman and Chad Katata.

Discussion: Proponents suggested this measure updates the general provisions section of the Uniform Commercial Code to harmonize with ongoing UCC projects, and also updates the original UCC7 to provide a framework for the further development of electronic documents of title, and to update the article for modern times in light of state, federal, and international developments. Opponents voiced concerns regarding the unlimited choice of law provision.

Proposed Amendments: At the direction of Chairman Amodei, the parties met at an April 11, 2005, subcommittee meeting and agreed to the proposed consensus amendment attached as **TAB F**. The amendment seeks to delete Section 15 relating to choice of law, and inserts language regarding the ability to choose the law of this State or any other state or nation.

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■ **SENATE BILL 452** (BDR 14-612 was requested by Judiciary).

**This bill creates the Advisory Committee on Nevada Criminal Justice Information Sharing, and repeals the Advisory Committee on Uniform Program for Reporting Crimes.**

Committee Action: The bill was heard in Committee on April 7, 2005, and no action was taken.

Proponents: Scott Swain, Central Repository.

Opponents: None.



Proposed Amendments: At the hearing, Chairman Amodei asked Mr. Swain to prepare an amendment identifying the proposed makeup of the seven member advisory committee. The proposed amendment attached as **TAB G** indicates that the committee shall consist of: the Director; one member of a Police Department from a city with a population over 100,000; one member of a Sheriff's Department from a county with a population over 100,000; one member representing a law enforcement agency with a constituent population under 100,000; one member representing a municipal or justice court; and two members appointed by the legislature.

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Senator Wiener stated that she would also like more information on the proposed amendment change, subsection 5, to describe if a vacancy occurs, how the replacement will be determined. The amendment indicates that a vacancy would be filled by the appointment of a member in the same area of representation.

In addition, the Department of Public Safety proposes that Section 1 of NRS 179A.078, establishing a requirement to produce a uniform crime report, remain as it currently exists (as opposed to being repealed by this bill), but that Sections 2 through 4 of NRS 179A.078 be repealed as they relate to a nonfunctioning advisory committee.

■ **SENATE BILL 453** (BDR 7-576 was requested by Judiciary).

**This bill revises various provisions concerning filings in the Office of the Secretary of State.**

Committee Action: The bill was heard in Committee on April 7, 2005, and no action was taken.

Proponents: Scott Anderson, Office of the Secretary of State; Robert Kim, Nevada Business Law Section; Misty Grimmer and Derek Rowley, Nevada Resident Agents.

Opponents: None.

Proposed Amendments: Based on the testimony at the hearing, and in the parties' subsequent efforts to reach consensus on the measure, there are four proposed amendments for the Committee to consider:

Amendments No. 1 & 2—Scott Anderson proposed making various changes to fees and establishing the one-hour expedited service fee (**TAB H**). Also incorporated into **TAB H** is a second additional amendment, to be taken in conjunction with the original amendment from Mr. Anderson, which deletes Sections 10, 16, 18, 19, 35, 41 and 42 (where the only changes were for a fee increase). In conferring with the

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Office of the Governor, the Governor approved the expedited service fee but did not authorize any additional fee increases.

Amendment No 3—At the hearing, Misty Grimmer and Derek Rowley on behalf of the Nevada Resident Agents, with the agreement of the Secretary of State, submitted **TAB I** which relates to rights and remedies of stockholders and with additional language adding the word “corporation” to Section 2(b) of the amendment.

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Amendment No. 4—Pat Cashill submitted an email amendment to staff requesting that **Section 43 of S.B. 453** be amended by adding the word “or” after the semicolon to page 33, line 43, and substituting the word “or” for the word “and” at page 34, line 1.

Thus, if the Committee chooses, it may consider an amend and do pass motion with both of the amendments (**TAB H**) offered by the Secretary of State, and/or the Resident Agent’s amendment (**TAB I**), and/or the oral Cashill amendment.

■ **SENATE BILL 338** (BDR 7-728 was requested by Judiciary).

**This bill makes various changes concerning business associations.**

Committee Action: The bill was heard in Committee on April 7, 2005, and no action was taken.

Proponents: Robert Kim, Nevada Business Law Section.

Concerns: Pat Cashill, NTLA.

Proposed Amendments: At the hearing, Pat Cashill submitted an amendment in writing to add “provided that the delay in commencement of corporate existence is not intended to defraud creditors or to violate or evade the law of the United States or of any state” to page 5, paragraph 13 and 14; page 17 paragraph 15, subsection 16, etc. Staff is aware that Mr. Cashill has agreed to withdraw his amendment to S.B. 338 in lieu of offering an amendment to S.B. 453 (as noted above).

Robert Kim, in a memo distributed to the Committee at the hearing, identified the possible amendments to S.B. 338. Since the hearing, Mr. Kim has agreed to present those same amendments as **TAB J** and to withdraw any amendment relating to NRS 86.201, due to the new amendments that eliminate the ability to select a 90-day effective date for formation.

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CARSON CITY (Tuesday), March 29, 2005

Senate called to order at 11:06 a.m.  
 President Hunt presiding.  
 Roll called.  
 All present.  
 Prayer by the Chaplain, Dr. John Jackson.  
 Heavenly Father, we thank You today for the privilege of life. We give thanks to You for the opportunity to serve the people of Nevada through the work of this legislative body.  
 God, in the midst of our deliberations, we ask for Your wisdom and Your grace. Help us to see solutions that are not clearly visible from the surface but in the end reflect the best that You have to offer us and the people of this State.  
 We are grateful for the opportunity to serve and look forward to seeing what You will do among us today. All these things we ask in the Name of Your Son, Jesus Christ.  
 AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.  
 Motion carried.

REPORTS OF COMMITTEES

*Madam President:*  
 Your Committee on Finance, to which was referred Assembly Bill No. 107, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.  
 WILLIAM J. RAGGIO, *Chair*

*Madam President:*  
 Your Committee on Judiciary, to which was referred Senate Bill No. 323, has had the same under consideration, and begs leave to report the same back with the recommendation: Rerefer to the Committee on Commerce and Labor.  
 MARK E. AMODEI, *Chair*

*Madam President:*  
 Your Committee on Natural Resources, to which were referred Senate Bills Nos. 35, 192, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.  
 DEAN A. RHOADS, *Chair*

MESSAGES FROM THE ASSEMBLY  
 ASSEMBLY CHAMBER, Carson City, March 28, 2005

*To the Honorable the Senate:*  
 I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 219.  
 DIANE KEETCH  
*Assistant Chief Clerk of the Assembly*

It is appropriate that we recognize the contributions made by the Boys and Girls Clubs to the lives of so many young people. I have seen young people who without the Boys and Girls Clubs might otherwise have been in reform school. The Boys and Girls Clubs in Nevada have achieved much. In Reno, the Boys and Girls Club has had the support of many in the community. The facility is outstanding. Washoe County District Attorney Richard Gammick was here, today. The board is a cross section of people from our community who recognize that this club is important for our youth. The facility is the envy of many other organizations throughout the Country. The fundraising was extraordinary. The last auction I attended raised over \$470,000.

We recognize the importance of the Boys and Girls Clubs in this Country, and we thank all who participate in the clubs from the children who benefit to the administrators and volunteers who give of their time.

Resolution adopted.

Senator Raggio moved that all rules be suspended and that Senate Concurrent Resolution No. 14 be immediately transmitted to the Assembly. Motion carried unanimously.

Senator Raggio moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 11:37 a.m.

#### SENATE IN SESSION

At 11:53 a.m.

President Hunt presiding.

Quorum present.

Senator Amodei moved that Senate Bill No. 323 be rereferred to the Committee on Commerce and Labor.

Remarks by Senator Amodei.

Motion carried.

#### INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Judiciary:

Senate Bill No. 382—AN ACT relating to trusts; authorizing a fiduciary to transfer trust property to a corporation, limited-liability company or other entity formed by the fiduciary; authorizing such an entity that acts as a fiduciary or trustee to be owned or controlled by the trust under certain circumstances; making various changes relating to spendthrift trusts; and providing other matters properly relating thereto.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 383—AN ACT relating to public welfare; creating within the Interim Finance Committee a Subcommittee to Address Public Housing Issues in Nevada; and providing other matters properly relating thereto.



By the Committee on Judiciary:

Senate Bill No. 451—AN ACT relating to civil liability; providing that the State and other governmental entities are not required to indemnify certain persons in a civil action for conduct that violated a state or federal law for which a criminal penalty is provided; and providing other matters properly relating thereto.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 452—AN ACT relating to the Central Repository for Nevada Records of Criminal History; requiring the Director of the Department of Public Safety to establish within the Department the Advisory Committee on Nevada Criminal Justice Information Sharing; prescribing the duties of the Advisory Committee; repealing the establishment of an Advisory Committee on the Uniform Program for Reporting Crimes; making various other changes concerning the Central Repository; and providing other matters properly relating thereto.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 453—AN ACT relating to the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings in the Office of the Secretary of State; increasing or revising fees for various filings; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; and providing other matters properly relating thereto.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

By the Committee on Finance:

Senate Bill No. 454—AN ACT relating to public employees' retirement; providing that investigators employed by the Office of the Attorney General are police officers for the purposes of the Public Employees' Retirement System; authorizing investigators who are currently employed by the Office of the Attorney General to elect whether to enroll as police officers in the Police and Firefighters' Retirement Fund; and providing other matters properly relating thereto.





## THE SEVENTY-FOURTH DAY

CARSON CITY (Thursday), April 21, 2005

Senate called to order at 11:10 a.m.

President pro Tempore Amodei presiding.  
Roll called.

All present except Senator Tiffany, who was excused.

Prayer by the Chaplain, Pastor Stan Pesis.

Lord, You have given us eyes to see and ears to hear. But, in our task of crafting legislation, often those gifts by themselves are not enough. Grant us vision and understanding as we seek how to best govern Your people.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President pro Tempore and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

### REPORTS OF COMMITTEES

*Mr. President pro Tempore:*

Your Committee on Commerce and Labor, to which was referred Assembly Bill No. 126, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which was referred Senate Bill No. 116, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDOLPH J. TOWNSEND, *Chair*

*Mr. President pro Tempore:*

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 84, 426, 463, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Senate Bill No. 414, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and refer to the Committee on Finance.

WARREN B. HARDY II, *Chair*

*Mr. President pro Tempore:*

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 221, 254, 268, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*

*Mr. President pro Tempore:*

Your Committee on Judiciary, to which were referred Assembly Bills Nos. 92, 295, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Judiciary, to which were referred Senate Bills Nos. 109, 453, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARK E. AMODEI, *Chair*



*Mr. President pro Tempore:*

Your Committee on Taxation, to which were referred Senate Bills Nos. 127, 247, 356, 358, 388, 394, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MIKE MCGINNESS, *Chair*

*Mr. President pro Tempore:*

Your Committee on Transportation and Homeland Security, to which were referred Senate Bills Nos. 242, 269, 288, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DENNIS NOLAN, *Chair*

#### MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 20, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 440; Senate Bill No. 94.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 70, 143, 315, 465, 469, 505.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolution No. 19.

DIANE KEETCH

*Assistant Chief Clerk of the Assembly*

#### WAIVERS AND EXEMPTIONS

WAIVER OF JOINT STANDING RULE(S)

A Waiver requested by Senator Beers.

For: Senate Joint Resolution No. 5.

To Waive:

Subsection 1 of Joint Standing Rule No. 14.3

Subsection 2 of Joint Standing Rule No. 14.3

With the following condition:

May only be passed out of house of origin on or before April 29, 2005.

Has been granted effective: April 21, 2005.

WILLIAM J. RAGGIO

*Senate Majority Leader*

RICHARD D. PERKINS

*Speaker of the Assembly*

#### MOTIONS, RESOLUTIONS AND NOTICES

By Senators McGinness, Amodei, Beers, Care, Carlton, Cegavske, Coffin, Hardy, Heck, Horsford, Lee, Mathews, Nolan, Raggio, Rhoads, Schneider, Tiffany, Titus, Townsend, Washington, Wiener; Assemblymen Sherer, Allen, Anderson, Angle, Arberry Jr., Atkinson, Buckley, Carpenter, Christensen, Claborn, Conklin, Denis, Gansert, Gerhardt, Giunchigliani, Goicoechea, Grady, Hardy, Hettrick, Hogan, Holcomb, Horne, Kirkpatrick, Koivisto, Leslie, Mabey, Manendo, Marvel, McClain, McCleary, Mortenson, Munford, Ocegueda, Ohrenschaal, Parks, Parnell, Perkins, Pierce, Seale, Sibley, Smith and Weber:

Senate Concurrent Resolution No. 20—Designating April 21, 2005, as **Kiwanis Day in the State of Nevada.**

WHEREAS, On January 21, 1915, the "Benevolent Order Brothers" was organized in Detroit, Michigan, with the goal of having "a mutual exchange of preferred treatment in professional and business dealings"; and



**THE SEVENTY-FIFTH DAY**

CARSON CITY (Friday), April 22, 2005

Senate called to order at 10:09 a.m.

President pro Tempore Amodei presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Stan Pesis.

Lord, the busyness and the demands of our days callous us to our surroundings. Help us, this day, reserve ten seconds of each hour to see, to recognize, to thank those who scurry around helping us address our responsibilities.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President pro Tempore and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

REPORTS OF COMMITTEES

*Mr. President pro Tempore:*

Your Committee on Finance, to which was referred Senate Bill No. 98, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

*Mr. President pro Tempore:*

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 212, 402, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*

*Mr. President pro Tempore:*

Your Committee on Judiciary, to which were referred Senate Bills Nos. 337, 338, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARK E. AMODEI, *Chair*

*Mr. President pro Tempore:*

Your Committee on Taxation, to which were referred Senate Bills Nos. 233, 389, 390, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MIKE MCGINNIS, *Chair*

*Mr. President pro Tempore:*

Your Committee on Transportation and Homeland Security, to which were referred Assembly Bills Nos. 82, 445, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.



congratulate my colleague, the Majority Leader, for his efforts, especially during the 1997 session, for coming up with the Accountability Act which made certain there were standards in place, that we were accountable for the content and the method and the resources that we were giving our educational institutions in closing the achievement gap.

This is a good bill. It is a bill that needs to pass because the districts are asking for it. I urge my colleagues to vote "yes" on this bill.

Roll call on Senate Bill No. 460:

YEAS—12.

NAYS—Care, Carlton, Coffin, Horsford, Lee, Mathews, Schneider, Titus, Wiener—9.

Senate Bill No. 460 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 467.

Bill read third time.

Remarks by Senator Hardy.

Roll call on Senate Bill No. 467:

YEAS—20.

NAYS—None.

EXCUSED—Titus.

Senate Bill No. 467 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 493.

Bill read third time.

Roll call on Senate Bill No. 493:

YEAS—19.

NAYS—Care.

EXCUSED—Titus.

Senate Bill No. 493 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

#### MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that Assembly Bills Nos. 6, 79, 88, 178, 205, 227, 243 be taken from the General File and placed on the General File for the next legislative day.

Remarks by Senator Raggio.

Motion carried.

#### SECOND READING AND AMENDMENT

Senate Bill No. 394.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 379.

Amend the bill as a whole by deleting sec. 9 and adding:

"Sec. 9. (Deleted by amendment.)".



Amend the title of the bill, second line, after the semicolon, by inserting: "providing that certain documents furnished to a public body may be transmitted and stored electronically:".

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 453.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 293.

Amend the bill as a whole by renumbering sections 1 through 9 as sections 2 through 10 and adding a new section designated section 1, following the enacting clause, to read as follows:

"Section 1. Chapter 78 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. On application to a court of competent jurisdiction by a judgment creditor of a stockholder, the court may charge the stockholder's stock with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the stockholder's stock.*

*2. This section:*

*(a) Applies only to a corporation that:*

*(1) Has more than one, but fewer than 75 stockholders of record at any time;*

*(2) Is not a subsidiary of a publicly traded corporation, either in whole or in part; and*

*(3) Is not a professional corporation, as defined in NRS 89.020.*

*(b) Does not apply to any liability of a stockholder that exists as the result of an action filed before October 1, 2005.*

*(c) Provides the exclusive remedy by which a judgment creditor of a stockholder or an assignee of a stockholder may satisfy a judgment out of the stockholder's stock of the corporation.*

*(d) Does not deprive any stockholder of the benefit of any exemption applicable to the stockholder's stock.*

*(e) Does not supersede any private agreement between a stockholder and a creditor."*

Amend sec. 6, page 7, line 17, by deleting: "7, 8 and 9" and inserting: "8, 9 and 10".

Amend the bill as a whole by deleting sec. 10.

Amend sec. 11, page 9, line 42, by deleting "7" and inserting "8".

Amend sec. 11, page 10, line 2, by deleting "7" and inserting "8".

Amend sec. 12, page 10, lines 15 and 20, by deleting "8" and inserting "9".

Amend sec. 13, page 10, line 26, by deleting "8" and inserting "9".



Amend sec. 14, page 11, lines 11, 15, 17 and 20, by deleting "g" and inserting "l0".

Amend the bill as a whole by deleting sec. 16 and renumbering sec. 17 as sec. 16.

Amend the bill as a whole by deleting sections 18 and 19 and renumbering sections 20 through 34 as sections 17 through 31.

Amend the bill as a whole by deleting sec. 35, renumbering sections 36 through 40 as sections 32 through 36 and adding new sections designated sections 37 through 40, following sec. 40, to read as follows:

"Sec. 37. NRS 21.075 is hereby amended to read as follows:

21.075 1. Execution on the writ of execution by levying on the property of the judgment debtor may occur only if the sheriff serves the judgment debtor with a notice of the writ of execution pursuant to NRS 21.076 and a copy of the writ. The notice must describe the types of property exempt from execution and explain the procedure for claiming those exemptions in the manner required in subsection 2. The clerk of the court shall attach the notice to the writ of execution at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION

YOUR PROPERTY IS BEING ATTACHED OR

YOUR WAGES ARE BEING GARNISHED

A court has determined that you owe money to .....(name of person), the judgment creditor. He has begun the procedure to collect that money by garnishing your wages, bank account and other personal property held by third persons or by taking money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received under the Social Security Act.
2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
3. Payments for public assistance granted through the Welfare Division of the Department of Human Resources or a local governmental entity.
4. Proceeds from a policy of life insurance.
5. Payments of benefits under a program of industrial insurance.
6. Payments received as disability, illness or unemployment benefits.
7. Payments received as unemployment compensation.
8. Veteran's benefits.
9. A homestead in a dwelling or a mobile home, not to exceed \$200,000,

unless:

- (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
- (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home



and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.

10. A vehicle, if your equity in the vehicle is less than \$15,000.
11. Seventy-five percent of the take-home pay for any pay period, unless the weekly take-home pay is less than 30 times the federal minimum wage, in which case the entire amount may be exempt.
12. Money, not to exceed \$500,000 in present value, held in:
  - (a) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;
  - (d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and
  - (e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
13. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.
15. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.
16. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.
17. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.
18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.





19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

20. Payments received as restitution for a criminal act.

21. *Stock of certain corporations, subject to the provisions of section 1 of this act.*

➔ These exemptions may not apply in certain cases such as a proceeding to enforce a judgment for support of a person or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through .....(name of organization in county providing legal services to indigent or elderly persons).

#### PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt, you must complete and file with the clerk of the court a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless you or the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The motion for the hearing to determine the issue of exemption must be filed within 10 days after the affidavit claiming exemption is filed. The hearing to determine whether the property or money is exempt must be held within 10 days after the motion for the hearing is filed.

**IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.**

Sec. 38. NRS 21.090 is hereby amended to read as follows:

21.090 1. The following property is exempt from execution, except as otherwise specifically provided in this section:

- (a) Private libraries not to exceed \$1,500 in value, and all family pictures and keepsakes.
- (b) Necessary household goods, as defined in 16 C.F.R. § 444.1(i) as that section existed on January 1, 1987, and yard equipment, not to exceed \$10,000 in value, belonging to the judgment debtor to be selected by him.
- (c) Farm trucks, farm stock, farm tools, farm equipment, supplies and seed not to exceed \$4,500 in value, belonging to the judgment debtor to be selected by him.



(d) Professional libraries, office equipment, office supplies and the tools, instruments and materials used to carry on the trade of the judgment debtor for the support of himself and his family not to exceed \$4,500 in value.

(e) The cabin or dwelling of a miner or prospector, his cars, implements and appliances necessary for carrying on any mining operations and his mining claim actually worked by him, not exceeding \$4,500 in total value.

(f) Except as otherwise provided in paragraph (o), one vehicle if the judgment debtor's equity does not exceed \$15,000 or the creditor is paid an amount equal to any excess above that equity.

(g) For any pay period, 75 percent of the disposable earnings of a judgment debtor during that period, or for each week of the period 30 times the minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), and in effect at the time the earnings are payable, whichever is greater. Except as otherwise provided in paragraphs (n), (r) and (s), the exemption provided in this paragraph does not apply in the case of any order of a court of competent jurisdiction for the support of any person, any order of a court of bankruptcy or of any debt due for any state or federal tax. As used in this paragraph, "disposable earnings" means that part of the earnings of a judgment debtor remaining after the deduction from those earnings of any amounts required by law, to be withheld.

(h) All fire engines, hooks and ladders, with the carts, trucks and carriages, hose, buckets, implements and apparatus thereunto appertaining, and all furniture and uniforms of any fire company or department organized under the laws of this State.

(i) All arms, uniforms and accouterments required by law to be kept by any person, and also one gun, to be selected by the debtor.

(j) All courthouses, jails, public offices and buildings, lots, grounds and personal property, the fixtures, furniture, books, papers and appurtenances belonging and pertaining to the courthouse, jail and public offices belonging to any county of this State, all cemeteries, public squares, parks and places, public buildings, town halls, markets, buildings for the use of fire departments and military organizations, and the lots and grounds thereto belonging and appertaining, owned or held by any town or incorporated city, or dedicated by the town or city to health, ornament or public use, or for the use of any fire or military company organized under the laws of this State and all lots, buildings and other school property owned by a school district and devoted to public school purposes.

(k) All money, benefits, privileges or immunities accruing or in any manner growing out of any life insurance, if the annual premium paid does not exceed \$1,000. If the premium exceeds that amount, a similar exemption exists which bears the same proportion to the money, benefits, privileges and immunities so accruing or growing out of the insurance that the \$1,000 bears to the whole annual premium paid.



- (l) The homestead as provided for by law, including a homestead for which allodial title has been established and not relinquished and for which a waiver executed pursuant to NRS 115.010 is not applicable.
- (m) The dwelling of the judgment debtor occupied as a home for himself and family, where the amount of equity held by the judgment debtor in the home does not exceed \$200,000 in value and the dwelling is situated upon lands not owned by him.
- (n) All property in this State of the judgment debtor where the judgment is in favor of any state for failure to pay that state's income tax on benefits received from a pension or other retirement plan.
- (o) Any vehicle owned by the judgment debtor for use by him or his dependent that is equipped or modified to provide mobility for a person with a permanent disability.
- (p) Any prosthesis or equipment prescribed by a physician or dentist for the judgment debtor or a dependent of the debtor.
- (q) Money, not to exceed \$500,000 in present value, held in:
- (1) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (2) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (3) A cash or deferred arrangement which is a qualified plan pursuant to the Internal Revenue Code;
  - (4) A trust forming part of a stock bonus, pension or profit-sharing plan which is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and
  - (5) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
- (r) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
- (s) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.
- (t) Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.
- (u) Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful



death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(v) Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

(w) Payments received as restitution for a criminal act.

(x) *Stock of certain corporations, subject to the provisions of section 1 of this act.*

2. Except as otherwise provided in NRS 115.010, no article or species of property mentioned in this section is exempt from execution issued upon a judgment to recover for its price, or upon a judgment of foreclosure of a mortgage or other lien thereon.

3. Any exemptions specified in subsection (d) of section 522 of the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to property owned by a resident of this State unless conferred also by subsection 1, as limited by subsection 2.

Sec. 39. NRS 31.045 is hereby amended to read as follows:

31.045 1. Execution on the writ of attachment by attaching property of the defendant may occur only if:

(a) The judgment creditor serves the defendant with notice of the execution when the notice of the hearing is served pursuant to NRS 31.013; or

(b) Pursuant to an ex parte hearing, the sheriff serves upon the judgment debtor notice of the execution and a copy of the writ at the same time and in the same manner as set forth in NRS 21.076.

➔ If the attachment occurs pursuant to an ex parte hearing, the clerk of the court shall attach the notice to the writ of attachment at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION

YOUR PROPERTY IS BEING ATTACHED OR

YOUR WAGES ARE BEING GARNISHED

Plaintiff, ..... (name of person), alleges that you owe him money. He has begun the procedure to collect that money. To secure satisfaction of judgment the court has ordered the garnishment of your wages, bank account or other personal property held by third persons or the taking of money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received under the Social Security Act.



2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.
3. Payments for public assistance granted through the Welfare Division of the Department of Human Resources or a local governmental entity.
4. Proceeds from a policy of life insurance.
5. Payments of benefits under a program of industrial insurance.
6. Payments received as disability, illness or unemployment benefits.
7. Payments received as unemployment compensation.
8. Veteran's benefits.
9. A homestead in a dwelling or a mobile home, not to exceed \$200,000, unless:
  - (a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.
  - (b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.
10. A vehicle, if your equity in the vehicle is less than \$15,000.
11. Seventy-five percent of the take-home pay for any pay period, unless the weekly take-home pay is less than 30 times the federal minimum wage, in which case the entire amount may be exempt.
12. Money, not to exceed \$500,000 in present value, held in:
  - (a) An individual retirement arrangement which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of 26 U.S.C. § 408;
  - (c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;
  - (d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and
  - (e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.
13. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.
14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.



15. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.
16. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.
17. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.
18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.
20. Payments received as restitution for a criminal act.

21. *Stock of certain corporations, subject to the provisions of section 1 of this act.*

➔ These exemptions may not apply in certain cases such as proceedings to enforce a judgment for support of a child or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through ..... (name of organization in county providing legal services to the indigent or elderly persons).

#### PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The hearing must be held within 10 days after the motion for a hearing is filed.

**IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.**



If you received this notice with a notice of a hearing for attachment and you believe that the money or property which would be taken from you by a writ of attachment is exempt or necessary for the support of you or your family, you are entitled to describe to the court at the hearing why you believe your property is exempt. You may also file a motion with the court for a discharge of the writ of attachment. You may make that motion any time before trial. A hearing will be held on that motion.

**IF YOU DO NOT FILE THE MOTION BEFORE THE TRIAL, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE PROPERTY OR MONEY IS EXEMPT OR NECESSARY FOR THE SUPPORT OF YOU OR YOUR FAMILY.**

Sec. 40. NRS 31.050 is hereby amended to read as follows:

31.050 Subject to the order for attachment and the provisions of *section 1 of this act and* chapter 104 of NRS, the right of shares which the defendant may have in the stock of any corporation or company, together with the interest and profits therein, and all debts due such defendant, and all other property in this State of such defendant not exempt from execution, may be attached, and if judgment be recovered, be sold to satisfy the judgment and execution."

Amend the bill as a whole by deleting sections 41 and 42 and renumbering sections 43 through 45 as sections 41 through 43.

Amend sec. 43, page 34, line 1, by deleting "and" and inserting "or".

Amend sec. 44, page 35, line 6, by deleting "[~~\$20~~] \$30" and inserting "\$20".

Amend sec. 44, page 36, by deleting lines 14 through 17 and inserting:

"(a) [~~The entire amount of \$62.50, whichever is less, of the fee collected pursuant to subparagraph (1) of that paragraph and one-half One-half of the fee collected pursuant to subparagraph (2) of that paragraph~~] must be deposited with the State Treasurer for credit".

Amend the title of the bill to read as follows:

"AN ACT relating to business entities; providing for a charging order by the court concerning a stockholder's stock under certain circumstances; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; and providing other matters properly relating thereto. "

Amend the summary of the bill to read as follows:

"SUMMARY—Makes various changes concerning business entities. (BDR 7-576)".

Senator Care moved the adoption of the amendment.

Remarks by Senator Care.





Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 463.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 417.

Amend sec. 6, pages 2 and 3, by deleting lines 41 through 44 on page 2 and lines 1 through 7 on page 3, and inserting: "*Fund for the purpose of assisting, through loans or grants, to pay the costs of:*".

Amend sec. 6, page 3, line 8, by deleting "(2)" and inserting "(a)".

Amend sec. 6, page 3, line 14, by deleting "(3)" and inserting "(b)".

Amend sec. 6, page 3, line 17, after "5." by inserting: "*The Board may adopt regulations relating to the Research and Development Fund. The regulations may provide for, without limitation:*

(a) *The administration of the Fund; and*

(b) *The creation and operation of one or more corporations formed for educational or charitable purposes.*

6."

Amend sec. 6, page 3, line 22, by deleting "6." and inserting "7."

Amend sec. 6, page 3, line 24, by deleting "7." and inserting "8."

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Senator Hardy moved that Senate Bill No. 463 be rereferred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Assembly Bill No. 92.

Bill read second time and ordered to third reading.

Assembly Bill No. 126.

Bill read second time and ordered to third reading.

Assembly Bill No. 295.

Bill read second time and ordered to third reading.

*Mr. President pro Tempore:*

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 81, 296, 462, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*

#### REPORTS OF COMMITTEES



**THE SEVENTY-EIGHTH DAY**


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CARSON CITY (Monday), April 25, 2005

Senate called to order at 11:12 a.m.

President Hunt presiding.

Roll called.

All present except Senator McGinness, who was excused.

Prayer by the Chaplain, Pastor Alan Dorway.

Gracious God.

We come before You this morning seeking Your peace and guidance for the Senate this day. Grant Your peace to all who are making difficult decisions and trying their best to serve this State. Send Your spirit to guide the interactions between colleagues, staff members and support services to this process. Lord, send Your grace to mediate tough issues, to help set aside personal agendas for the greater good, and to extend love to our neighbors. Be with us this day and make Your presence known in all we do.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 276, 431, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 153, 323, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDOLPH J. TOWNSEND, *Chair*

*Madam President:*

Your Committee on Finance, to which was referred Senate Bill No. 484, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

*Madam President:*

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 67, 130, 184, 229, 267, 488, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WARREN B. HARDY II, *Chair*

*Madam President:*

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 21, 56, 223, 461, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Human Resources and Education, to which was referred Senate Bill No. 420, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.



Roll call on Senate Bill No. 426:

YEAS—20.  
NAYS—None.  
EXCUSED—McGinness.

Senate Bill No. 426 having received a constitutional majority, Madam President declared it passed, as amended.  
Bill ordered transmitted to the Assembly.

Senate Bill No. 453.  
Bill read third time.

Senator Amodעי moved that Senate Bill No. 453 be taken from the General File and placed on the General File for the next legislative day.  
Remarks by Senator Amodעי.  
Motion carried.

Senate Bill No. 459.  
Bill read third time.

Remarks by Senators Washington, Titus, Heck and Carlton.

Roll call on Senate Bill No. 459:

YEAS—20.  
NAYS—None.  
EXCUSED—McGinness.

Senate Bill No. 459 having received a constitutional majority, Madam President declared it passed, as amended.  
Bill ordered transmitted to the Assembly.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that Assembly Bills Nos. 6, 79, 88, 92, 126, 178, 205, 227, 243, 295 be taken from the General File and placed on the General File for the next Legislative Day.  
Remarks by Senator Raggio.  
Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 31.

Bill read third time.

The following amendment was proposed by Senator Carlton:

Amendment No. 304.

Amend the bill as a whole by deleting sec. 5 and renumbering sec. 6 as sec. 5.

Amend the title of the bill by deleting the ninth through thirteenth lines and inserting "Governor;".

Senator Carlton moved the adoption of the amendment.

Remarks by Senator Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.



**THE SEVENTY-NINTH DAY**

CARSON CITY (Tuesday), April 26, 2005

Senate called to order at 11:01 a.m.

President Hunt presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Alan Dorway.

Almighty God,

Draw our hearts to You, guide our minds, fill our imaginations, control our wills that we may be wholly Yours and dedicated to Your call. Bless all in the Senate today that as they do their work, they would find peace and joy in their service. Use us as You will, always to the glory and the welfare of Your people through our Lord and Savior Jesus Christ.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 262, 411, 464, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WARREN B. HARDY II, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 25, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bill No. 393.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 44, 59, 65, 83, 120, 156, 201, 231, 271, 320, 337, 340, 353, 365, 392, 397, 418, 473, 495, 518, 546, 550; Assembly Joint Resolutions Nos. 5, 8.

DIANE KEETCH

*Assistant Chief Clerk of the Assembly*

MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Judiciary:

Senate Concurrent Resolution No. 21—Urging Washoe County and the City of Reno to study the feasibility of colocating or unifying Reno Justice Court and Reno Municipal Court.

Senator Amodei moved that the resolution be referred to the Committee on Judiciary.

Motion carried.

By Senators Schneider, Beers, Heck, Coffin, Titus, Amodei, Carlton, Hardy, Horsford, Lee, Nolan, Rhoads, Wiener; Assemblymen Parks,



Senate Bill No. 431 having received a two-thirds majority, Madam President declared it passed, as amended.  
Bill ordered transmitted to the Assembly.

Senate Bill No. 452.  
Bill read third time.

Roll call on Senate Bill No. 452:

YEAS—19.

NAYS—None.

EXCUSED—McGuinness, Washington—2.

Senate Bill No. 452 having received a constitutional majority, Madam President declared it passed, as amended.  
Bill ordered transmitted to the Assembly.

Senate Bill No. 453.

Bill read third time.

The following amendment was proposed by Senators Amodèi and Care:

Amendment No. 638.

Amend sec. 41, page 41, by deleting lines 41 through 45 and inserting:

"6. *As used in this section, "record" means information that is:*

- (a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and*
- (b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or article 9 of the Uniform Commercial Code."*

Senator Care moved the adoption of the amendment.

Remarks by Senators Care and Amodèi.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that Senate Bill No. 462 be taken from the General File and placed on the General File on the second agenda.

Remarks by Senator Raggio.

Motion carried.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 475.

Bill read third time.

Roll call on Senate Bill No. 475:

YEAS—12.

NAYS—Care, Carlton, Coffin, Horsford, Mathews, Titus, Wiener—7.

EXCUSED—McGuinness, Washington—2.

Senate Bill No. 475 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 477.

Bill read third time.



Senate Bill No. 386.

Bill read third time.

Roll call on Senate Bill No. 386:

YEAS—11.

NAYS—Care, Carlton, Coffin, Horsford, Lee, Mathews, Schneider, Titus, Wiener—9.

EXCUSED—Washington.

Senate Bill No. 386 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended. Bill ordered transmitted to the Assembly.

Senate Bill No. 411.

Bill read third time.

Roll call on Senate Bill No. 411:

YEAS—20.

NAYS—None.

EXCUSED—Washington.

Senate Bill No. 411 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended. Bill ordered transmitted to the Assembly.

Senate Bill No. 430.

Bill read third time.

Roll call on Senate Bill No. 430:

YEAS—20.

NAYS—None.

EXCUSED—Washington.

Senate Bill No. 430 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended. Bill ordered transmitted to the Assembly.

Senate Bill No. 453.

Bill read third time.

Roll call on Senate Bill No. 453:

YEAS—20.

NAYS—None.

EXCUSED—Washington.

Senate Bill No. 453 having received a two-thirds majority, Mr. President pro Tempore declared it passed, as amended. Bill ordered transmitted to the Assembly.

Senate Bill No. 457.

Bill read third time.

Roll call on Senate Bill No. 457:

YEAS—20.

NAYS—None.

EXCUSED—Washington.



**THE ONE HUNDRED AND TENTH DAY**

\_\_\_\_\_  
CARSON CITY (Friday), May 27, 2005

Senate called to order at 11:36 a.m.

President Hunt presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Dixie Jennings-Teats.

Create in us clean hearts, O God, and renew a right spirit within us.

As we breathe in, let us come into the center of our beings, into the depths of our lives.

Remind us of what is important as we breathe out.

Let us release all that binds us in narrow concerns.

Let us hear Your invitation to Your common table for all people.

Let the work of this Legislature be centered in true creativity, true consensus for the common good of all Your people.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Commerce and Labor, to which were referred Assembly Bills Nos. 44, 540, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDOLPH J. TOWNSEND, *Chair*

*Madam President:*

Your Committee on Finance, to which was rereferred Senate Bill No. 463, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

WILLIAM J. RAGGIO, *Chair*

*Madam President:*

Your Committee on Government Affairs, to which was referred Assembly Bill No. 31, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Assembly Bill No. 385, has had the same under consideration, and begs leave to report the same back with the recommendation: Rerefer to the Committee on Commerce and Labor.

WARREN B. HARDY II, *Chair*

*Madam President:*

Your Committee on Human Resources and Education, to which was referred Assembly Bill No. 280, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*





*Madam President:*

Your Committee on Taxation, to which was referred Assembly Joint Resolution No. 11, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MIKE MCGINNESS, *Chair*

*Madam President:*

Your Committee on Transportation and Homeland Security, to which was referred Assembly Bill No. 240, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DENNIS NOLAN, *Chair*

## MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 26, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bills Nos. 321, 368, 384, 398, 401, 410, 481.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 209, 310, 413, 514.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 29, Amendment No. 834; Senate Bill No. 83, Amendment No. 824; Senate Bill No. 122, Amendment No. 904; Senate Bill No. 150, Amendment No. 887; Senate Bill No. 163, Amendment No. 972; Senate Bill No. 170, Amendment No. 864; Senate Bill No. 263, Amendment No. 999; Senate Bill No. 287, Amendment No. 854; Senate Bill No. 290, Amendment No. 712; Senate Bill No. 307, Amendment No. 728; Senate Bill No. 326, Amendment No. 998; Senate Bill No. 335, Amendment No. 959; Senate Bill No. 338, Amendment No. 815; Senate Bill No. 389, Amendment No. 909; Senate Bill No. 411, Amendment No. 786; Senate Bill No. 415, Amendment No. 826; Senate Bill No. 421, Amendment No. 910; Senate Bill No. 432, Amendment No. 882; Senate Bill No. 444, Amendment No. 956; Senate Bill No. 445, Amendment No. 851; Senate Bill No. 450, Amendment No. 814; Senate Bill No. 452, Amendment No. 795; Senate Bill No. 453, Amendment No. 881; Senate Bill No. 460, Amendment No. 970; Senate Bill No. 488, Amendment No. 993; Senate Bill No. 489, Amendment No. 955, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 790 to Assembly Bill No. 15; Senate Amendment No. 708 to Assembly Bill No. 395.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 801 to Assembly Bill No. 51; Senate Amendment No. 706 to Assembly Bill No. 501.

DIANE KEETCH

*Assistant Chief Clerk of the Assembly*

WAIVERS AND EXEMPTIONS  
NOTICE OF EXEMPTION

May 27, 2005

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the exemption of: Senate Bill No. 479.

MARK STEVENS

*Fiscal Analysis Division*

MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that for this legislative day, all necessary rules be suspended, and that all bills and joint resolutions returned from reprint be



**THE ONE HUNDRED AND FIFTEENTH DAY**

CARSON CITY (Wednesday), June 1, 2005

Senate called to order at 11:46 a.m.

President Hunt presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Elaine Morgan.

Lord of all creation, send down your love upon each member of the Nevada State Senate. Give them Your gifts of discernment, peace, joy and strength. Provide them with Your guidance in each decision they are called upon to make during the last days of this Legislative Session.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Finance, to which were referred Senate Bill No. 103; Assembly Bill No. 561, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Finance, to which was rereferred Assembly Bill No. 35, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

WILLIAM J. RAGGIO, *Chair*

*Madam President:*

Your Committee on Human Resources and Education, to which were referred Assembly Bills Nos. 388, 524, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MAURICE E. WASHINGTON, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 31, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 563; Senate Bills Nos. 96, 187, 485, 510, 511.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolution No. 44.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 926 to Assembly Bill No. 195; Senate Amendment No. 1049 to Assembly Bill No. 312; Senate Amendment No. 953 to Assembly Bill No. 550.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 848 to Assembly Bill No. 43; Senate Amendment No. 1094 to Assembly Bill No. 195; Senate Amendment No. 925 to Assembly Bill No. 208; Senate Amendment No. 897 to Assembly Bill No. 210; Senate Amendment No. 951 to Assembly Bill No. 239; Senate Amendment No. 747 to Assembly Bill No. 254; Senate Amendments Nos. 866, 1048 to Assembly Bill No. 260; Senate Amendments Nos. 867, 1062 to Assembly Bill No. 290; Senate Amendment No. 803 to Assembly Bill



Remarks by Senator Townsend.  
Motion carried.

Bill ordered transmitted to the Assembly.

Senate Bill No. 453.

The following Assembly amendment was read:

Amendment No. 881.

Amend the bill as a whole by deleting section 1 and renumbering sections 2 through 36 as sections 1 through 35.

Amend sec. 11, page 10, lines 7 and 12, by deleting "8" and inserting "7".

Amend sec. 12, page 10, lines 25 and 30, by deleting "9" and inserting "8".

Amend sec. 13, page 10, line 36, by deleting "9" and inserting "8".

Amend sec. 14, page 11, lines 20, 24, 26 and 29, by deleting "10" and inserting "9".

Amend the bill as a whole by deleting sections 37 through 40, renumbering sections 41 and 42 as sections 36 and 37.

Amend sec. 41, pages 41 and 42, by deleting lines 41 through 45 on page 41 and lines 1 through 3 on page 42.

Amend the bill as a whole by renumbering sec. 43 as sec. 47 and adding new sections designated sections 38 through 46, following sec. 42, to read as follows:

"Sec. 38. Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 39 and 40 of this act.

Sec. 39. 1. *A notary public who is appointed pursuant to this chapter shall not willfully notarize the signature of a person unless the person is in the presence of the notary public and:*

(a) *Is known to the notary public; or*

(b) *If unknown to the notary public, provides documentary evidence of identification to the notary public.*

2. *A person who:*

(a) *Violates the provisions of subsection 1; or*

(b) *Aids and abets a notary public to commit a violation of subsection 1, is guilty of a gross misdemeanor.*

Sec. 40. 1. *Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication to verify that the signature of the notarial officer on a document is genuine and that the notarial officer holds the office indicated on the document. If the document:*

(a) *Is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961.*

(b) *Is intended for use in the United States or in a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*



2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:

- (a) The document has not been notarized in accordance with the provisions of this chapter; or
- (b) The Secretary of State has reasonable cause to believe that the document may be used to accomplish any fraudulent, criminal or unlawful purpose.

Sec. 41. NRS 240.001 is hereby amended to read as follows:

240.001 As used in NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

Sec. 42. NRS 240.007 is hereby amended to read as follows:

240.007 1. Except as otherwise provided in subsection 2, information and documents filed with or obtained by the Secretary of State pursuant to NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act are public information and are available for public examination.

2. Except as otherwise provided in subsections 3 and 4, information and documents obtained by or filed with the Secretary of State in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act are not public information and are confidential.

3. The Secretary of State may submit any information or evidence obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act to the appropriate district attorney for the purpose of prosecuting a criminal action.

4. The Secretary of State may disclose any information or documents obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act to an agency of this State or a political subdivision of this State.

Sec. 43. NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

- (a) Who submits an application containing a substantial and material misstatement or omission of fact.
- (b) Whose previous appointment as a notary public in this State has been revoked.
- (c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.
- (d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.



3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.
4. It is unlawful for a person to:
  - (a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.
  - (b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.
5. *The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 4.*

Sec. 44. NRS 240.033 is hereby amended to read as follows:  
240.033 1. The bond required to be filed pursuant to NRS 240.030 must be executed by the person applying to become a notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the notary public which violates a provision of NRS 240.001 to 240.169, inclusive ~~†~~, and sections 39 and 40 of this act. The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous but, regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

  2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.
  3. The surety bond must cover the period of the appointment of the notary public, except when a surety is released.
  4. A surety on a bond filed pursuant to NRS 240.030 may be released after the surety gives 30 days' written notice to the Secretary of State and notary public, but the release does not discharge or otherwise affect a claim filed by a person for damage resulting from an act of the notary public which is alleged to have occurred while the bond was in effect.
  5. The appointment of a notary public is suspended by operation of law when the notary public is no longer covered by a surety bond as required by this section and NRS 240.030 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary of State shall immediately notify the notary public in writing that his appointment will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.
  6. The Secretary of State may reinstate the appointment of a notary public whose appointment has been suspended pursuant to subsection 5, if the notary public, before his current term of appointment expires:
    - (a) Submits to the Secretary of State:



(1) An application for an amended certificate of appointment as a notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk.

(b) Pays to the Secretary of State a fee of \$10.

Sec. 45. NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, *and section 40 of this act* may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

Sec. 46. NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

(a) A notary public;

(b) A judge, clerk or deputy clerk of a court of record; or

(c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. ~~["An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.~~

~~3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~5.]~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~6.]~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a



source for that information, the authority of an officer with that title to perform notarial acts is conclusively established."

Amend the title to read as follows:

"AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners' associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto."

Amend the summary of the bill to read as follows:

"SUMMARY—Makes various changes concerning business entities and notaries public. (BDR 7-576)".

Senator Amodעי moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 453.

Remarks by Senator Amodעי.

Motion carried.

Bill ordered transmitted to the Assembly.

#### RECEDE FROM SENATE AMENDMENTS

Senator Cegavske moved that the Senate do not recede from its action on Assembly Bill No. 314, that a conference be requested, and that Madam President appoint a first Conference Committee consisting of three members to meet with a like committee of the Assembly.

Remarks by Senator Cegavske.

Motion carried.

Bill ordered transmitted to the Assembly.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Beers, Titus and Hardy as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 314.

Senator Raggio moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 12:51 p.m.

#### SENATE IN SESSION

At 12:54 p.m.

President Hunt presiding.

Quorum present.





**THE ONE HUNDRED AND SEVENTEENTH DAY**

CARSON CITY (Friday), June 3, 2005

Senate called to order at 11:21 a.m.  
President Hunt presiding.

Roll called.  
All present.

Prayer by the Chaplain, Reverend Elaine Morgan.

Loving Father, we thank You for being with us today as You have been with us each day that the Nevada State Legislature has met. We appreciate that You have provided our State with 21 dedicated Senators and a hard working, loyal group of people at the Front Desk. We pray that You will continue to guide and help this leadership group to fulfill the needs of the citizens of our State.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Finance, to which were referred Assembly Bills Nos. 98, 109, 249, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Finance, to which were rereferred Senate Bills Nos. 274, 400, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, June 2, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 534, 562, 570, 571; Senate Bill No. 512.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 47, 77, 460, 464, 499, 500, 568.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 118, Amendment No. 793, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 842 to Assembly Bill No. 31; Senate Amendment No. 806 to Assembly Bill No. 128; Senate Amendment No. 844 to Assembly Bill No. 188; Senate Amendment No. 839 to Assembly Bill No. 201; Senate Amendment No. 960 to Assembly Bill No. 250; Senate Amendments Nos. 843, 1050 to Assembly Bill No. 334; Senate Amendment No. 871 to Assembly Bill No. 345; Senate Amendment No. 764 to Assembly Bill No. 346; Senate Amendment No. 840 to Assembly Bill No. 371; Senate Amendments Nos. 726, 957, 1100 to Assembly Bill No. 418; Senate Amendments Nos. 896, 1069 to Assembly Bill No. 425; Senate Amendment No. 870 to Assembly Bill No. 496; Senate Amendment No. 1056 to Assembly Bill No. 526.



Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 426, Assembly Amendment No. 889, and requests a conference, and appointed Assemblymen Giunchigliani, Kirkpatrick and Hardy as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 434, Assembly Amendment No. 1086, and requests a conference, and appointed Assemblymen Conklin, Parks and Sherer as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 453, Assembly Amendment No. 881, and requests a conference, and appointed Assemblymen Buckley, Carpenter and Anderson as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 457, Assembly Amendments Nos. 1087, 1108, and requests a conference, and appointed Assemblymen Ocegüera, Conklin and Allen as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Leslie, Home and Weber as a first Conference Committee concerning Assembly Bill No. 42.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen McClain, Koivisto and Hardy as a first Conference Committee concerning Assembly Bill No. 43.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen McCleary, Conklin and Hardy as a first Conference Committee concerning Assembly Bill No. 44.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ocegüera, Atkinson and Carpenter as a first Conference Committee concerning Assembly Bill No. 52.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Conklin, Leslie and Gansert as a first Conference Committee concerning Assembly Bill No. 63.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Conklin, Carpenter and Home as a first Conference Committee concerning Assembly Bill No. 143.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ocegüera, Allen and Gerhardt as a first Conference Committee concerning Assembly Bill No. 221.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Anderson, Allen and Ohrenschaal as a first Conference Committee concerning Assembly Bill No. 267.

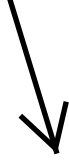
Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Leslie, Home and Mabey as a first Conference Committee concerning Assembly Bill No. 327.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Pierce, Home and Weber as a first Conference Committee concerning Assembly Bill No. 337.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ohrenschaal, Allen and Gerhardt as a first Conference Committee concerning Assembly Bill No. 365.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Buckley, McClain and Sherer as a first Conference Committee concerning Assembly Bill No. 437.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Anderson, Conklin and Gansert as a first Conference Committee concerning Assembly Bill No. 501.



Madam President appoint a first Conference Committee consisting of three members to meet with a like committee of the Assembly.

Remarks by Senator Hardy.

Motion carried.

Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Tiffany, Care and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 39.

Madam President appointed Senators Hardy, Lee and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 20.

Madam President appointed Senators Heck, Hardy and Schneider as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 29.

Madam President appointed Senators Lee, Hardy and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 80.

Madam President appointed Senators Carlton, Hardy and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 163.

Madam President appointed Senators Carlton, Tiffany and Heck as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 174.

Madam President appointed Senators Tiffany, Lee and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 302.

Madam President appointed Senators Schneider, Lee and Carlton as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 325.

Madam President appointed Senators Carlton, Townsend and Heck as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 333.

Madam President appointed Senators Carlton, Heck and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 335.

Madam President appointed Senators Tiffany, Rhoads and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 394.



Madam President appointed Senators Hardy, Tiffany and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 426.

Madam President appointed Senators Lee, Hardy and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 434.

Madam President appointed Senators Amodei, McGinness and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 453.

Madam President appointed Senators McGinness, Amodei and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 457.

Senator Raggio moved that the Senate recess until 1:30 p.m.  
Motion carried.

Senate in recess at 1:04 p.m.

#### SENATE IN SESSION

At 1:43 p.m.

President Hunt presiding.

Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 400.

Bill read third time.

The following amendment was proposed by Senator Hardy:

Amendment No. 1161.

Amend sec. 6, page 2, line 19, by deleting "*licensed*" and inserting "*registered*".

Amend sec. 9, page 4, line 26, by deleting "5" and inserting "2".

Amend sec. 11, page 5, line 31, by deleting "5" and inserting "2".

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 519.

Bill read third time.

Roll call on Senate Bill No. 519:

YEAS—19.

NAYS—Coffin.

ABSENT—Amodei.

Senate Bill No. 519 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.



**THE ONE HUNDRED AND TWENTIETH DAY**

CARSON CITY (Monday), June 6, 2005

Senate called to order at 11:13 a.m.

President Hunt presiding.

Roll called.

All present.

Prayer by the Chaplain, Father Jerry Hanley.

Blessed are You, O God.

You call us to greatness not of power but of inclusion. Whatever we do for the least of our brothers and sisters we do for You.

We have chosen a Senate to represent the hopes and dreams of a people longing for righteousness and eager to do what is right. We pray Your presence and Your grace has moved each of us beyond our own sureties and desires but to something filled with unity and hope for all the people.

We have prayed they speak for the best in us and shown us the way to a community for all so we can learn from them and teach our children because of them and the nobility and courage of a people that believed in them and trusted our State and our lives to their hands.

Bless them and their families as they leave this moment and enter the next. Especially, bless Senator Washington and hope for his full recovery. Bless all of us with the dream that we are better because they were here.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.  
Motion carried.

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, June 5, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 575; Senate Bills Nos. 105, 357, 400.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bill No. 572.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted, as amended, Assembly Concurrent Resolution No. 20.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 1174 to Assembly Bill No. 560.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 392, Assembly Amendment No. 1151, and requests a conference, and appointed Assemblymen Arberry Jr., Giunchigliani and Hettrick as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 462, Assembly Amendments Nos. 944, 1171, and requests a conference, and appointed Assemblymen Leslie, Pierce and Mabej as a first Conference Committee to meet with a like committee of the Senate.



Also, I have the honor to inform your honorable body that the Assembly on this day adopted the report of the first Conference Committee concerning Assembly Bills Nos. 42, 260, 314; Senate Bills Nos. 29, 80, 198, 367, 453.

DIANE KEETCH

*Assistant Chief Clerk of the Assembly*

MOTIONS, RESOLUTIONS AND NOTICES

Assembly Concurrent Resolution No. 20.

Senator Nolan moved that the resolution be referred to the Committee on Legislative Operations and Elections.  
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 572.

Senator Nolan moved that the bill be referred to the Committee on Finance.  
Motion carried.

Assembly Bill No. 575.

Senator Nolan moved that the bill be referred to the Committee on Finance.  
Motion carried.

Senator Raggio moved that the Senate recess subject to the call of the Chair.  
Motion carried.

Senate in recess at 11:19 a.m.

SENATE IN SESSION

At 11:21 a.m.

President Hunt presiding.

Quorum present.

UNFINISHED BUSINESS  
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 390.

The following Assembly amendment was read:

Amendment No. 1193.

Amend the bill as a whole by deleting sec. 8 and adding a new section designated sec. 8, following sec. 7, to read as follows:

"Sec. 8. 1. This section and sections 1, 2, 3, 5 and 7 of this act become effective on July 1, 2005.

2. Sections 4 and 6 of this act become effective on January 1, 2006."

Senator Raggio moved that the Senate concur in the Assembly amendment to Senate Bill No. 390.

Remarks by Senator Raggio.

Motion carried by a constitutional majority.

Bill ordered enrolled.



**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON JUDICIARY**

**Seventy-Third Session  
May 5, 2005**

The Committee on Judiciary was called to order at 8:20 a.m., on Thursday, May 5, 2005. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4401 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Bernie Anderson, Chairman  
Mr. William Horne, Vice Chairman  
Ms. Francis Allen  
Mrs. Sharron Angle  
Ms. Barbara Buckley  
Mr. John C. Carpenter  
Mr. Marcus Conklin  
Ms. Susan Gerhardt  
Mr. Brooks Holcomb  
Mr. Garn Mabey  
Mr. Mark Manendo  
Mr. Harry Mortenson  
Mr. John Ocegüera  
Ms. Genie Ohrenschall

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Senator Valerie Wiener, Clark County Senatorial District No. 3

**STAFF MEMBERS PRESENT:**

Risa Lang, Committee Counsel





Allison Combs, Committee Policy Analyst  
Carole Snider, Committee Attaché

**OTHERS PRESENT:**

Robert C. Kim, Chairman, Executive Committee, Business Law Section,  
State Bar of Nevada  
Pat Cashill, Legislative Advocate, representing the Nevada Trial Lawyers  
Association  
Renee Parker, Chief Deputy, Office of the Secretary of State, State of  
Nevada  
Scott Anderson, Deputy, Commercial Records, Office of the Secretary of  
State, State of Nevada  
Misty Grimmer, Legislative Advocate, representing the Nevada Resident  
Agent Association  
Derek Rowley, President, Nevada Resident Agent Association  
Bill Bradley, Legislative Advocate, representing the Nevada Trial Lawyers  
Association  
Erin Breen, Director, Safe Community Partnership, Las Vegas, Nevada

**Chairman Anderson:**

[Meeting called to order and roll taken.] An amendment has just come over from the Senate relative to A.B. 91. This bill dealt with the fee for court reporters, and it returns the cost of getting copies back to their original place. They went from 55 cents to \$1, as that is where the majority of their costs were. There are a few other technical changes, but they are not a substantial change overall. It is my intention to concur with the recommendation unless somebody has a disagreement with it. Therefore, we will avoid a conference committee.

Let us turn our attention to S.B. 338.

**Senate Bill 338 (1st Reprint): Makes various changes concerning business associations. (BDR 7-728)**

**Robert C. Kim, Chairman, Executive Committee, Business Law Section, State Bar of Nevada:**

Senate Bill 338 is a bill sponsored by the State Bar and is a product of various suggestions from the business lawyer group in Nevada. It is an attempt to add new features, refine, correct, and modify things that we see in practice that we realize may need some fine tuning. What I have provided and am submitting



**Assemblywoman Buckley:**

I think I will try to work along the lines of the public entity interaction, whether it is grants or zoning auctions. If you are setting up an LLC here and you are not involved in one of these situations, you do not have the extra burden of disclosure. We will try to do a balancing act. I think you said it quite well. We want to keep our business-friendly environment, but on the other hand, we don't want to allow it to be used to defraud and participate in public corruption.

**Chairman Anderson:**

The hearing on S.B. 338 is closed. Let's turn our attention to S.B. 453.



**Senate Bill 453 (2nd Reprint): Makes various changes concerning business entities. (BDR 7-576)**

**Renee Parker, Chief Deputy, Office of the Secretary of State, State of Nevada:**

We have a proposed amendment to the bill to salvage some of the non-controversial provisions of my notary bill that was defeated.

**Scott Anderson, Deputy, Commercial Recordings, Office of the Secretary of State, State of Nevada:**

You have before you testimony submitted for S.B. 453 (Exhibit D). Senate Bill 453 proposes numerous changes that will further standardize the filings process by our office. Some of the provisions are housekeeping provisions, cleaning up many of the provisions that are not standard, or they help our customers to know what to do when filing with our office and help streamline the processes in our office. There is also some streamlining in the electronic filing and advancement of our business practices.

There are numerous sections that are standard throughout Title 7, and a number of sections will be affected by this bill. Sections 1 and 37 through 40 are provisions regarding charging orders that were presented by the Nevada Resident Agents Association.

Sections 2, 6, 20, 21, 24, 25, 29, 31, 33, and 34 clarify the address requirements on the annual list of officers and gives us an additional 30 days to get the annual list of officers out to our customers. This will give them additional time to submit to our office.

Section 3 requires that the number of shares per designation when a corporation files a certificate of designation be submitted. That will help us properly identify the certificate of designation when it is withdrawn.



[Scott Anderson, continued.] Section 4 removes an antiquated fee. Sections 5, 22, 26, and 30 remove the provisions that the customer provide us with a copy of a document to be filed, stamped, and returned to them. This has caused a number of problems, in that it is difficult for us to actually verify that the document they are presenting is an exact duplicate of what is on file with our office. We are also scanning these documents into our system now. For us to scan additional documents that are virtually the same is inefficient. This removes that requirement and allows us to provide an exact copy from what we have scanned into the system.

Sections 7 through 14 add provisions for homeowners' and unit owners' associations that were added last session. The Legislative Counsel Bureau felt that it was necessary to add these to other sections, as those entities could be formed for purposes of homeowners' or unit owners' associations.

Section 23 decreases a fee. We took out the fee increases that were in our original bill that standardized the fees. As you stated earlier, at risk of having our bill vetoed, we pulled those provisions except for the fee decrease.

Sections 15, 19, and 27 standardize provisions for restated or amended and restated articles. Section 16 standardizes the renewal provisions in Chapter 82 to those of other corporations.

Section 17 allows for limited liability companies (LLCs) to be organized for insurance purposes with approval of the Insurance Commissioner, as there are certain LLCs that can be formed for insurance purposes.

Section 18 is a word cleanup. Section 28 is a Bar Association change, which we support. Section 32 standardizes the wording in NRS [*Nevada Revised Statutes*] 88A.210 to reflect similar changes from the 2003 Session. Sections 35 and 36 are changes proposed by the Legislative Counsel Bureau, and we are amendable to those.

Section 41 adds provisions to Chapter 225 of NRS for filing of forged or fraudulent documents or knowingly filing false documents in the Office of the Secretary of State. The International Association of Commercial Administrators and the National Association of Secretaries of State has a bogus filing task force that was set up to minimize the number of harassment or bogus liens filed against public officials. We added the provisions to our bill draft, and the Legislative Counsel Bureau expanded that to include, basically, all filings within the Office of the Secretary of State. If someone knowingly files a false or fraudulent document, there is some sort of penalty and a process that we can go through, other than submitting these to the District Attorney's Office.



Currently, we submit these to them, and they sit in a file to be looked at later, and we never hear anything back on those.

[Scott Anderson, continued.] On the Senate side, there was some concern in regard to certain filings, mainly election filings. So there was an amendment to our bill that limited these provisions to Uniform Commercial Code filings and commercial recording filings under Title 7. This would impose civil penalties of \$10,000 or actual damages, whichever is greater, for violations. It gives us the authority to refer complaints to the Attorney General for investigation.

Section 42 adds a 1-hour expedite service. Currently, we have two 24-hour expedited services. Our customers have stated that they would like a "while you wait" or a 1-hour service. Delaware offers this, and they say this is a great service that allows them to specifically time certain filings. We propose that we have this 1-hour service available in our office. This would be within 1 hour, or "while you wait," and the service is provided for a fee of an additional \$1,000.

Additionally, Section 42 adds the ability for our office to charge a reasonable fee for searching and for canceling or removing documents that have been submitted to our office but not yet processed. We have thousands of documents in our office every day in different stages of processing. It is extremely difficult when a customer calls or sends some sort of request to remove their filing from this process. To do that, we feel it was necessary for us to go ahead and charge them a fee for this service. We felt this would be based on a current fee structure within our office. We have our special services fund that currently supports half of our salaries. This is a fund that is created by our expedite fees. Currently, this fund supports half our salaries, and the original purpose of this fund was to enhance our technology in the office. It was not to enhance the staff, so to speak.

Right now, we have a new system that has gone in place, and likely, our expedite fee will go down. The current \$62.50 we collect on each expedite fee will probably not support the salaries that we have coming out of there. We have asked that this be put back up to the half of the fee to go to the special services fund.

Lastly, Section 43 adds some provisions for the filing of a specimen of a trademark. We are just adding that the specimen is on 8 1/2 by 11 white paper for scanning and storage purposes, rather than cups, hats, and Frisbees.

**Chairman Anderson:**

In Section 23, you mentioned decreasing the fee for forms from limited liability companies. How much is your office going to lose from decreasing this fee?



**Scott Anderson:**

Currently, the fee is \$175.00. We are reducing it to \$75.00 to match the other organizational filing fees. We get 100 to 150 filings every year at the most, so we are looking at \$10,000 to \$15,000 decrease in revenue, as compared to the \$60 million we bring in.

**Chairman Anderson:**

So, the loss of the \$10,000 is not equal to the need for additional dollars in Section 42 that keeps alive this other fund. You cannot do a transfer within the Secretary of State's Office with those fee dollars?

**Scott Anderson:**

Those are separate and strictly General Fund dollars.

**Chairman Anderson:**

So, it is a \$10,000 loss to the General Fund?

**Renee Parker:**

The Fiscal Analysis Division is aware of this change. They did not pull it on the Senate side. I don't think they are worried about it, because if the \$1,000 expedite fee goes through, even with our office putting half in the special services fund, the other half of the expedite fees collected go directly to the General Fund. That should generate more than enough revenue to cover the loss.

**Chairman Anderson:**

In Sections 5, 22, 26, and 30, it removes the provision for a customer to provide a copy of the documents. Then we see on Section 43, you are adding requirements for dollars like this expedite service fee. Your expedite service fee is a pretty simple bill, as you will be charging more money. If we are trying to be business friendly, then we should do it quickly, if we can. I thought that was what the Secretary of State was all about.

**Scott Anderson:**

Yes, that is what we are all about. We have thousands of documents that come in on a daily basis, and to put a filing that comes in on a normal basis ahead of the thousands of others without this special service fee would be unfair. We felt, since other states have been offering this expedited service, that we would be able to do that as well.

**Chairman Anderson:**

Whose copy is considered to be the legal document—the one that is on file in the Secretary of State's Office, or the one in the hands of the corporation?

**Scott Anderson:**

The official record is the record that is on file with the Secretary of State. We do certify the records and send them out.

**Chairman Anderson:**

That is not going to lessen in any way, in Sections 5, 22, 26, and 30, the integrity of that document?

**Renee Parker:**

Actually, it will probably increase the integrity of the document. The problem is when they furnish their copy now; in certain circumstances, it does not match the original copy on file. They made a change, and they forgot to file the changed document. We were certifying copies that customers were submitting. We had to match the copy that is on file with the copy they submit. This way, we would take the official record in our office and create the copy from what is on file.

**Pat Cashill, Legislative Advocate, representing the Nevada Trial Lawyers Association:**

Section 41, in our view, falls in the category of "put your faith in the Lord, but keep your powder dry." In a sense, it creates a remedy for a person who has been the victim of false filing or who has been defrauded or otherwise injured because of a document filed with the Secretary of State, such as articles of incorporation. On the Senate side, we had a technical but essential modification of the bill, and that was in Section 41, subsection 1(c), which reads, "...is being filed in bad faith or for the purpose of harassing or defrauding any person." The originally-written bill used the conjunctive "and," as opposed to the "or" that we urged that committee to support, which it did.

To Ms. Parker's credit and Mr. Anderson's credit, each brought to my attention this morning the fact that the bill, in its second reprint, is different than the bill we agreed to on the Senate side. Subsection 6(b) of the bill is now limited to records filed pursuant to Title 7 of NRS or Article 9 of the Uniform Commercial Code. I have questioned Mr. Anderson, and he informs me that the intent of that limitation is not in any way to restrict the right of action created for a person who has been defrauded as a result of document that is filed with a false intent. I would appreciate the Chairman or some other member of the Committee ascertaining that is the case. I have no reason to doubt the good faith of the Secretary of State in this respect and appreciate their candor. It is the trial lawyers' objective to see to it that the right of action created by Section 41 is as broad as possible.



**Chairman Anderson:**

You want the reassurance that Section 41 does not limit the question to the right of action and that you would like us to do a short, independent investigation relative to that question, reassuring that it is limiting to the Uniform Commercial Code. We made some extensive changes to the Uniform Commercial Code and Title 7. We have not acted on those Senate bills. Also, the third part and the nature of the new amendment from the Senate side was to exclude the documents. We are familiar with these documents as a result of being elected to public office, because we are frequently in contact with the Secretary of State's Office for clarification. So, we know that when one of us does not do our addition correctly, they won't get upset with us. Is that what you want to make sure we are doing?

**Pat Cashill:**

That is a tough question to answer. I think so.

**Chairman Anderson:**

No?

**Pat Cashill:**

Correct.

**Renee Parker:**

Section 41, subsection 5 provides that the remedies and penalties in rates are cumulative and don't abrogate any other rights, remedies, or penalties in the statutes. That was put in there to address Mr. Cashill's concerns about it affecting other remedies.

**Chairman Anderson:**

The next work session is scheduled for Wednesday of next week, so we would anticipate that we would have the question answered specifically. We will ask Ms. [Allison] Combs to reassert a limited investigation. We will also have Legal take a look at it.

**Renee Parker:**

I would like to add some of the provisions from our notary bill—not the controversial education provisions, but just the provisions that go to some of the problems we had with enforcement and some of the issues that were raised during the interim. You have the amendment ([Exhibit E](#)).

Section 1 of the amendment provides for a gross misdemeanor for a notary public or a person who aids and abets a notary public to notarize a signature of an individual who is not in the presence of a notary. It only makes that provision



if they willfully notarize that document. We do have many notaries, and the original reason for the education was they think that they are notaries and all we do is notarize signatures. They are technically required to do more than that. They are supposed to identify the person whose signature they are notarizing.

[Renee Parker, continued.] We have had several problems, and we get a couple hundred complaints a year. We do have provisions where we hold hearings, and we do fine notaries. Many of them are just a simple mistake. They didn't realize they needed to identify the person, so they notarize the document, and it wasn't the same person who signed it. In other instances, it is fraudulent and they willfully notarize a document, knowing that the person in front of them is not necessarily the person who signed it. Most of those instances relate to quitclaim deeds of property. The person who is harmed has to retain an attorney. There are fraud provisions in this statute, but in consulting with the Attorney General's Office and some of the district attorneys, they felt if we put this provision in a notary statute and we do voluntary notary education, that would allow us to point it out and address some of these issues. It would also provide a more severe penalty for willfully engaging in that conduct.

Sections 2 and 6 relate to authentications of notary signatures generally called "apostilles." Under the Hague Treaty, we do the apostille when we authenticate a notary signature for documents used out of the country, and many times they relate to adoptions. Section 6 was the Legislature Counsel Bureau's determination of how we fit it in the statute. This was to delete the current provisions that you see being deleted in Section 6. We put them into Section 2 to address and distinguish between an apostille, which is an authentication of a notary signature to be used out of the country, and the certification of the notary signature, which is another type of apostille that is used within the United States. The banks and other entities want a certification, and there is currently no specific provision for a certification in that distinction. The apostilles are a separate creature created under that treaty. This is just to distinguish that and, in addition, to allow us to refuse to issue an authentication if we have information that the document may be used for unlawful purposes.

We have received warnings from the Department of State for fraudulent authentications, but we do not have clear authority to reject them. These people say they want to get a passport. What they are doing is saying—under the common law courts—is that we are appointing ourselves notary, we want an authentication of this notarized document, and we don't have them in our office. This is another provision where you can go through other provisions in the statutes and get there. In addition, if we received a warning from the Department of State, we currently don't have the authority to reject it if it looks legitimate on its face. This would allow us to do that.



[Renee Parker, continued.] Sections 3 and 5 are just conforming to changes in the current statutes, to add some of these provisions and references to these provisions.

Section 4 would authorize us to request the Attorney General to take action to enjoin a person from impersonating a notary. A similar situation is where we have groups of people—oftentimes the same people that file some of these bogus filings—and they appoint themselves a notary under the common law courts and start notarizing documents. It is hard to get enforcement, the way the statutes are drafted. The Attorney General has recommended we allow them to go obtain a restraining order.

**Chairman Anderson:**

Since you have done away with the training classes in Section 2, the payment of the fee of \$20 is not a requirement that we are mandating, but a fee for persons that utilizes a notary, because many notaries do their work for nothing. I think in our building we must have 14 or 15 notaries who work in various departments. That is not unusual for banks and other trade organizations to have—among their staff—people who have notary responsibilities. In most cases, if you are known to them, they do not go through a big hassle. On the other hand, if you bring somebody with you who they do not know, then they usually ask for identification if they have been well trained.

**Renee Parker:**

The \$20 fee does not relate to notarizing signatures. It relates to us doing an authentication of the apostille documents. It is currently the same fee as provided in Section 6, which is being deleted. It is just being moved into Section 2, so it applies to an authentication or a certification. Those are the documents we prepare that authenticate the notary signatures, so they can use them out of the country for an adoption, marriage, or to transport a deceased family member. Those are the most common circumstances in which they are used. That is the fee to our office for the apostille. It is the current fee. It just is being moved from Section 6 to Section 2, because we now have this distinction of the certifications.

**Chairman Anderson:**

We need this, because the U.S. State Department is concerned about the methodology in which we are currently following, and our statutes are not clear enough in this area.

**Renee Parker:**

That is the purpose for another one of these sections, because it is under the Hague Convention where the apostilles originated. Now, there have been some



issues of fraudulent apostilles, and the U.S. State Department will issue warnings. The Attorney General, in consultation with them, has concerns that there is not enough meat in these statutes for us to refuse to authenticate some of those documents.

**Assemblyman Carpenter:**

Say a person wants to lease some property from my wife and me. They send a document on Friday afternoon by Federal Express. They want this document back by Wednesday of the next week so they can take it to their boss to have it approved. There is a person that has been notarizing my signature for 20 years and works in an attorney's office. We try to find him over the weekend, and he is not around. So I sign the document, and my wife takes it down to the notary. He notarizes it Monday morning, even though I'm in Carson City. Under this scenario, would the notary and myself be committing any gross misdemeanor?

**Renee Parker:**

No. Because we do have situations where you are known to the notary, they can notarize your signature if they have been notarizing it for years. Section 1 is a person who is not in the presence of the notary public or unknown to the notary public. So in the circumstance of the notary public who has never notarized your signature, they would be committing a gross misdemeanor. In circumstances of someone you are known to, they would not be.

**Assemblywoman Ohrenschall:**

Can you go over the apostille again?

**Renee Parker:**

I do not think the statutes actually say apostille, but that is the terminology used under the Hague Convention. It is an authentication of a document that is intended to be used in a foreign country. Most often, it is for adoptions. What happens is they need paperwork from someone who, in the United States, is intending to adopt somebody outside of the country. They will need their paperwork—for example, a birth certificate—to hand it to a judge or somebody overseeing the adoption outside of the country. They may not view that document as a legitimate document. Under the Hague Convention, many of the states and countries that are under the convention will accept the document if you get an authentication through the Office of the Secretary of State. We authenticate a notary's signature on the apostille on the birth certificate or document. Then they can use that outside of the country, and it is deemed to be a legitimate document.



**Assemblywoman Ohrenschall:**

In other words, what you are saying is that if it says "Mary Doe, notary," you are verifying that your records show that, in fact, there was a Mary Doe who was a notary on that date.

**Renee Parker:**

Correct.

**Assemblywoman Buckley:**

In Section 1, it says you have to either be not in the presence, or unknown, if the person does not provide documentary evidence. The statute allows for another person that can attest that it is the person they say it is. The reason I ask is because sometimes, we notarize legal documents for free for people who are low income. We oftentimes notarize for the homeless. Sometimes we have to really patch this together, so we will get a shelter worker who once saw their identification to notarize that yes, they swear this is the person.

I just want to make sure that gross misdemeanor in a situation like that is a lot different than someone pulling a scam on a quitclaim deed. If it only says documentary evidence, would that not allow—for example, in NRS 240.1655—an oath or affirmation of a credible witness? Would this still allow that type of identification method? Or instead, use documentary evidence not meeting the requirements of the existing statute, which does allow a little bit of leeway?

**Renee Parker:**

It was not our intent to prohibit a currently-allowed practice. I think in those situations, you have the homeless person there and you have somebody else attesting. This would prohibit the person not in the presence of the notary. I think the homeless person is there. The certification requirement in the statutes states you can have somebody else attest that they know this person, this is their signature, and they have seen their identification. I don't think this prohibits this, but if you want to have Legal look at it further and double-check, it was certainly not our intent, because that practice is allowed for those situations you described. We are not trying to affect that.

**Assemblywoman Buckley:**

I was just concerned, because it says "or."

**Renee Parker:**

If they willfully notarize the signature of a person who is not in the presence of the notary, I think in your situation they are in the presence, so you have already satisfied one part of this.



**Assemblywoman Buckley:**

Okay, as long as that was the intent. Maybe in redrafting, we can make sure it is clear.

**Misty Grimmer, Legislative Advocate, representing the Nevada Resident Agent Association:**

As Mr. Anderson mentioned, Section 1 of this bill is an amendment that we worked with the Secretary of State's Office on when it was on the Senate side. I think you have the handout that provides a good explanation of what Section 1 does ([Exhibit F](#)).

To start with, I would like to give you a little bit more information on the industry itself. As we have been talking about all morning, the corporate entity filing industry in Nevada is very healthy. There are in excess of 220,000 entities that are filed in Nevada. As little comparison to other states, in most states, it is a ratio of 1 entity to every 164 people. In Nevada, it is 1 in every 42 people. More than 80 percent of those entities are represented by resident agents. Most of them use no resources of the state aside from the Secretary of State's Office. The benefit to the state is 100 percent benefit and no burden.

Just to give you an idea of how much this has benefited the state of Nevada, in 2001 and in 2003, when the Legislature was looking for sources of revenue, this is the place they were able to come. The filing fees provided funding of education in 2001 to the tune of about \$27 million. Last session, when you were putting together the tax package, we were also able to work with you to come up with the scheme where certain fees were raised and other fees were decreased in a way that would not hurt the industry, but would generate the money the State was looking for. Over the biennium it is about \$75 million. The proposal we have today is essentially another way to keep the corporate filing industry in Nevada very healthy, so that it will always be here for the State.

**Derek Rowley, President, Nevada Resident Agent Association:**

I would like to walk you through Sections 1 and 37 through 40, pertaining to the charging order issue. You should have the handout before you that discusses these issues ([Exhibit F](#)).

This proposal originally came from a meeting of the Executive Committee of the Nevada Resident Agent Association. Last fall, we met and discussed issues that pertained to the trends in corporate filings. Prior testimony indicated the dramatic increase in all of the C [corporate] filings. Corporate filings during the same period have been relatively flat. That is of concern to us, because Nevada's reputation is primarily based on what is known as the incorporation



industry. We had a discussion about what we could do to reinvigorate corporate filings in the state of Nevada. This is the issue that came from that.

[Derek Rowley, continued.] What Section 1 does is create a charging order applicable to the stock of certain closely held corporations. Charging order, as we came before this Committee, makes changes in some of the charging order statutes pertaining to LLCs and limited partnerships. The charging order is the remedy that is available to the creditor of an individual who currently owns an ownership interest in limited partnerships and limited liability companies. What the charging order does is make the creditor an assignee of any income paid to that individual who owns that business interest.

The purpose behind the existing charging order limitation is that in a closely held business enterprise where individuals have relationships of partnerships—or small, family-owned business—the innocent partner has the potential to suffer economic consequences of loss. This loss would occur if a creditor to another partner is able to come in and seize that business interest. In the event of a corporation, for example, if the majority stockholder has a creditor who is able to attach and seize that stock, they can take the place of that stockholder, and they would have the ability to vote that stock in favor of liquidation of the corporation. That causes a lot of economic problems to the innocent and minority partners in LLCs and limited partnerships.

To our knowledge, the charging order has never been made available to stock of corporations. Corporate theory has traditionally been that shareholders or stockholders of corporations are considered to be blind to one another. That is certainly true with a publicly traded company. If a creditor of a stockholder of Microsoft were able to seize that stock in satisfaction of a judgment, it does not have any negative impact on any of the other shareholders, because there is a market for that. However, in a privately held company where there are a limited number of shareholders, the reality of the business world is that these small, closely held entities, of which Nevada has really specialized in developing that market, have great potential for loss.

What we have proposed to the Legislature is that the ability of a closely held corporation in Nevada to provide that same type of charging order protection for stockholders be added to the state law. Section 1, subsection 1 does that. It uses the same language that is currently in statutes—pertaining to LLC and limited partnership law—in creating the charging order interest with regard to the stock of a closely held company.

It is important to understand that this charging order does not apply to actions against the corporation itself. If the corporation itself had creditors or had legal



issues, this charging order would not provide any protection. This only applies to creditors' rights against individuals who own an ownership interest in that entity.

[Derek Rowley, continued.] Section 1, subsection 2 outlines some limitations on this right that we have carefully considered. One of the limitations is in subsection 2(a)(1). It states the corporation must have at least 2 stockholders and must have fewer than 75 stockholders in order to be eligible for this right. The reason for requiring more than 1 stockholder has to do with the fact with the innocent party rule. If there is not more than 1 stockholder present in a corporation, there is no innocent party to protect.

There have been some court decisions that have not allowed charging order interests to be upheld in bankruptcy cases in Colorado. I think there is a reference we have provided regarding that. So, we have written that into the statute, requiring that there be an innocent party. We want to make sure that the legal theory behind the charging order proposal is sound and applies only to relatively closely held companies. So, we put a cap on this of up to 75 stockholders. That cap is somewhat arbitrary, but it is defensible. The reason we have chosen that number is that historically, the 75 stockholder limitation has been what the IRS [U.S. Internal Revenue Service] recognizes as being eligible for subchapter selection, which is applicable to small businesses. We have chosen to use that as the proposed cap.

Number 2 of that subsection is that the corporation cannot be a subsidiary of a publicly traded company. In other words, it is not the intention of providing this charging order limitation so that publicly held companies, where stockholders were blind to one another, can assert this charging order limitation by virtue of creating a subsidiary that has only a couple of shareholders. It is not the intent of this, so it is not provided.

Number 3 in that subsection applies only to corporations that are not professional corporations as defined in *Nevada Revised Statutes* (NRS) 89.020. Typically, with professional corporations, there has always been a public policy issue that those professionals who are licensed in certain professions should have some liability in the area in which they are licensed. It would not be our intent to exempt if it would be in conflict with existing policy.

There were issues that were raised before the Business Law Committee, where they had some concerns about making sure this proposal did not override any existing agreements, since we have added that to the statutes as well. Sections 37 through 40 of the bill were added by bill drafting to bring other areas of law





that pertained to execution of judgments in compliance and harmony with our proposal in subsection 1.

**Chairman Anderson:**

You are proposing changes here within the purview of the Business Law Section in the Secretary of State's Office. Did they see any problems with any of the ideas that you are suggesting?

**Derek Rowley:**

We have met with the Secretary of State's Office. We have met with Mr. Kim of the Bar Association's business law section. We have discussed these proposals with the Trial Lawyers Association as well. We have addressed every issue that they have brought up. As far as I know, we have the support of all of them.

**Chairman Anderson:**

Is this a "hold-your-breath-and-wait-and-see" deal?

**Derek Rowley:**

We have actively communicated with all those parties that chose to testify. We have not been made aware of any concerns by any parties.

**Robert Kim:**

Yes, Mr. Rowley has had the State look at his language and added a few comments to it, which recognizes what third-party entities may enter into on their own in different secured transactions. We have no objection to the inclusion of this in the bill.

**Chairman Anderson:**

Because of the issue that was raised in Colorado and their loss of 2,100 corporations, as we can see in your report here, what we are trying to do is make it very clear that these kind of judicial actions are going to take place here in Nevada. These actions will occur unless there is some proven legal responsibility and protecting the assets of other corporate members.

**Derek Rowley:**

The legal ruling in Colorado applied to a specific LLC case in bankruptcy. There was a single-member LLC who was trying to rely on the charging order to protect creditors from foreclosing on the assets of the company. The court ruled that it could not be upheld because there were no innocent parties. The declining numbers in corporate filings that I have given you in my report does not directly correlate to that. The general purpose for us giving this proposal is that we are trying to make a preemptive strike to assure that Nevada's position



as a preferred corporate climate is primary in the minds of those who make those decisions.

[Derek Rowley, continued.] Adding the charging order to the stock of a closely held corporation would give Nevada a benefit that doesn't exist in any other state currently. It is our hope that by adding this provision, it will allow Nevada to retain its position as being a top corporate climate and will continue to attract filings. One comment that was made to me by an attorney that I have discussed this proposal with is this may be one of the most significant changes in corporate statutes in the last 50 years, in terms of attracting new filings. We certainly hope that will be the case.

**Chairman Anderson:**

I am sure the part of the market that you are dealing with would find that to be a true statement.

**Pat Cashill:**

We are communicating, as we speak, with Bob Crowell to ascertain what position he took on the bill. I cannot say anything about it at this point.

**Renee Parker:**

We did meet with the Nevada Resident Agent Association and with Mr. Kim. It really is more of a policy issue the way it was presented, and this would create a more business-friendly environment. We did ask that they contact the Nevada Trial Lawyers Association in an effort to determine what their concerns might be. There was no opposition in the Senate. We support it if it does create this business-friendly environment, and we have not heard any opposition to date. For us, that would change if there was some opposition. If it is going to encourage the formation of more businesses, keeping us on the business-friendly edge, we are for it. If there is some opposition that is brought forth that we have not considered, we would like to consider that, and we may change our position.

**Assemblywoman Buckley:**

I would like to run this by some bankruptcy lawyers. We all want to be business friendly, but what we are talking about is where another business is owed money and the right of that business to collect their money from someone being able to shield assets. We just cannot throw out "let's be business friendly" without really realizing what we are doing here. I would like to consult with a couple of bankruptcy attorneys to make sure we are being fair to those businesses who are owed money.



**Chairman Anderson:**

It is the Chair's intention that we will put this on work session for Wednesday. I would ask that those questions be closed by Tuesday morning at 9:00. I would suggest that Ms. Combs would like to have that information by Tuesday morning at 9:00 a.m. for preparation to move it into our work session document for next Wednesday.

**Renee Parker:**

We agree with Assemblywoman Buckley's comments. That is why we did ask for other input. We are fully in support in doing that type of investigation.

**Pat Cashill:**

We will comply and get word back to Ms. Combs by Tuesday at 9:00 a.m.

**Chairman Anderson:**

The hearing on S.B. 453 is closed. Let's turn our attention to S.B. 337.

**Senate Bill 337 (1st Reprint): Makes changes pertaining to intoxicating substances. (BDR 3-784)**

**Senator Valerie Wiener, Clark County Senatorial District No. 3:**

[Submitted [Exhibit G](#) and [Exhibit H](#).] Today I appear before you to urge your support for S.B. 337, which deals with what is commonly called "social hosting." Before I discuss this particular legislation, I would like to provide some background information on the bill.

In 2003, I sponsored S.C.R. 15 of the 72nd Legislative Session, which addressed the problem of alcohol and drug abuse by young adults while driving motor vehicles. During the hearing in the Assembly, Kathy Bartosz, a grants analyst in the Department of Human Resources, Division of Child and Family Services, came forward unexpectedly to testify with great enthusiasm. With the permission of her agency, she offered some dedicated dollars to conduct a study ([Exhibit G](#)), which was a massive study that was accomplished based on that resolution. In that study, I will refer to some different pieces of information, because they are pretty substantial in supporting why I am here before you today. It does provide a comprehensive look at underage alcohol consumption in our state.

As you will note, this was a cooperative effort between Human Resources, the Department of Public Safety, the Department of Transportation, and the Department of Education. In the report ([Exhibit G](#)), on pages 4 and 5, you will



**Senate Bill 337 (1st Reprint): Makes changes pertaining to intoxicating substances. (BDR 3-784)**

**Senate Bill 287 (1st Reprint): Prohibits person from leaving child who is 7 years of age or younger in motor vehicle without certain supervision. (BDR 15-14)**

Not heard.

[Chairman Anderson adjourned the meeting at 10:55 a.m.]

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Carole Snider  
Committee Attaché

APPROVED BY:

\_\_\_\_\_  
Assemblyman Bernie Anderson, Chairman

DATE: \_\_\_\_\_



**EXHIBITS**

**Committee Name: Committee on Judiciary**

**Date: May 5, 2005**

**Time of Meeting: 8:20 a.m.**

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
S.B. 338	B	Robert C. Kim, Chairman, Executive Committee, Business Law Section, State Bar of Nevada	Letter to Committee regarding background of S.B. 338
S.B. 338	C	Assemblywoman Barbara Buckley	Article from <i>Las Vegas Sun</i> , entitled "Law Keeps Identity of Landowners a Secret," dated 4-29-05
S.B. 453	D	Scott Anderson, Deputy, Commercial Recordings, Nevada Secretary of State's Office	Letter to Chairman Anderson, dated 5-5-05, regarding S.B. 453
S.B. 453	E	Renee Parker, Chief Deputy, Nevada Secretary of State	Email to Chairman Anderson, entitled "Notary Amendments to S.B. 453"
S.B. 453	F	Derek Rowley, President, Nevada Resident Agent Association	Article dated February 2005 "Charging Order Protection for Nevada Corporations"
S.B. 337	G	Senator Valerie Wiener, Clark County Senatorial District No. 3	Report entitled "Nevada's Underage Alcohol Consumption"
S.B. 337	H	Senator Valerie Wiener, District No. 3, Clark County	Senator Wiener's speech to Committee
S.B. 337	I	Erin Breen, Director, Safe Community Partnership	Testimony of Erin Breen
S.B. 337	J	Chairman Anderson	Letter to Chairman Anderson from Laurel Stadler, MADD Chapter Director, dated 5-3-05, regarding S.B. 337



ASSEMBLY AGENDA  
for the  
**COMMITTEE ON JUDICIARY**

Day Thursday      Date May 5, 2005      Time 8:00 a.m.      Room 3138

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Assembly Committee on Judiciary at (775) 684-8566.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 20 COPIES OF YOUR EXHIBITS AND NOTES**

**Note:** Interested parties may observe the proceedings through a simultaneous videoconference in Room 4401 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada.

- S.B. 287 (R1) Prohibits person from leaving child who is 7 years of age or younger in motor vehicle without certain supervision (BDR 15-14)
- S.B. 337 (R1) Makes changes pertaining to intoxicating substances (BDR 3-784)
- S.B. 338 (R1) Makes various changes concerning business associations (BDR 7-728)
- S.B. 453 (R2) Makes various changes concerning business entities (BDR 7-576)

Matters continued from a previous meeting

Committee introductions

Work session on measures previously considered

Note: Any person wishing to propose an amendment to a current bill must submit, in writing, the amendment and an accompanying statement of intent which identifies the sponsors of the amendment.



DEAN HELLER  
Secretary of State

STATE OF NEVADA

CHARLES E. MOORE  
Securities Administrator

RENEE L. PARKER  
Chief Deputy Secretary  
of State



SCOTT W. ANDERSON  
Deputy Secretary  
for Commercial Recordings

PAMELA A. RUCKEL  
Deputy Secretary for  
Southern Nevada

RONDA L. MOORE  
Deputy Secretary  
for Elections

OFFICE OF THE  
SECRETARY OF STATE

May 5, 2005

Assemblyman Bernie Anderson, Chair  
Assembly Judiciary Committee  
Capitol Complex  
Carson City, NV 89701

Re: Senate Bill 453

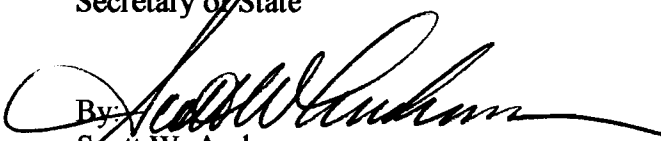
Dear Chairman Anderson,

Attached please find my proposed testimony on Senate Bill 453 scheduled for hearing on May 5, 2005. This bill contains numerous housekeeping provisions, further standardizing the requirements and processes for documents filed with the Secretary of State. It also contains additional services and protections to our customers in the 1-hour expedited service and fraudulent filing provisions. Senate Bill 453 will allow the Secretary of State's office to continue the move to E-Commerce.

If you have any questions concerning the foregoing or require additional information, please do not hesitate to contact me at 684-5711. I remain available to answer any questions posed by the members of the Committee concerning the above.

Respectfully Submitted,

DEAN HELLER  
Secretary of State

By:   
Scott W. Anderson  
Deputy, Commercial Recordings Division

LAS VEGAS OFFICES  
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**TESTIMONY ON S.B. 453**

**OFFERED BY DEPUTY SECRETARY OF STATE  
SCOTT ANDERSON**

**ON BEHALF OF  
SECRETARY OF STATE DEAN HELLER**

**May 5, 2005**

SB 453 proposes numerous changes that will further standardize the filings processed by our office. Some of the provisions are housekeeping provisions, cleaning up many provisions that are not standard or that have confused our customers. Other provisions allow for the streamlining of and advancement of business practices, including the electronic filing of documents. There are changes to several sections that were made by LCB during drafting that we support as they further clarify and standardize our requirements.

There are many chapters within Title 7 of the Nevada Revised Statutes that have standard filing provisions. Most of the provisions of this bill similarly affect a number of different chapters. This will be reflected in my testimony relating to multiple sections of the bill.

I will touch on the major provisions of the bill in some detail. I would be happy to answer any questions you may have as we go.

**Sections 1 and 37 – 40**

The Nevada Resident Agents Association proposes these sections. The Secretary of State supports these sections in that they provide protections for small business and will encourage the formation of closely-held corporations in Nevada. As of today, we have heard no opposition to these provisions.

**Sections 2, 6, 20, 21, 24, 25, 29, 31, 33 and 34**

Clarify the resident agent address requirement for Annual Lists filed with the Secretary of State. It also clarifies the provisions for resignations of officers/managers/managing partners, etc. when said resignation is not reflected on the annual list on file in our office. These sections also provide that the Secretary of State shall mail to each entity its annual list within 90 days of its due date. This will give our customers additional time to receive and return the lists prior to its due date.



### **Section 3**

Adds the requirement to provide the number of shares per designation when a corporation files a certificate of designation. This section also requires a certificate of withdrawal of designation to properly identify the certificate to be withdrawn.

### **Section 4**

Removes the antiquated fee for the extension of corporate existence. Extensions of corporate existence are generally accomplished through an amendment or certificate of correction, each of which have their own set of requirements and fees.

### **Sections 5, 22, 26 and 30**

Remove the provision for a customer to provide a copy of the documents filed with this office for certification. Removal of this provision remedies two problems. First, it is inefficient to scan duplicate documents into the system. Upon request, a customer may request one copy, at no charge, of the documents filed. Second, it is difficult to determine if a copy submitted by a customer is an exact copy of what is filed. Providing a copy of the original guarantees that it is an exact copy of what is on file.

### **Sections 7 – 14**

Add the provisions relating to homeowners' and unit-owners' associations to other entities that may be formed for the purposes of homeowners' or unit-owners' associations. These provisions are consistent with those added in the 2003 session. The Legislative Counsel Bureau added these sections. We have no objection to these sections.

### **Section 23**

Decreases the fee to form a registered limited liability partnership to that of other entities filed in the Office of the Secretary of State.

### **Sections 15, 19, and 27**

Standardize the provisions for restated or amended and restated articles of incorporation/organization with those for corporations formed under NRS Chapter 78 (see NRS 78.403.)

### **Section 16**

Standardizes the renewal provisions in Chapter 82 to those of other corporations.



## **Section 17**

Allows for a Limited Liability Company to be organized for insurance purposes only when approved by the Commissioner of Insurance. Upon discussions with the Insurance Division, it was determined that there may be instances where an LLC may be formed for insurance purposes.

## **Section 18**

Removes the word foreign from the last line of subsection 7.

## **Section 28**

Changes the signature requirement for the original certificate of limited partnership from "all general partners" to "all organizers." The Nevada Bar Association proposed this change. The Secretary of State has no objection to this change.

## **Section 32**

Standardizes the address wording in NRS 88A.210 to reflect changes made to similar statutes during the 2003 Session.

## **Sections 35 and 36**

These changes were added by the Legislative Counsel Bureau and are acceptable.

## **Section 41**

Adds provisions to Chapter 225 of NRS for filing forged or fraudulent documents, or knowingly filing false documents in the office of the Secretary of State. This section was originally proposed as a result of several meetings of the Bogus Filing Task Force comprised of members of the International Association of Commercial Administrators (IACA) and the National Association of Secretaries of State (NASS) in an effort to minimize the number of "bogus" or "harassment" liens filed against public officers. While we initially proposed that this legislation be added to NRS Chapter 104 as it relates to Uniform Commercial Code Filings, LCB felt these provisions would work for all Secretary of State filings. Concerns over certain filings resulted in this section applying only to documents filed pursuant to Title 7 of NRS and Article 9 of the Uniform Commercial Code.

This legislation would give the Secretary of State the authority to refer complaints regarding the fraudulent filing of documents to the Attorney General for further investigation. It also imposes civil penalties of \$10,000 or actual damages, whichever is greater, for each violation.

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## Section 42

Section 42 proposes the addition of a “one-hour” expedited service. Currently the Secretary of State offers 2-hour and 24-hour expedited service for most documents filed in his office. There has been a growing demand for 1-hour or “while you wait” service. Our customers have requested this service in addition to the expedited services we now provide. Delaware offers 1-hour expedited service to its customers.

Additionally, Section 42 would allow the Secretary of State to charge a reasonable fee for searching for or canceling or removing documents that have been submitted, but not yet processed. There are numerous occasions where our customers require that a specific document or filing not be filed. The reasons vary. On any given day, the Secretary of State has thousands of documents in various stages of processing. It is very time consuming to locate and remove a document once received by this office.

This section also proposes a change to our special services fund. The special services fund currently supports over half our salaries. The original purpose of this fund was to improve the technology in the office of the Secretary of State so we could better serve our customers. With the introduction of our new e-SOS system we are likely to see fewer expedites. Because so much of the expedite fee collected goes straight to the General Fund, we will likely be unable to support the salary pressure on this fund if we continue to only receive \$62.50 of each expedite fee collected.

## Section 43

Adds the requirement that a specimen of a mark filed in the office of the Secretary of State is provided on 8 ½' x 11" white paper. Currently, specimens may be submitted on shirt, hats, cups, pens, etc., all which are costly to store and difficult to reproduce upon customer request. The 8 ½' x 11" white paper specimen will allow for scanning into electronic format, making it efficient to store and reproduce. This will eventually allow for specimens to be viewed via the Internet.

The provisions of SB 453 further standardize the filings processed by the Secretary of State, provide additional services and protections to our customers and citizens and allow Nevada to continue as a leader in business entity filings.

Thank you for the opportunity to present this bill to you today. I would be happy to answer any questions the committee might have.



**Armbrust, Laurel**

**From:** Renee Parker [rlparker@sos.nv.gov]  
**Sent:** Tuesday, May 03, 2005 1:06 PM  
**To:** Anderson, Bernie Assemblyman  
**Cc:** Sibley, Scott Assemblyman  
**Subject:** Notary Amendments to SB 453

Chairman Anderson,

Assemblyman Sibley informed me that he spoke to you about proposing to add our notary amendments into our commercial recordings bill, SB 453, which is being heard in your committee on Thursday. For your information, we are only requesting to add the changes to deal with notary fraud issues, not the seemingly controversial mandatory notary education. In this connection, I have attached to this email the proposed amendment, and provided below an explanation of the need for these amendments.

**New Section 1: What it does**--Provides that it is a gross misdemeanor for a notary public or a person who aids and abets a notary public to notarize a signature of an individual who is not in the presence of a notary. **Why we need it**--Currently, a notary can only notarize the signature of a person who appears before them, but the penalty is just a fine and we've had several cases this year where this has occurred and it has involved real property, injuring the true owners of the property by the fraudulent filing of a quitclaim deed. After consulting with the AG's office, they recommended we add a criminal penalty to the notary statutes in an attempt to dissuade such actions.

**New Sections 2 and 6: What they do**--Section 6 deletes the current provisions concerning authentications of notary signatures (apostilles) and moves these provisions into section 2 with new language to clarify and distinguish "authentications" from "certifications", and to authorize the Secretary of State to refuse to issue an authentication if he has information that the document may be used for an unlawful purpose. **Why we need them**--We have received warnings from the Department of State concerning fraudulent authentications, but have not had clear authority to reject them. This addition to the statute would provide such authority and also clarify when an "authentication" is necessary and when a "certification" is appropriate.

**New Sections 3 and 5:** Conforming changes to current sections of the statutes to add references to sections in this bill.

**New Section 4: What it does**--Authorizes the Secretary of State to request the Attorney General to take action to enjoin a person from impersonating a notary. **Why we need it**--There is a group of people that consistently impersonates notaries (the "Freemen") who self appoint themselves notaries for life and notarize documents. Under the current statutory scheme, we do not have jurisdiction over them. After consulting with the AG's office, the new statutory language was recommended as an attempt to address this problem.

We appreciate your willingness to let us propose these changes.

While I hate to ask for anything else at this time, I would request that if the bill is amended, please don't let Assemblyman Sibley do the floor statement!!!! Thanks again. Renee

Renee L. Parker, Esq.  
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ASSEMBLY JUDICIARY  
 DATE: 5-5-05 EXHIBIT E PAGE 1 OF 3  
 SUBMITTED BY: Renee Parker

5/3/2005

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AMENDMENTS TO SB 453 (to add Notary Provisions)

Amend the bill as a whole by adding new sections 1 through 6 to amend NRS Chapter 240 and renumbering Section 1 as Section 7 as follows [material in blue bold is new material, material in red brackets is deleted material]:

**Sec. 1. 1. A notary public who is appointed pursuant to this chapter who willfully notarizes the signature of a person who is:**

**(a) Not in the presence of the notary public; or**

**(b) Unknown to the notary public, if the person does not provide documentary evidence of identification to the notary public, is guilty of a gross misdemeanor, and shall be punished as provided in NRS 193.140.**

**2. Any person who aids and abets a notary public to commit a violation of subsection 1 is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140.**

**Sec. 2. 1. Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication in one of the following forms to verify that the signature of a notarial officer on a document is genuine and that the notarial officer holds the indicated office:**

**(a) If the document is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961; or**

**(b) If the document is intended for use in the United States or a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.**

**2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:**

**(a) The document has not been notarized in accordance with the provisions of this chapter; or**

**(b) The Secretary of State has information that the document may be used to accomplish any fraudulent, criminal or other unlawful purpose.**

**Sec. 3. NRS 240.001 is hereby amended to read as follows:**

**240.001 As used in NRS 240.001 to 240.169, inclusive, and sections 1 and 2, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.**

**Sec. 4. NRS 240.010 is hereby amended to read as follows:**

**240.010 1. The Secretary of State may appoint notaries public in this State.**

**2. The Secretary of State shall not appoint as a notary public a person:**

**(a) Who submits an application containing a substantial and material misstatement or omission of fact.**

**(b) Whose previous appointment as a notary public in this State has been revoked.**

**(c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.**

**(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.**

**3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.**

**4. It is unlawful for a person to:**

**(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.**

**(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.**



**5. The Secretary of State may request that the Attorney General bring an action to enjoin a person from violating the provisions of paragraph (a) of subsection 4.**

**Sec. 5.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, **and section 2 of this act** may be cited as the Uniform Law on Notarial Acts. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 6.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. [An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.]

[3.] A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

[4.] 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

[5.] 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

[6.] 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.





# Charging Order Protection for Nevada Corporations

A White Paper by the Nevada Resident Agent Association

**2005 Legislature**

By Derek G. Rowley  
NRAA President

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February 2005

ASSEMBLY JUDICIARY  
DATE: 5-5-05 EXHIBIT F PAGE 1 OF 12  
SUBMITTED BY: Derek Rowley



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## Executive Summary

The right of a judgment creditor to collect against the assets of a judgment debtor varies depending upon the nature of the assets. Some asset types – primarily liquid assets - can be directly attached, while other asset types have limitations on attachment by the judgment creditor. Assets that cannot generally be directly taken by a judgment creditor usually provide for other recourse, such as potential foreclosure and forced sale of assets, or the imposition of a “charging order” against future income of assets.

When the assets of a judgment debtor include ownership interest in business entities, the rights of the creditor have also traditionally varied, depending upon the specific type of business entity owned. This variance creates inconsistencies in the application of creditors’ remedies against different types of business interests.

The Nevada Resident Agent Association (NRAA) proposes to the Nevada Legislature that charging order protection be provided as the judgment creditor remedy against the ownership of corporate stock of small business corporations, consistent with the application of the charging order as it currently applies to limited partnerships and limited liability companies.

This paper discusses the use of the charging order in support of legislative changes which would standardize the remedies of creditors under Nevada law. Additionally, the changes proposed in this paper would create a significant advantage for the State of Nevada in attracting additional commercial recordings and associated revenues, particularly in the area of promoting new corporate filings.



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## Introduction

### Background

A charging order is an order by a court of proper jurisdiction which places a "charge" in the amount owed against the property of a judgment debtor. While the charging order does not normally provide immediate relief to the creditor, it may safeguard the value of the asset in the future.

Currently, charging order relief in Nevada is provided as a creditor's remedy against a debtor's ownership interest in either a limited partnership (LP) or limited liability company (LLC). The charging order generally prevents the creditor from foreclosing upon the ownership interest in the LP or LLC, and from forcing a sale of the entity's interest or assets to satisfy the judgment.

The purpose and theory behind the charging order limitation is to protect innocent partners (in the case of an LP) or members (in the case of an LLC) from being forced to inherit potentially hostile parties as partners/members in a partnership-type arrangement as the result of creditor foreclosure or forced sale. Such a consequence would likely have serious and significant negative economic impact on innocent partner/members.

The charging order remedy protects the value of the creditor's interest, while also protecting the innocent partner/member. The creditor becomes an "assignee" of any income that the debtor would derive from the ownership interest. As a result, any amounts that would normally be paid to the debtor/owner, whether as distribution of profit or by virtue of the unforced, market-value sale of the entity ownership interest – which could include the exercise of internal partnership/LLC agreement provisions allowing existing innocent partner/members to exercise buy-out options to divest the interest of debtor/owner.

In most states, the charging order remedy is one of several alternatives available to the judgment creditor and the court. However, the 2003 Nevada Legislature amended the Nevada Revised Statutes to join 8 other states in making the charging order the sole remedy available to creditors. This change has had a significant impact, particularly in LLC filings. Several legal newsletters and websites have discussed the 2003 changes in Nevada's charging order application.<sup>1</sup>

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<sup>1</sup> For a sampling of these discussions, see Commerce Clearing House Business Owner's Toolkit: [http://www.toolkit.cch.com/text/P12\\_4476.asp](http://www.toolkit.cch.com/text/P12_4476.asp); American Bar Association Magazine, May 2004: <http://www.abanet.org/rppt/publications/magazine/2004/ma/letters.html>; Asset Protection Corp.:



## Charging Order Protection for Corporate Stock

Charging order protection for corporations is not currently available in any jurisdiction that we can identify. This places the stock of a corporation, including closely-held or family owned companies, in jeopardy of potential foreclosure and forced sale to satisfy judgment creditors. The legal theory behind for this distinction between ownership of corporate stock as compared with ownership of LP or LLC interests is that stockholders are traditionally thought to be insulated and blind from one another; they are not generally considered to have a relationship or commitment to each other comparable to the partnership.

CCH Business Owner's Toolkit, published by Commerce Clearing House, one of the world's leading legal publishers offers the following analysis:

*"In theory, the relationship among corporate shareholders is an impersonal one (as opposed to that in a partnership or limited liability company). Therefore, when satisfying an owner's personal debt liability, the law allows a creditor who has acquired the shares through attachment to participate in management of the corporation. Thus, the creditor may vote the shares in favor of liquidation or in other ways unfavorable to the debtor's interests. In a small, closely held corporation, this is a real possibility. When you hold a majority interest in the corporation, and this interest is attached by a creditor with a charging order, your creditor may vote to liquidate the business to satisfy the debt. Even setting up your corporation as a statutory close corporation does not eliminate the risk that personal creditors of the owner will be able to attach and then vote the shares in favor of a liquidation of the business."*<sup>2</sup>

However, this legal concept does not reflect the reality of the business world, particularly in Nevada, where corporate statutes have been specifically drafted over time to attract small business corporate filings, as opposed to publicly-traded entities. The typical Nevada corporate filing is a micro-business with shareholders numbering from one to several. The relationship of these shareholders can be closely compared to that of partners, both in terms of their exercise of ownership and management rights.

Likewise, the potential of foreclosure or liquidation of the stock of a judgment debtor can have the same serious and negative economic impact on innocent shareholders as the charging order seeks to forestall where the entity is an LP or LLC.

By providing charging order protection for small business corporations, Nevada can take a tremendous step toward protecting existing shareholders of Nevada corporate entities. Further, by breaking this new ground in the area of corporate law, Nevada will see significant increase in its market share for new corporate filings and enhance its reputation as an international incorporation center.

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<http://www.assetprotectioncorp.com/assetprotectionunderRULPAandLLC.html>; and dozens of websites by Nevada resident agents.

<sup>2</sup> [http://www.toolkit.cch.com/text/P12\\_4471.asp](http://www.toolkit.cch.com/text/P12_4471.asp)



## Limitations of Corporate Charging Order Protection

The Nevada Resident Agent Association has carefully considered the ramifications of adding charging order protection to small business corporations. This protection, as proposed by NRAA, is intended to comply with the generally accepted legal theories currently governing charging order legislation:

1. It is intended to protect stockholders who have a partnership-type relationship with other stockholders in a small business, and who have potential to suffer economic loss in the event of foreclosure or liquidation by judgment creditors of other stockholders.
2. It is intended to comply with existing legal developments in the area of charging order application pertaining to single-member LLC's.<sup>3</sup>
3. It does not protect the corporation or corporate assets from judgments against the corporation directly. Thus, the charging order would not be used to insulate the corporation from risk associated with product liability, defects, errors and omissions, etc. that result from the corporation carrying on its business. The charging order only provides innocent party protection from outside judgments against owners.

### Single Owner Corporations

In 2003, a federal judge in Colorado denied charging order protection for single member LLC and allowed the bankruptcy trustee to take possession of the single member LLC's assets to benefit creditors. This determination was made due to the fact that no innocent third-party member of the LLC existed, and thus there was no economic interest to protect.

NRAA assumes that this legal standard would also apply to single shareholder corporations. As a result, our proposal requires that more than one shareholder is required for charging order protection to be an available remedy.

### Conformity to Federal Sub-Chapter S Status Qualifications

Because the intent of this proposal is to provide charging order protection in circumstances related to small business where stockholders are likely to have partnership-type relationships, it was necessary to consider an appropriate cap on the number of stockholders in order to ensure that this measure provides

<sup>3</sup> Ashley Albright, Bkrptc. (2003)

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small business benefits. After considerable discussion, NRAA determined that the federal qualification guidelines for S Corporation eligibility provided an appropriate cap inasmuch as the S corporation election is provided for the intent of providing partnership-type taxation to small business corporation. Clearly, the Internal Revenue Service considers corporations with fewer than 75 shareholders to be a small business.

### **Publicly Traded Corporations**

Stock of a publicly traded Nevada corporation would not be eligible for charging order protection under the NRAA proposal, due to the fact the corporation's status as a public entity removes the partnership/owner relationship that the charging order is designed to protect. In a publicly traded company, stockholders truly are "impersonal" and blind to one another. In addition, stockholders of publicly traded corporations have already assumed the risk associated with potentially hostile stockholders; and statutory and case law pertaining to hostile takeovers are already provided.

### **Subsidiary Corporations**

It is not the intention of the NRAA that charging order protection should be available to corporations that exist as subsidiaries of publicly traded companies, for the same reasons outlined above.



## The Declining Market of Corporate Filings

According to the Annual Report of Jurisdictions published at the 2004 conference of the International Association of Commercial Administrators (IACA), 19 of the 41 states reporting indicated that corporate filings had declined in those states in the period 2002 to 2003. The combined total of all reporting states indicated that corporate filings rose a mere 2.44% overall. This compares with only 2 of 41 states reporting a decline in LLC filing during the same period, with a combined growth in LLC filings of 21.97% nationally.

	<u>2002</u>	<u>2003</u>	<u>% Growth</u>
	<u>Corps</u>	<u>Corps</u>	
Alabama	6,273	6,037	-3.76%
Alaska	844	870	3.08%
Arizona	10,806	11,515	6.56%
Arkansas	5,956	5,897	-0.99%
California	78,935	83,763	6.12%
Colorado	19,144	16,976	-11.32%
Connecticut	2,532	2,498	-1.34%
Delaware	36,256	32,180	-11.24%
Florida	135,578	161,559	19.16%
Georgia	31,797	32,311	1.65%
Hawaii	3,030	3,195	5.45%
Iowa	4,338	4,384	1.06%
Indiana	11,237	11,184	-0.47%
Kansas	4,547	4,419	-2.82%
Louisiana	6,267	5,694	-9.14%
Maine	2,592	2,639	1.81%
Maryland	16,867	17,031	0.97%
Massachusetts	12,544	11,941	-4.81%
Minnesota	13,254	13,545	2.20%
Mississippi	4,375	4,170	-4.69%
Missouri	12,550	12,132	-3.33%
Nebraska	2,966	3,017	1.72%
Nevada	28,612	29,120	1.78%
New Hampshire	1,680	1,737	3.39%
New Jersey	25,543	22,198	-13.10%
New Mexico	2,259	2,370	4.91%
New York	77,650	78,104	0.58%
North Carolina	20,975	21,841	4.13%
Ohio	15,095	13,866	-8.14%
Oregon	8,710	8,912	2.32%
Pennsylvania	18,159	17,888	-1.49%
Rhode Island	2,403	2,337	-2.75%
South Dakota	14,954	15,379	2.84%
Tennessee	7,143	7,209	0.92%
Texas	48,188	46,694	-3.10%
Utah	10,303	7,785	-24.44%

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Virginia	19,232	19,337	0.55%
Washington	12,069	12,394	2.69%
West Virginia	1,320	1,455	10.23%
Wisconsin	5,780	5,643	-2.37%
Wyoming	<del>2,269</del>	<del>1,977</del>	-12.87%
<b>TOTALS</b>	<b>745,022</b>	<b>763,203</b>	<b>2.44%</b>

For 2003, the report shows a total of 763,203 new corporate filings, compared with 748,083 new LLC filings. Based on those numbers and the trends reported in the 2004 IACA report, we expect that when the 2005 is released with final 2004 figures, it will show that new LLC filings will have surpassed total new corporate filings for the first time.

While the growth in LLC filings is a healthy trend for the economy, as well as for the Commercial Recordings Division and resident agents, the lack of growth or decline in corporate filings is cause for some concern. Since corporate filings have always been a historical staple revenue source generated by the Secretary of State's office and resident agent marketing efforts, any decline in corporate filing numbers will likewise be reflected in a decline in commercial recording fees generated by future new corporate filings.

The NRAA believes that the proposal to provide charging order protection to the stock of Nevada small business corporations will reinvigorate corporate filings in Nevada. Of particular interest to the NRAA is in positioning Nevada to capture a greater share of the market that is currently filing corporate entities in Florida – at a rate, we note, that far exceeds the baseline incorporation level that is supported by the population of the state. A large proportion of Florida corporate filings are generated by law firms who are attracted to Florida's general climate for asset protection (as evidenced by Florida's unlimited homestead exemption on the value of residential real estate).

We feel that the addition of charging order protection for Nevada corporate entities will provide the state with a significant tool to gain national market share in the incorporation market, and to continue to aggressively compete with states such as Florida, Delaware, Wyoming and South Dakota for the importation of corporate filings and its associated revenues and economic development impacts.



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## Possible Objections

It is difficult for our Association to fully anticipate all of the possible objections that might arise from our proposal. As groups raise legitimate concerns, we are prepared to sit down with these parties and discuss these concerns rationally in the pursuit of resolving problem issues or reaching workable compromises wherever possible. Nevertheless, as we have discussed this issue at the level of our Executive Board, we have identified the following possible objections:

### Unreasonable Protection for Debtors

Clearly, the proposal to add charging order protection to small business corporation stock provides a degree of additional protection from judgment creditors that are not now present. Some, particularly those involved in seeking and collecting judgments, may perceive that this charging order protection may prevent or hinder the collection on legal judgments, or that the charging order has potential for abuse in creditor/debtor relationships.

We would argue that the current law - where foreclosure and forced sale of corporate stock can result - may provide less protection to creditor than the charging order proposal. If stock of a closely-held corporation is liquidated in an auction on the steps of the county courthouse under foreclosure proceedings, the creditor is unlikely to receive anything close to full value for corporate stock or assets because the forced sale does not take place in an environment that enables the stock to be sold at its highest value.

In preparation for bringing this proposal to the legislature, we have discussed this concept with several Nevada attorneys who practice in the area of business law. It was universally noted that the forced liquidation of closely-held corporate stock is rare due to the fact that the creditor is unable to receive sufficient value to justify the expense of the proceedings in such a circumstance.

While the charging order on corporate stock may delay the creditor's ability to collect on the judgment, the likelihood may be much greater that the creditor is able to collect on the full amount, either through the attachment of future dividend distributions or at some future point of sale or transfer of corporate stock.

### Potential for Abuse

Some may argue that the charging order has potential for abuse and fraud. Those who would attempt to use the corporation as a tool for fraud are also likely to attempt to hide behind the protection of the corporate veil and any connected charging order limits.



In the event of criminal fraud (and related sanctions and penalties), the charging order would have no application. In civil actions or suits, the charging order would generally apply to judgments obtained against individual shareholders UNLESS the entity is also named as a party to the action, and the court finds that fraud or "manifest injustice" is present in the corporation's involvement or activity. In the presence of fraud or manifest injustice, the corporation veil can be pierced and individuals can be held personally liable.<sup>4</sup> The court has wide latitude to deal with matters of fraud and abuse.

### **Unreasonable Protection from Liability for Corporate Actions**

If the charging order is not properly understood, it may seem to the uninformed that we propose to create additional barriers to legitimate claims against the corporation. Such is not the case. The charging order does not apply to actions against the corporation. Any injured party with a legitimate claim or action against a corporate entity may pursue that action in the courts. If a judgment is obtained against the corporation itself, all assets of the corporation are potentially availability for satisfaction of the judgment. In other words, a corporation cannot use a charging order to prevent satisfaction of claims against the entity for any reason.

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<sup>4</sup> NRS 78.747



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## Conclusions

Providing charging order protection to Nevada small business corporations will give Nevada a significant competitive edge that will have reap tremendous economic benefits for many years. This proposal breaks new legal ground in the area of corporate law in a manner that no other state can currently match. While the Nevada Resident Agent Association is unable to predict the specific impact these changes will have on Nevada filings, we do predict that the consequences will be substantial. If passed, the addition of charging order protection for Nevada corporations will catch the attention of the entire legal community, and will become the subject of a tremendous amount of technical "buzz" and publicity for Nevada's advantages.

This proposal represents an attempt to provide equal treatment among the available business entity types regarding the protection of the economic interests of innocent partner/stockholders of Nevada corporations. However, the charging order also provides important protections to ensure that creditors will receive full value remedies, and thus protects their economic interests as well.

Further, the proposal seeks to provide long-term protection and reinforcement of Nevada's commercial filing staple: the corporation. As Nevada competes with many other states for market share in the corporate filing world, it will be poised to attract a large number of filings that currently go elsewhere.

### Impacted NRS Sections

- NRS 78 Private Corporations
- NRS 78A Close Corporations
- NRS 21 Enforcement of Judgments

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**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON JUDICIARY**

**Seventy-Third Session  
May 18, 2005**

The Committee on Judiciary was called to order at 8:12 a.m., on Wednesday, May 18, 2005. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4401 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Bernie Anderson, Chairman  
Mr. William Horne, Vice Chairman  
Ms. Francis Allen  
Mrs. Sharron Angle  
Ms. Barbara Buckley  
Mr. John C. Carpenter  
Mr. Marcus Conklin  
Ms. Susan Gerhardt  
Mr. Brooks Holcomb  
Mr. Garn Mabey  
Mr. Mark Manendo  
Mr. Harry Mortenson  
Mr. John Ocegüera  
Ms. Genie Ohrenschall

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Senator Dina Titus, Clark County Senatorial District No. 7

**STAFF MEMBERS PRESENT:**

Risa Lang, Committee Counsel



Allison Combs, Committee Policy Analyst  
Judy Maddock, Committee Manager

**OTHERS PRESENT:**

George Togliatti, Director, Department of Public Safety, State of Nevada  
Amy Wright, Chief, Division of Parole and Probation, Department of Public Safety, State of Nevada  
Major Bob Wideman, Chief of Records and Technology, Central Repository for Nevada Records of Criminal History, Department of Public Safety, State of Nevada  
Donna Coleman, President, Children's Advocacy Alliance, Las Vegas, Nevada  
Lieutenant Stan Olsen, Executive Director, Office of Intergovernmental Services, Las Vegas Police Department, Las Vegas, Nevada; and Legislative Advocate, representing Nevada Sheriffs' and Chiefs' Association  
Sergeant Michelle Youngs, Public Information Officer, Washoe County Sheriff's Office, Reno, Nevada; and Legislative Advocate, representing the Nevada Sheriffs' and Chiefs' Association  
Detective Sergeant Dave Della, Northern Nevada Repeat Offender Program, Reno Police Department, Reno, Nevada  
Don Dinardi, Private Citizen, Las Vegas, Nevada  
Terri Miller, Board President, Stop Educator Sexual Abuse Misconduct and Exploitation, Inc.  
Pat Hines, Private Citizen, Yerington, Nevada  
Fritz Schlottman, Administrator, Offender Management Division, Department of Corrections, State of Nevada  
Ben Graham, Legislative Advocate, representing the Nevada District Attorneys Association  
Kristin Erickson, Legislative Advocate, representing the Nevada District Attorneys Association  
Jim Nadeau, Government Affairs Director, Nevada Association of Realtors, Reno, Nevada  
Buffy Dreiling, Legal Counsel, Nevada Association of Realtors, Reno, Nevada  
John Fowler, Member, Executive Committee, Business Law Section, State Bar of Nevada  
Richard Peel, Legislative Advocate, representing the Mechanical Contractors Association of Nevada, National Electrical Contractors Association of Southern Nevada, and the Sheet Metal Air Conditioning Contractors' National Association



Steve Holloway, Executive Vice President, Associated General Contractors, Las Vegas Chapter  
Renny Ashleman, Legislative Advocate, representing the Southern Nevada Home Builders Association

**Chairman Anderson:**

[Meeting called to order and roll called.] We have one item on the agenda, S.B. 341. The chief sponsor of the legislation is Senator Titus.

**Senate Bill 341 (2nd Reprint): Makes various changes concerning sex offenders and offenders convicted of crimes against children. (BDR 14-678)**

**George Togliatti, Director, Nevada Department of Public Safety, State of Nevada:**

Less than a year ago I met with the Governor and his staff, at his request, to look into the situation within the state of Nevada regarding sex offenders. Having done so, we decided to get together with working groups and come up with proposals for legislation.

We met with advocacy groups, as well as with Parole and Probation (P&P), local law enforcement, and with our Criminal History Repository. We then presented our information to Senators Titus, Raggio, Nolan, Wiener, and Mathews; Assemblywoman Gansert; and Assemblyman Parks. The result is in front of you this morning.

From a law enforcement point of view, I think there's a misconception by most people in the state of Nevada that we have knowledge of where all sex offenders are. A few articles in the paper clearly give that impression. In fact, we have people who have committed violations within the state of Nevada who are presently being supervised by Parole and Probation. We have others who committed their crimes in other states and have transferred to this state through an interstate compact, or agreement, because they have family and jobs here. Officially, they're within the state. We have others who come into Nevada and we have no way of knowing they're here.

Again, that's the misconception, where they say, "Gee, what's law enforcement doing about these folks? You don't even know where they are." Look at our sex offender website—particularly the ZIP code 89101, which is downtown Las Vegas—and look at the number of people who originally



I think the rules should be different when people are dealing with government, whether it's campaign contributions or zoning. I think the experience in our state is showing that you can be business-friendly and still require those who do business with government to disclose their name.

**Assemblyman Mabey:**

Let's say a limited liability company donates to my campaign next go-around. How will I know what the makeup of that limited liability company is? I don't understand what I would have to report if this bill passes with this amendment.

**Assemblywoman Buckley:**

All a political person would have to do is to disclose the name of the LLC and the address. You are not required to do any investigation. If that LLC is going to contribute to campaigns, they have to disclose who they are.

**Chairman Anderson:**

Your requirement would be exactly the same as it currently is. The dollar amount would be the threshold, and full disclosure above that is what we would do. The proposed amendments would be those suggested by Ms. Buckley and the change in Section 58 to retain the languages at lines 29 and 30.

**Assemblyman Carpenter:**

I want to comment that this is really needed. A lot of these people are doing business with government and hiding behind these LLCs.

**Chairman Anderson:**

I think it will go a long way. The Chair will entertain a motion to amend and do pass S.B. 338.

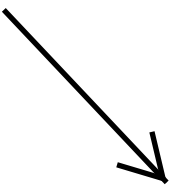
ASSEMBLYMAN CARPENTER MOVED TO AMEND AND DO PASS  
SENATE BILL 338 WITH THE AMENDMENTS IN WORK SESSION  
DOCUMENT AND AN AMENDMENT TO RETAIN THE EXISTING  
LANGUAGE, BUT REMOVING DELETED SECTIONS AT LINES 29  
AND 30.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Buckley and  
Assemblyman Ocegüera were not present for the vote.)

**Chairman Anderson:**

[Opened the hearing on S.B. 453.]





**Senate Bill 453 (2nd Reprint): Makes various changes concerning business entities. (BDR 7-576)**

**Allison Comb, Committee Policy Analyst:**

Senate Bill 453 is the second business-law-type bill that comes typically every year. This is from the Secretary of State's Office, and it provides housekeeping measures and standardizes certain processes. There are three amendments ([Exhibit F](#)). The first one on the notaries public was to add in some language discussed in the Committee, and it was proposed by Renee Parker with the Secretary of State's Office to address issues relating to fraud. The second proposed amendment, mentioned by Mr. [Pat] Cashill during the hearing, was to clarify the definition of "record" under Section 41, relating to the filing of forged documents.

The bill currently says that the record includes information filed pursuant to Title 7 of NRS or Article 9. There's a request to clarify that it would include any record filed with that office. Finally, there was the area of charging orders. There were concerns raised with regard to that new issue for Nevada law. There are no proposed amendments on that issue.

**Chairman Anderson:**

What is the pleasure of the Committee? On S.B. 453, number 1 and 2 of the section seem to be okay. I'm concerned about Sections 37 and 40. Regarding the notary public question, does anybody have a problem with Section 1, the proposed changes from the Secretary of State's Office?

**Assemblyman Carpenter:**

We need to make it part of the record that if it's a notary who has known someone for a long time, and if you're not in that presence and they notarize, they are not guilty of a gross misdemeanor. Ms. Parker stated that at the hearing, but I think it needs to be made part of the record so that does not happen. Very often you need to have something notarized, and maybe you can't be right there at the same time. If he or she has known you for a long time, it should be no problem.

**Chairman Anderson:**

I've never appeared in front of a notary; I've always done it in person. Whoever gets the assignment for this, Mr. Carpenter will make sure they get the opportunity to read this particular section when we do the statement on the Floor. Regarding the definition of "record," Ms. Combs, would you clarify Section 3 for me? On the suggested charging orders in Sections 1, 37 and 40, how should we proceed on that particular suggestion?



**Allison Combs:**

On the charging order issue, there was testimony that this is a new area for the state. Nevada will be the first state to do this. Subsequent to the hearing, there were a number of concerns raised with members of the Committee regarding these provisions and exactly what they mean, and whether or not this is the appropriate direction for Nevada to go at this time. The Nevada Resident Agents Association provided detailed information on their intent. There were questions subsequent to the hearing—with regard to Sections 1 and 37 to 40 of the bill—on the charging orders.

**Chairman Anderson:**

We're suggesting that we remove these? All right. If we're to move forward with the bill, we clarify the intent of the Secretary of State's Office that the definition of "record" means that the information that is filed with the Secretary of State, as suggested by the attorney, and we remove Sections 1, 37, and 40, which would be new ground for the Resident Agents Association.

ASSEMBLYMAN CARPENTER MOVED TO AMEND AND DO PASS  
SENATE BILL 453 WITH AMENDMENTS PROVIDED.

ASSEMBLYWOMAN OHRENSCHALL SECONDED THE MOTION.

**Assemblyman Conklin:**

Just clarifying that there's no amendment under the charging orders section here, just one and two. Right?

**Chairman Anderson:**

As I understand, we would remove Sections 1, 37, 38, 39 and 40 from the bill. Those issues dealing with the resident agents set us into a new area.

**Assemblyman Conklin:**

What were the issues with Sections 1 and 37 through 40? I understand they all go together, but I don't remember the issue.

**Chairman Anderson:**

In part, the question dealt with resident agents. In reviewing the statutes relative to resident agents, if we were to move into this particular area for resident agents, Nevada would be the only state in the United States doing that. They didn't feel there was sufficient information given to open up this new area in support for the legislation.



**Allison Combs:**

There were concerns raised afterwards with regard to the new provisions in the bill, and whether or not what was done was what was intended. If you want to wait, I can provide more information at a later time.

**Chairman Anderson:**

Mr. Conklin, there's no absolute necessity for us to move with this particular thing at this particular work session. We can put it in tomorrow's work session document.

**Assemblyman Conklin:**

Mr. Chairman, I might consider holding this. I read this to mean that you can't shirk your credit obligation just because you're a stockholder in a company. That stock becomes part of your credit obligation; that's the way that I read it. I'd like to see it in there. I need to get a better understanding of this particular piece, and I'd be more than willing to do so over the next 24 hours.

**Chairman Anderson:**

Mr. Carpenter, can I ask you to withdraw your motion? Ms. Ohrenschall, can I ask you to withdraw your second? [They both agreed.]

Ms. Combs, let me ask if you can put it in a work session document for tomorrow. That takes us back to S.B. 343 ([Exhibit F](#)).

**[Senate Bill 343 \(1st Reprint\)](#): Makes various changes to provisions related to mechanics' and materialmen's liens. (BDR 9-787)**

**Chairman Anderson:**

We are now into the third amendment to the first reprint, as this is the newest document that we have. Let me indicate to the members, distributed here is a letter ([Exhibit G](#)) that Mr. Peel asked to provide to Ms. Buckley, which we did, and which was presented to the members of the Committee. This is relative to the explanation of the original bill that you had done, prepared for her, and then sent a copy to me, dated May 14. I know it's an "Overview of First Reprint of Senate Bill 343"; it's dated and has all of your names on it.



**Renny Ashleman, Legislative Advocate, representing the Southern Nevada Home Builders Association:**

Their concern is that they're asking for an additional privilege. We've taken nothing away from them; in fact, we've given other powers and rights to these folks. They wish to end any negotiation they have to undertake with either a private party or local government as to whether or not there's a cost or not of putting up a bond or a cost of a construction control account. They want to force the owner of the property to automatically yield it as security, when there are other alternatives in the law. I say that's a matter for negotiation between the local parties, whether they are public or private.

**Chairman Anderson:**

It's not that they're losing anything currently in statute; they wish to gain something. They wish you had put in an amendment that took care of their problem, and we did not. Do you wish for additional time to review the amendment, or do you wish to take action? It's a complicated issue, and I don't want to force the Committee. We'll ask that you review the amendment ([Exhibit H](#)). We are adjourned [at 11:18 a.m.].

RESPECTFULLY SUBMITTED:

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Judy Maddock  
Recording Attaché

\_\_\_\_\_  
Victoria Thompson  
Transcribing Attaché

APPROVED BY:

\_\_\_\_\_  
Assemblyman Bernie Anderson, Chairman

DATE: \_\_\_\_\_



**EXHIBITS**

**Committee Name: Committee on Judiciary**

**Date: May 18, 2005**

**Time of Meeting: 8:12 a.m.**

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
N/A	A	Judiciary Committee	Agenda for meeting
S.B. 341	B	Donna Coleman, Children's Advocacy Alliance	Testimony and proposed amendments
S.B. 341	C	Michelle Youngs, Washoe County Sheriff's Office	Proposed amendments
S.B. 341	D	Don Dinardi, Private Citizen	Testimony
S.B. 341	E	Terri Miller, SESAME Inc.	Testimony and proposed amendments
S.B. 64 S.B. 338 S.B. 343 S.B. 444 S.B. 450 S.B. 453	F	Allison Combs, LCB	Work session documents
S.B. 343	G	Richard Peel, Mechanical Contractors Assn. of NV; Nat'l Electrical Contractors Assn. of So. NV; and Sheet Metal Air Conditioning Contractors	Amendments; letters to Assemblywoman Buckley and Assemblyman Anderson
S.B. 343	H	Richard Peel	Amendment to S.B. 343
S.B. 343	I	Stephen Rice, NAIOP (National Association of Industrial and Office Properties)	Letter to Assemblyman Anderson



ASSEMBLY AGENDA  
for the  
**COMMITTEE ON JUDICIARY**

Day Wednesday Date May 18, 2005 Time 8:00 a.m. Room 3138

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Assembly Committee on Judiciary at (775) 684-8566.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

*PLEASE PROVIDE 20 COPIES OF YOUR EXHIBITS AND NOTES*

**Note:** Interested parties may observe the proceedings through a simultaneous videoconference in Room 4401 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada.

S.B. 341 (R2) Makes various changes concerning sex offenders and offenders convicted of crimes against children (BDR 14-678)

Matters continued from a previous meeting

Committee introductions

Work session on measures previously considered

**Note:** Any person wishing to propose an amendment to a current bill must submit, in writing, the amendment and an accompanying statement of intent which identifies the sponsors of the amendment.

LEGISLATIVE INTENT SERVICE (800) 666-1917



LIS - 7b

lcb Meeting ID: 4528



**EXHIBIT A/AGENDA  
JUDICIARY ON 5-18-05**

# S.B. 444



# S.B. 453



- SENATE BILL 453(R2)—Makes various changes concerning business entities. (BDR 7-576)**

**Sponsored by: Senate Committee on Judiciary (On behalf of the Secretary of State)**

**Date Heard: May 5, 2005**

**Summary of the Bill – Second Reprint**

Senate Bill 453 allows a court, in certain circumstances, to charge a stockholder's stock with payment of the unsatisfied amount of a judgment. The measure also revises provisions concerning the timing, form, and contents of various filings by certain business entities. The bill also clarifies that unit-owners' or homeowners' associations must comply with certain requirements before the Secretary of State may accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation.

Additionally, S.B. 453 provides that a person who knowingly files a forged or false record may be subject to civil liability. The measure defines "record" as an inscribed or tangible medium that is filed pursuant to any provision of Title 7 of the *Nevada Revised Statutes* or Article 9 of the Uniform Commercial Code. Finally, the measure establishes certain fees, including an expedited one-hour service fee, charged by the Office of the Secretary of State for services provided to business entities.

**Discussion**

Testimony in favor of the measure was presented by the Secretary of State's Office, which explained the bill contained "housekeeping" provisions, and standardized the requirements and processes for documents filed with the Secretary of State's office.

**Proposed Conceptual Amendments**

1. **Notaries Public** – Insert new provisions relating to notaries public to address issues relating to fraud. The attached language was submitted and explained by *Rene Parker, Chief Deputy Secretary of State*, at the hearing.
2. **Definition of "Record" under Section 41** – Clarify the definition of "record" means any information that is filed with the Secretary of State.

Section 41 adds provisions to Chapter 225 of NRS (Secretary of State) for filing forged or fraudulent documents, or knowingly filing false documents in the Office of Secretary of State. Currently, this section defines a "record" to include certain information that filed or offered for filing pursuant to any provision of title 7 of NRS or article 9 of the Uniform Commercial Code. (See page 42, lines 1 to 3.)

3. **Charging Orders** – Sections 1 and 37 to 40 were proposed by the Nevada Resident Agents Association to authorizing charging orders. Concerns were raised regarding these sections, but no formal amendments have been submitted.



AMENDMENTS TO SB 453 (to add Notary Provisions)

Amend the bill as a whole by adding new sections 1 through 6 to amend NRS Chapter 240 and renumbering Section 1 as Section 7 as follows [material in blue bold is new material, material in red brackets is deleted material]:

**Sec. 1. 1. A notary public who is appointed pursuant to this chapter who willfully notarizes the signature of a person who is:**

**(a) Not in the presence of the notary public; or**

**(b) Unknown to the notary public, if the person does not provide documentary evidence of identification to the notary public, is guilty of a gross misdemeanor, and shall be punished as provided in NRS 193.140.**

**2. Any person who aids and abets a notary public to commit a violation of subsection 1 is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140.**

**Sec. 2. 1. Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication in one of the following forms to verify that the signature of a notarial officer on a document is genuine and that the notarial officer holds the indicated office:**

**(a) If the document is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961; or**

**(b) If the document is intended for use in the United States or a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.**

**2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:**

**(a) The document has not been notarized in accordance with the provisions of this chapter; or**

**(b) The Secretary of State has information that the document may be used to accomplish any fraudulent, criminal or other unlawful purpose.**

**Sec. 3. NRS 240.001 is hereby amended to read as follows:**

**240.001 As used in NRS 240.001 to 240.169, inclusive, and sections 1 and 2, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.**

**Sec. 4. NRS 240.010 is hereby amended to read as follows:**

**240.010 1. The Secretary of State may appoint notaries public in this State.**

**2. The Secretary of State shall not appoint as a notary public a person:**

**(a) Who submits an application containing a substantial and material misstatement or omission of fact.**

**(b) Whose previous appointment as a notary public in this State has been revoked.**

**(c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.**

**(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.**

**3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.**

**4. It is unlawful for a person to:**

**(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.**



(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

**5. *The Secretary of State may request that the Attorney General bring an action to enjoin a person from violating the provisions of paragraph (a) of subsection 4.***

**Sec. 5.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, **and section 2 of this act** may be cited as the Uniform Law on Notarial Acts. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 6.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

(a) A notary public;

(b) A judge, clerk or deputy clerk of a court of record; or

(c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. [An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.]

[3.] A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

[4.] 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

[5.] 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

[6.] 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority

of an officer with that title to perform notarial acts is conclusively established.

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON JUDICIARY  
Seventy-Third Session  
May 20, 2005**

The Committee on Judiciary was called to order at 8:22 a.m., on Friday, May 20, 2005. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4401 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Bernie Anderson, Chairman  
Mr. William Horne, Vice Chairman  
Ms. Francis Allen  
Mrs. Sharron Angle  
Ms. Barbara Buckley  
Mr. John Carpenter  
Mr. Marcus Conklin  
Ms. Susan Gerhardt  
Mr. Brooks Holcomb  
Mr. Garn Mabey  
Mr. Mark Manendo  
Mr. Harry Mortenson  
Mr. John Ocegüera

**COMMITTEE MEMBERS ABSENT:**

Ms. Genie Ohrenschall (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Terry Care, Clark County Senatorial District No. 7

**STAFF MEMBERS PRESENT:**

Risa Lang, Committee Counsel  
Allison Combs, Committee Policy Analyst  
Jane Oliver, Committee Attaché



**OTHERS PRESENT:**

Bryan Gresh, Legislative Advocate, representing Clark County Regional Flood Control District  
Stan Peck, Chief Legal Counsel, Regional Transportation Commission of Washoe County  
Jeff Fontaine, Director, Department of Transportation, State of Nevada  
Brian Hutchins, Chief Deputy Attorney General, Office of the Attorney General, Department of Justice, State of Nevada  
Kevin Bertonneau, Legislative Advocate, representing the City of Reno, Nevada  
James Wadhams, Legislative Advocate, representing the Nevada Association of Insurance and Financial Advisors  
David Kallas, Executive Director, Las Vegas Police Protective Association Metro, Inc., Las Vegas, Nevada  
Bob Maddox, Legislative Advocate, representing Community Associations Institute and the Nevada Trial Lawyers Association  
Michael Trudell, Legislative Advocate, representing the Caughlin Ranch Homeowners Association  
Cheri Edelman, Legislative Advocate, representing the City of Las Vegas, Nevada  
Marilyn Brainard, President, Wingfield Springs Community Association, Sparks, Nevada  
Jim Nadeau, Government Affairs Director, Nevada Association of Realtors, Reno, Nevada  
Renny Ashleman, Legislative Advocate, representing Southern Nevada Home Builders Association  
Karen Dennison, Legislative Advocate, representing Lake at Las Vegas Joint Venture

**Chairman Anderson:**

[Called the meeting to order and roll called.]

**Senate Bill 326 (1st Reprint): Makes various changes to provisions governing eminent domain. (BDR 3-78)**

**Allison Combs, Committee Policy Analyst:**

Senate Bill 326 was heard yesterday in work session, and staff was asked to put together a list of the changes that the Committee was working on, along with redoing the mockup that Ms. [Risa] Lang has created. The first area deals



**Senator Care:**

Ballardini Ranch is out, and everyone agrees on that. What we're talking about here is that this becomes effective upon passage and approval. Also, it would apply only to those eminent domain proceedings instituted after the enactment of S.B. 326.

**Chairman Anderson:**

We need to clarify those things that are happening after passage and approval. We've clarified goodwill. We're going to do the Washoe County proposed language (page 95, Exhibit B), and we're going to add to that phrase, "Shall be compensated for goodwill." Ms. Lang will try to deal with the language to clarify what we're going to include there. We are going to be talking about 50 years. We're not going to be doing the flood control. We are going to 15 years. We've taken care of the question of blight, relative to the City of Reno language, and the effective date of upon passage and approval.

THE MOTION CARRIED. (Ms. Ohrenschall was not present for the vote.)

**Chairman Anderson:**

Let's turn our attention to S.B. 453.



**Senate Bill 453 (2nd Reprint): Makes various changes concerning business entities. (BDR 7-576)**

**Allison Combs, Committee Policy Analyst:**

Senate Bill 453 was brought up a couple of days ago. It is the bill from the Secretary of State's office, which is a large, comprehensive bill dealing with business entities. It makes some housekeeping, standardization-type changes to the requirements and processes for filing documents with the Secretary of State's office.

There were three areas targeted for possible amendment. The first one deals with the notaries public. The language is in the Work Session Document, on page 98 (Exhibit B), regarding some new additions to the notaries public to address issues relating to fraud. This language was submitted and explained by Ms. [Renee] Parker with the Secretary of State's Office at the hearing.

The second one is to clarify the definition of a record under Section 41 of S.B. 453, which adds provisions relating to filing forms for fraudulent documents with the Office of the Secretary of State. Currently, there is



language in the bill that a record includes information offered for filing pursuant to provisions of Title 7 of *Nevada Revised Statutes* (NRS) or Article 9 of the Uniform Commercial Code.

[Allison Combs, continued.] There was a proposal from Pat Cashill at the hearing to clarify that these records would include all records filed with the Secretary of State's Office and to be sure that the language wasn't too limiting. The proposal is to clarify that it does mean all records filed at that office.

Finally, in the area of charging orders under Sections 1 and 37 to 40, which are proposed under the bill by the Nevada Resident Agents Association, there were some concerns raised regarding those provisions, but no formal amendments have been offered.

**Chairman Anderson:**

The questions in amendment 3 (page 98, [Exhibit B](#)) still cause me a certain level of concern. We have received a few emails about that in the last couple of days, since we didn't move on this the other day. I think that we are safe moving with amendments 1 and 2 and removing Section 1 and Sections 37 through 40, the charging order questions, and adding the notary provisions as suggested by the Secretary of State.

**Assemblywoman Buckley:**

I've tried to understand the charging orders. I'm having difficulty with it. I emailed it to a couple of people who have no interest in the bill whatsoever, just to say, "What do you think of about this?" I continue to get concerns about what we are doing here with this. I then send that to the proponents of it, and they respond. Then I forward it again, and they say it doesn't alleviate their concerns about what we're doing here.

We have separate types of business entities for different reasons. We have a corporation to shield people from liability. We have partnerships so that partners take responsibility for the parts of that business. An LLC [limited liability company] is the same thing. I worry about what is going to happen to the other businesses and entities involved in these disputes. It's not just that we should do something business-friendly to attract businesses here. What about the businesses that are already here? They are the other party to the dispute if there's a dispute about funds.

Because I feel that it may not protect the other parties, and because I don't feel comfortable enough understanding why this is needed, I am not going to support it.

**Assemblyman Conklin:**

I have done some of my own research as well. It is a complicated issue. The bill needs to move forward, so I am going to work with the pleasure of the Committee. I certainly do not want to hold up the process on this. I understand the concerns of my colleague as well.

**Chairman Anderson:**

As much as I love eminent domain questions, I love the inner workings of corporate structure even more. The nuance of the arguments in Sections 1 and 37 through 40 continue to concern me because of some bad practices in the past.

I would like to entertain a motion to put in amendment 1 (page 98, [Exhibit B](#)), suggested by the Deputy Secretary of State. I would also like to add the definition suggested by Pat Cashill in amendment 2, and the removals of Sections 1 and 37 through 40 in amendment 3.

ASSEMBLYWOMAN BUCKLEY MOVED TO AMEND AND DO PASS  
SENATE BILL 453.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION CARRIED. (Ms. Ohrenschall was not present for the vote.)

**Chairman Anderson:**

Let's turn our attention to S.B. 432.

**Senate Bill 432 (1st Reprint): Revises exemption from execution of certain money, benefits, privileges or immunities accruing or growing out of life insurance. (BDR 2-1316)**

**Assemblyman Horne:**

I am concerned about the elimination of the \$1,000 limit (page 96, [Exhibit B](#)). The testimony was that it was enacted in 1970 or 1971. I suggest that we raise the limit. I think the limit is there for a reason.

**Chairman Anderson:**

At the pleasure of the Committee, we could raise the limit on S.B. 432. Mr. Horne, if we were to pursue your concept, maybe Mr. [Jim] Wadhams has an observation that he wants to make about it.





**Chairman Anderson:**

We are not going to give direction to the Attorney General relative to the conduct of the open meeting. We are not going to sanction or put into state law their practice. [Adjourned the meeting at 11:42 a.m.]

RESPECTFULLY SUBMITTED:

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Jane Oliver  
Recording Attaché

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Katherine Andrews  
Transcribing Attaché

APPROVED BY:

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Assemblyman Bernie Anderson, Chairman

DATE: \_\_\_\_\_



**EXHIBITS**

**Committee Name:** Committee on Judiciary

**Date:** May 20, 2005

**Time of Meeting:** 8:22 a.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
S.B. 41 S.B. 150 S.B. 153 S.B. 325 S.B. 326 S.B. 432 S.B. 453	B	Allison Combs / Legislative Counsel Bureau	Work Session Document
S.B. 150	C	Michael Neville / Washoe County District Attorney Investigators Association	Letter of testimony on S.B. 150
S.B. 423	D	David Smith / Board of Parole Commissioners	Letter in support of S.B. 423



ASSEMBLY AGENDA  
for the  
**COMMITTEE ON JUDICIARY**

Day Friday      Date May 20, 2005      Time 8:00 a.m.      Room 3138

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Assembly Committee on Judiciary at (775) 684-8566.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 20 COPIES OF YOUR EXHIBITS AND NOTES**

**Note:** Interested parties may observe the proceedings through a simultaneous videoconference in Room 4401 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada.

Matters continued from a previous meeting

Committee introductions

Work session on measures previously considered

Note: Any person wishing to propose an amendment to a current bill must submit, in writing, the amendment and an accompanying statement of intent which identifies the sponsors of the amendment.

LIS - 8b

EXHIBIT A/AGENDA  
JUDICIARY ON 5-20-05

lcb Meeting ID: 4572



- SENATE BILL 41(R1)—Revises provisions governing priority of certain liens. (BDR 9-133)**

**Sponsored by: Senator Maurice E. Washington**

**Date Heard: April 28, 2005**

**Summary of the Bill – First Reprint**

The bill provides that if the amount of the lien does not exceed \$2,500, it is a first lien, and if the amount of the lien exceeds \$2,500, it is a second lien. Existing law provides that the monetary threshold for establishing a first and second lien is \$1,000.

**Discussion**

Testimony from the sponsor indicated that the bill is intended to update the lien amounts, particularly with regard to the towing industry. The amounts under the bill were last raised in 1997 from \$750 to \$1,000 (Assembly Bill 633, Chapter 409, *Statutes of Nevada*).

**Proposed Conceptual Amendments**

➤ **Clarify that the changes under the bill only apply to motor vehicles:**

1. **Motor Vehicles** - Amend the bill to provide that in cases involving motor vehicles:
  - For the **first 30 days** of the lien period:
    - If the amount of the lien does not exceed \$1,000, the lien is a first lien.
    - If the amount exceeds \$1,000, it is a second lien.
  - **After the first 30 days** of the lien period:
    - If the amount of the lien does not exceed \$2,500, the lien is a first lien.
    - The amount that exceeds \$2,500 is a second lien.
  - These liens may only include charges for towing, storage, and applicable administrative fees related to motor vehicles.
  
2. **Other Liens** - Return to existing law for all other liens under NRS 108.290.



**SENATE BILL 453(R2)—Makes various changes concerning business entities. (BDR 7-576)**

**Sponsored by: Senate Committee on Judiciary (On behalf of the Secretary of State)**

**Date Heard: May 5, 2005**

**Summary of the Bill – Second Reprint**

Senate Bill 453 allows a court, in certain circumstances, to charge a stockholder’s stock with payment of the unsatisfied amount of a judgment. The measure also revises provisions concerning the timing, form, and contents of various filings by certain business entities. The bill also clarifies that unit-owners’ or homeowners’ associations must comply with certain requirements before the Secretary of State may accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation.

Additionally, S.B. 453 provides that a person who knowingly files a forged or false record may be subject to civil liability. The measure defines “record” as an inscribed or tangible medium that is filed pursuant to any provision of Title 7 of the *Nevada Revised Statutes* or Article 9 of the Uniform Commercial Code. Finally, the measure establishes certain fees, including an expedited one-hour service fee, charged by the Office of the Secretary of State for services provided to business entities.

**Discussion**

Testimony in favor of the measure was presented by the Secretary of State’s Office, which explained the bill contained “housekeeping” provisions, and standardized the requirements and processes for documents filed with the Secretary of State’s office.

**Proposed Conceptual Amendments**

1. **Notaries Public** – Insert new provisions relating to notaries public to address issues relating to fraud. The attached language was submitted and explained by *Rene Parker, Chief Deputy Secretary of State*, at the hearing.
2. **Definition of “Record” under Section 41** – Clarify the definition of “record” means any information that is filed with the Secretary of State.

Section 41 adds provisions to Chapter 225 of NRS (Secretary of State) for filing forged or fraudulent documents, or knowingly filing false documents in the Office of Secretary of State. Currently, this section defines a “record” to include certain information that filed or offered for filing pursuant to any provision of title 7 of NRS or article 9 of the Uniform Commercial Code. (See page 42, lines 1 to 3.)

3. **Charging Orders** – Sections 1 and 37 to 40 were proposed by the Nevada Resident Agents Association to authorizing charging orders. Concerns were raised regarding these sections, but no formal amendments have been submitted.



AMENDMENTS TO SB 453 (to add Notary Provisions)

Amend the bill as a whole by adding new sections 1 through 6 to amend NRS Chapter 240 and renumbering Section 1 as Section 7 as follows [material in blue bold is new material, material in red brackets is deleted material]:

*Sec. 1. 1. A notary public who is appointed pursuant to this chapter who willfully notarizes the signature of a person who is:*

- (a) Not in the presence of the notary public; or*
- (b) Unknown to the notary public, if the person does not provide documentary evidence of identification to the notary public, is guilty of a gross misdemeanor, and shall be punished as provided in NRS 193.140.*

*2. Any person who aids and abets a notary public to commit a violation of subsection 1 is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140.*

*Sec. 2. 1. Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication in one of the following forms to verify that the signature of a notarial officer on a document is genuine and that the notarial officer holds the indicated office:*

- (a) If the document is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961; or*
- (b) If the document is intended for use in the United States or a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*

*2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:*

- (a) The document has not been notarized in accordance with the provisions of this chapter; or*
- (b) The Secretary of State has information that the document may be used to accomplish any fraudulent, criminal or other unlawful purpose.*

**Sec. 3.** NRS 240.001 is hereby amended to read as follows:

240.001 As used in NRS 240.001 to 240.169, inclusive, **and sections 1 and 2, inclusive, of this act**, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

**Sec. 4.** NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

- (a) Who submits an application containing a substantial and material misstatement or omission of fact.
- (b) Whose previous appointment as a notary public in this State has been revoked.
- (c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.
- (d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.

3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.

4. It is unlawful for a person to:

- (a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.



(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

**5. *The Secretary of State may request that the Attorney General bring an action to enjoin a person from violating the provisions of paragraph (a) of subsection 4.***

**Sec. 5.** NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, **and section 2 of this act** may be cited as the Uniform Law on Notarial Acts. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

**Sec. 6.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. [An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.]

[3.] A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

[4.] 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

[5.] 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

[6.] 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority

of an officer with that title to perform notarial acts is conclusively established.



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

## ASSEMBLY DAILY JOURNAL

### THE EIGHTIETH DAY

CARSON CITY (Wednesday), April 27, 2005

Assembly called to order at 11:12 a.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblyman Christensen and McClain, who were excused.

Prayer by the Chaplain, Deacon Bob Evans.

Let us pray. We give You thanks, Lord, for the overnight rain, for the ways in which You nourish the earth and, therefore, each of us. Help us, Lord, in response to Your generosity, to be good custodians of the land and the creatures which inhabit the earth. We give You thanks, Lord, for all the people who assist us to live a fruitful and happy life. Help us, Lord, in response to Your generosity, to serve those people well who have put their trust in us. We prayerfully respond.

AMEN.

Pledge of Allegiance to the Flag.

Assemblyman Ocegvera moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Elections, Procedures, Ethics, and Constitutional Amendments, to which was referred Assembly Bill No. 415, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ELLEN KOIVISTO, *Chairman*

*Mr. Speaker:*

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 104, 105 and 532; Senate Bills Nos. 12, 87, 108, 504, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which was re-referred Assembly Bill No. 108, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

MORSE ARBERRY, *Chairman*



MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, April 26, 2005

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 21, 31, 62, 64, 67, 81, 98, 109, 115, 123, 125, 130, 153, 172, 184, 193, 212, 219, 224, 229, 233, 243, 245, 252, 262, 263, 267, 276, 286, 296, 323, 325, 329, 337, 338, 343, 344, 365, 384, 386, 397, 402, 411, 420, 430, 431, 452, 453, 457, 462, 464, 473, 475, 477, 481, 488.



MARY JO MONGELLI

*Assistant Secretary of the Senate*

MOTIONS, RESOLUTIONS AND NOTICES

By Assemblymen Ocegueda, Allen, Anderson, Angle, Arberry, Atkinson, Buckley, Carpenter, Christensen, Claborn, Conklin, Denis, Gansert, Gerhardt, Giunchigliani, Goicoechea, Grady, Hardy, Hettrick, Hogan, Holcomb, Horne, Kirkpatrick, Koivisto, Leslie, Mabey, Manendo, Marvel, McClain, McCleary, Mortenson, Mumford, Ohrenschaal, Parks, Parnell, Perkins, Pierce, Seale, Sherer, Sibley, Smith and Weber; Senators Titus, Amodi, Beers, Care, Carlton, Cegavske, Coffin, Hardy, Heck, Horsford, Lee, Mathews, McGinness, Nolan, Raggio, Rhoads, Schneider, Tiffany, Townsend, Washington and Wiener:

Assembly Concurrent Resolution No. 23—Urging public and private entities to work together to establish a statewide system of care for patients suffering from strokes.

WHEREAS, The American Stroke Association, a division of the American Heart Association, is promoting the message “Time Lost = Brain Lost” to offer advocates for stroke awareness an opportunity to educate the public and policymakers about the devastating effects of a stroke; and

WHEREAS, Statistics reveal that every 45 seconds on average, someone in the United States suffers a stroke, which means that each year, about 700,000 persons in this country are victims of a new or recurrent stroke, and there are approximately 4.8 million stroke survivors in our nation today; and

WHEREAS, Strokes are a leading cause of serious, long-term disability and can result in both physical and emotional devastation, leaving many victims struggling with activities of daily living and 15 to 30 percent of victims permanently disabled; and

WHEREAS, Strokes are the third leading cause of death in the United States, with one death occurring every 3.3 minutes, and in Nevada last year, strokes accounted for over 1,000 deaths; and

WHEREAS, In 2004, the estimated direct and indirect costs of strokes in this nation totaled about \$53.6 billion; and

WHEREAS, The Institute of Medicine of the National Academies has concluded that the fragmentation of the delivery of health care services for stroke victims frequently results in suboptimal treatment, safety concerns and inefficient use of health care resources; and

WHEREAS, The Institute of Medicine has recommended the establishment of coordinated systems of care that integrate services for prevention and treatment of strokes and promote access by each patient to care that is based on the best evidence available at the time of treatment; and

WHEREAS, The Health Division of the Department of Human Resources and the American Stroke Association are working on a systems approach that is necessary to effectuate true change in the way strokes are treated statewide so that patients have access to the most advanced treatment in centers that are best designed and equipped to deal with the critical and time-sensitive needs of stroke patients; and



Senate Bill No. 263.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Natural Resources, Agriculture, and Mining.  
Motion carried.

Senate Bill No. 267.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 276.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Commerce and Labor.  
Motion carried.

Senate Bill No. 286.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Health and Human Services.  
Motion carried.

Senate Bill No. 296.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Health and Human Services.  
Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegueda moved that the action whereby Senate Bill No. 286 was referred to the Committee on Health and Human Services be rescinded.  
Motion carried.

Assemblyman Ocegueda moved that Senate Bill No. 286 be referred to the Committee on Education.  
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 323.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 325.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Judiciary.  
Motion carried.



- Senate Bill No. 402.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Health and Human Services.  
Motion carried.
- Senate Bill No. 411.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.
- Senate Bill No. 420.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Health and Human Services.  
Motion carried.
- Senate Bill No. 430.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Elections, Procedures, Ethics, and Constitutional Amendments.  
Motion carried.
- Senate Bill No. 431.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Commerce and Labor.  
Motion carried.
- Senate Bill No. 452.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Judiciary.  
Motion carried.
- Senate Bill No. 453.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Judiciary.  
Motion carried.
- Senate Bill No. 457.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Commerce and Labor.  
Motion carried.
- Senate Bill No. 462.  
Assemblyman Ocegueda moved that the bill be referred to the Concurrent Committees on Health and Human Services and Ways and Means.  
Motion carried.
- Senate Bill No. 464.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE ONE-HUNDRED AND SEVENTH DAY

CARSON CITY (Tuesday), May 24, 2005

Assembly called to order at 11:14 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Ruth Hanusa.

O God, we give You thanks for the laughter which sustains and cheers the hearts of all those here gathered: for fluttering white handkerchiefs, for bathroom caucusing, for a spirit of respect for the whole Body which delights in individual idiosyncrasy. Give to them a spirit of cooperative grace and joyful resolve. Guide their decisions, empower them in the serving, and bring them at last to the end of session.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which was referred Senate Bills Nos. 134, 152, 226, 381 has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA BUCKLEY, *Chairman*

*Mr. Speaker:*

Your Committee on Government Affairs, to which was referred Senate Bill No. 389, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID PARKS, *Chairman*

*Mr. Speaker:*

Your Committee on Health and Human Services, to which was referred Senate Bill No. 146, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SHEILA LESLIE, *Chairman*



*Mr. Speaker:*

Your Committee on Judiciary, to which were referred Senate Bills Nos. 172, 444, 453, 489, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which was referred Senate Bill No. 326, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BERNIE ANDERSON, *Chairman*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 23, 2005

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bills Nos. 26, 32, 104, 105, 124, 141, 165, 351; Assembly Joint Resolution No. 8.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 70, Amendment No. 763; Assembly Bill No. 84, Amendment No. 694; Assembly Bill No. 337, Amendment No. 735; Assembly Bill No. 346, Amendment No. 764; Assembly Bill No. 395, Amendment No. 708, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 183, 242, 265, 369, 404, 485.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in the Assembly Amendment No. 691 to Senate Bill No. 77; Assembly Amendment No. 690 to Senate Bill No. 382.

MARY JO MONGELLI  
*Assistant Secretary of the Senate*

MOTIONS, RESOLUTIONS AND NOTICES

Assembly Concurrent Resolution No. 10.

Assemblywoman Giunchigliani moved the adoption of the resolution.

Remarks by Assemblywoman Giunchigliani.

Resolution adopted and ordered transmitted to the Senate.

Assemblywoman Buckley moved that for the balance of the session, the reading of the history on all bills and joint resolutions on Second Reading and General File be dispensed with.  
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 183.

Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 242.

Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.



Senate Bill No. 265.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 369.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 404.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 485.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegueda moved that Senate Bills Nos. 134, 146, 152, 172, 226, 326, 381, 389, 444, 453, and 489 just reported out of committee, be placed on the Second Reading File for the current Legislative Day.  
Motion carried.

SECOND READING AND AMENDMENT

Assembly Bill No. 103.  
Bill read second time.  
The following amendment was proposed by the Committee on Ways and Means:  
Amendment No. 932.  
Amend section 1, page 1, line 4, by deleting “and grants”.  
Amend section 1, page 1, line 9, by deleting “15, 2006,” and inserting: “15 of each even-numbered year”.  
Amend section 1, page 1, line 12, by deleting “1, 2006;” and inserting: “1 of that year.”.  
Amend section 1, page 2, between lines 6 and 7, by inserting:  
“3. As used in this section, “rural” means any area in a county whose population is less than 100,000 and portions of other counties that are designated as such by the Nevada Office of Rural Health of the University of Nevada School of Medicine.”.  
Amend the bill as a whole by deleting sec. 2 and renumbering sec. 3 as sec. 2.

Amend the title of the bill, third and fourth lines, by deleting “and grants”.  
Amend the summary of the bill to read as follows:



Remarks by Assemblyman Parks.  
Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Senate Bill No. 444.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:  
Amendment No. 956.

Amend section 1, page 2, line 36, by deleting “section,” and inserting:  
“*section in an establishment for which a nonrestricted license has been issued.*”

Amend section 1, page 2, by deleting lines 39 through 41 and inserting:  
“(4) *Shall, at all times that a fee is charged for admission to an area pursuant to this section in an establishment for which a restricted license has been issued, post a sign of a suitable size in a conspicuous place near the entrance of the establishment that provides notice to patrons that they do not need to pay an admission fee or cover charge to engage in gaming.*”

(5) *Shall not use a fee charged for admission to create a private gaming area that is not operated in association or conjunction with a nongaming activity, attraction or facility.*

(6) *Shall not restrict admission to the area for which a fee for admission is charged to a patron on the ground of race, color, religion, national origin or disability of the*”.

Amend section 1, page 3, line 3, after “licensee” by inserting: “*who holds a nonrestricted license*”.

Assemblyman Horne moved the adoption of the amendment.

Remarks by Assemblyman Horne.

Amendment adopted.

Bill ordered reprinted, re-engrossed, and to third reading.

Senate Bill No. 453.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:  
Amendment No. 881.

Amend the bill as a whole by deleting section 1 and renumbering sections 2 through 36 as sections 1 through 35.

Amend sec. 11, page 10, lines 7 and 12, by deleting “8” and inserting “7”.

Amend sec. 12, page 10, lines 25 and 30, by deleting “9” and inserting “8”.

Amend sec. 13, page 10, line 36, by deleting “9” and inserting “8”.

Amend sec. 14, page 11, lines 20, 24, 26 and 29, by deleting “10” and inserting “9”.

Amend the bill as a whole by deleting sections 37 through 40, renumbering sections 41 and 42 as sections 36 and 37.

Amend sec. 41, pages 41 and 42, by deleting lines 41 through 45 on page 41 and lines 1 through 3 on page 42.



Amend the bill as a whole by renumbering sec. 43 as sec. 47 and adding new sections designated sections 38 through 46, following sec. 42, to read as follows:

“Sec. 38. Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 39 and 40 of this act.

Sec. 39. 1. *A notary public who is appointed pursuant to this chapter shall not wilfully notarize the signature of a person unless the person is in the presence of the notary public and:*

(a) *Is known to the notary public; or*  
(b) *If unknown to the notary public, provides documentary evidence of identification to the notary public.*

2. *A person who:*

(a) *Violates the provisions of subsection 1; or*  
(b) *Aids and abets a notary public to commit a violation of subsection 1, is guilty of a gross misdemeanor.*

Sec. 40. 1. *Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication to verify that the signature of the notarial officer on a document is genuine and that the notarial officer holds the office indicated on the document. If the document:*

(a) *Is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961.*

(b) *Is intended for use in the United States or in a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.*

2. *The Secretary of State shall not issue an authentication pursuant to subsection 1 if:*

(a) *The document has not been notarized in accordance with the provisions of this chapter; or*  
(b) *The Secretary of State has reasonable cause to believe that the document may be used to accomplish any fraudulent, criminal or unlawful purpose.*

Sec. 41. NRS 240.001 is hereby amended to read as follows:  
240.001 As used in NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act, unless the context otherwise requires, the words and terms defined in NRS 240.002 to 240.005, inclusive, have the meanings ascribed to them in those sections.

Sec. 42. NRS 240.007 is hereby amended to read as follows:

240.007 1. Except as otherwise provided in subsection 2, information and documents filed with or obtained by the Secretary of State pursuant to NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act are public information and are available for public examination.





2. Except as otherwise provided in subsections 3 and 4, information and documents obtained by or filed with the Secretary of State in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act are not public information and are confidential.

3. The Secretary of State may submit any information or evidence obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act to the appropriate district attorney for the purpose of prosecuting a criminal action.

4. The Secretary of State may disclose any information or documents obtained in connection with an investigation concerning a possible violation of the provisions of NRS 240.001 to 240.169, inclusive, and sections 39 and 40 of this act to an agency of this State or a political subdivision of this State.

Sec. 43. NRS 240.010 is hereby amended to read as follows:

240.010 1. The Secretary of State may appoint notaries public in this State.

2. The Secretary of State shall not appoint as a notary public a person:

- (a) Who submits an application containing a substantial and material misstatement or omission of fact.
- (b) Whose previous appointment as a notary public in this State has been revoked.
- (c) Who has been convicted of a crime involving moral turpitude, if the Secretary of State is aware of such a conviction before he makes the appointment.

(d) Against whom a complaint that alleges a violation of a provision of this chapter is pending.

3. A notary public may cancel his appointment by submitting a written notice to the Secretary of State.

4. It is unlawful for a person to:

(a) Represent himself as a notary public appointed pursuant to this section if he has not received a certificate of appointment from the Secretary of State pursuant to this chapter.

(b) Submit an application for appointment as a notary public that contains a substantial and material misstatement or omission of fact.

5. *The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 4.*

Sec. 44. NRS 240.033 is hereby amended to read as follows:

240.033 1. The bond required to be filed pursuant to NRS 240.030 must be executed by the person applying to become a notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the notary public which violates a provision of NRS 240.001 to 240.169, inclusive ~~and~~, and sections 39 and 40



of this act. The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous but, regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.

3. The surety bond must cover the period of the appointment of the notary public, except when a surety is released.

4. A surety on a bond filed pursuant to NRS 240.030 may be released after the surety gives 30 days' written notice to the Secretary of State and notary public, but the release does not discharge or otherwise affect a claim filed by a person for damage resulting from an act of the notary public which is alleged to have occurred while the bond was in effect.

5. The appointment of a notary public is suspended by operation of law when the notary public is no longer covered by a surety bond as required by this section and NRS 240.030 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary of State shall immediately notify the notary public in writing that his appointment will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.

6. The Secretary of State may reinstate the appointment of a notary public whose appointment has been suspended pursuant to subsection 5, if the notary public, before his current term of appointment expires:

(a) Submits to the Secretary of State:

(1) An application for an amended certificate of appointment as a notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk.

(b) Pays to the Secretary of State a fee of \$10.

Sec. 45. NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, and section 40 of this act may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.

Sec. 46. NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the



jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

~~2. [An “apostille” in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.]~~

~~3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~[4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~[6.]~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.”

Amend the title to read as follows:

“AN ACT relating to entities regulated by the Secretary of State; revising various provisions concerning the timing, form and contents of certain filings by various business entities; clarifying that certain corporations and associations which are homeowners’ associations must comply with certain requirements; prohibiting a notary public from willfully notarizing the signature of a person in certain circumstances; making various other changes concerning notaries public; providing that a person who knowingly files a forged or false record is subject to civil liability under certain circumstances; establishing certain fees for services provided to business entities; making various other changes concerning business entities; providing a penalty; and providing other matters properly relating thereto.”

Amend the summary of the bill to read as follows:

“SUMMARY—Makes various changes concerning business entities and notaries public. (BDR 7-576)”.



Assemblyman Horne moved the adoption of the amendment.  
Remarks by Assemblyman Horne.  
Amendment adopted.

Bill ordered reprinted, re-engrossed, and to third reading.

Senate Bill No. 489.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:  
Amendment No. 955.

Amend section 1, page 1, line 3, after “*person*,” by inserting:  
“*other than a party to the lease contract, retail installment contract or security agreement*,”.

Amend section 1, page 2, by deleting lines 2 through 7 and inserting:  
“*contract or agreement*,”.

Amend section 1, page 2, by deleting lines 15 and 16 and inserting:  
“*provisions of this section is guilty of a gross misdemeanor*,”.

Assemblyman Horne moved the adoption of the amendment.

Remarks by Assemblyman Horne.

Amendment adopted.

Bill ordered reprinted, re-engrossed, and to third reading.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Elections, Procedures, Ethics, and Constitutional Amendments, to which were referred Assembly Bill No. 498; Senate Bill No. 125, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ELLEN KOIVISTO, *Chairman*

*Mr. Speaker:*

Your Committee on Government Affairs, to which was referred Senate Bill No. 115, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Senate Bill No. 218, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID PARKS, *Chairman*

*Mr. Speaker:*

Your Committee on Health and Human Services, to which was referred Senate Bills Nos. 118, 282, 296, 420, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SHEILA LESLIE, *Chairman*

*Mr. Speaker:*

Your Committee on Judiciary, to which were referred Senate Bills Nos. 153, 445, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BERNIE ANDERSON, *Chairman*



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE ONE-HUNDRED AND EIGHTH DAY

CARSON CITY (Wednesday), May 25, 2005

Assembly called to order at 11:43 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Ruth Hanusa.

O God, Your servant and our friend, Benjamin Franklin, once said that You gave us beer because You love us and want us to be happy. Give to this Assembly such a spirit of energetic efficiency that they dispatch the piles of bills with all due haste, so they may the sooner gladden their hearts with this gift of Your love. And be with those who must stay behind and work. Give them a spirit of cheerfulness and the hope that someone will bring them plates of goodies from the tent.

AMEN.

Pledge of Allegiance to the Flag.

Assemblyman Ocegvera moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which was referred Senate Bill No. 44, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 29, 238, 256, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which was referred Senate Bill No. 80, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 163, 335, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA BUCKLEY, *Chairman*



Senate Bill No. 365.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 980.

Amend section 1, page 1, line 2, by deleting “shall” and inserting: “shall, after consultation with the State Public Works Board.”

Amend section 1, page 2, line 5, after “accessibility” by inserting “and confidentiality”.

Amend section 1, page 3, line 6, after “6.” by inserting: “After the statewide mapping system is established pursuant to this section, each state agency and political subdivision that participates in the system shall submit to the Commission any initial or final plan for a public work.  
7.”.

Amend section 1, page 3, by deleting lines 9 and 10 and inserting:

“(b) “Commission” means the Nevada Commission on Homeland Security created by NRS 239C.120.”.

Amend the title of the bill by deleting the first and second lines and inserting:

“AN ACT relating to public safety; requiring the Nevada Commission on Homeland Security to establish a statewide mapping”.

Assemblywoman Giunchigliani moved the adoption of the amendment.

Remarks by Assemblywoman Giunchigliani.

Amendment adopted.

Bill ordered reprinted, re-engrossed, and to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegueda moved that Senate Bills Nos. 384, 398, 401, 410, 445, 450, 452, 453, 481, and 489 be taken from the General File and placed on the General File for the next legislative day.  
Motion carried.



#### UNFINISHED BUSINESS

##### SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bills Nos. 26, 32, 40, 104, 105, 124, 141, 165, 341, 351; Assembly Joint Resolution No. 8; Senate Bills Nos. 77, 382.

##### GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Anderson, the privilege of the floor of the Assembly Chamber for this day was extended to Karon Dutcher, Linda Doty, Ramiro Aguilar, Melissa Fernandez, Gerardo Flores, Jose Garcia, Edith Gonzalez, Alexandra Lara, Erica Martinez, Lorena Martinez, Jonathan Navarro, Alvaro Perez, Luis Perez, Jocelyn Ramirez,



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE ONE-HUNDRED AND NINTH DAY

CARSON CITY (Thursday), May 26, 2005

Assembly called to order at 12:10 p.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Ruth Hanusa.

O God, the Patriarch Jacob wrestled with humans and You and, though he came away limping, wrested a blessing for himself and his descendants, and declared that he had seen You face-to-face (Genesis 32). As we engage in the final days of this session, help us to be tenacious in our wrestling, knowing that wrestling strengthens, and need not divide. Give us ears eager to listen to each other's questions and fears, passions, and hopes. Grant us generous hearts more ready to compromise than condemn. Pour out upon us a spirit of reconciliation and graciousness. And even though we should come away limping, give us and our descendants a blessing, knowing that we have seen You face-to-face.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which was referred Senate Bill No. 240, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 188, 189, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 233, 332, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA BUCKLEY, *Chairman*



Roll call on Senate Bill No. 452:

YEAS—42.

NAYS—None.

Senate Bill No. 452 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 453.

Bill read third time.

Remarks by Assemblymen Sibley and Anderson.

Roll call on Senate Bill No. 453:

YEAS—42.

NAYS—None.

Senate Bill No. 453 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 460.

Bill read third time.

Roll call on Senate Bill No. 460:

YEAS—42.

NAYS—None.

Senate Bill No. 460 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved that Senate Bill No. 466 be taken from the General File and placed on the General File for the next legislative day.  
Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 481.

Bill read third time.

Roll call on Senate Bill No. 481:

YEAS—42.

NAYS—None.

Senate Bill No. 481 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 488.

Bill read third time.

Roll call on Senate Bill No. 488:

YEAS—41.

NAYS—Pierce.





# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE ONE HUNDRED AND SIXTEENTH DAY

CARSON CITY (Thursday), June 2, 2005

Assembly called to order at 10:34 a.m.

Madam Speaker pro Tempore presiding.

Roll called.

All present.

Prayer by the Chaplain, Imam Salem Mohammed.

Almighty God, who is God of this beautiful universe, guide us to the straight path, the path of all righteous people throughout history. Help us obtain joy and inner peace, and to be sources of joy to our fellow human beings. Shower us with Your infinite mercy during times of ease and times of hardship. Almighty God, who taught humanity throughout the ages, teach us and help us to reach the best decisions. Almighty God, bless our nation, our state, our leaders, and our lawmakers in this Assembly with the best of guidance.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 570 and 571, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MORSE ARBERRY, *Chairman*

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 1, 2005

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bills Nos. 35, 388, 524, 561; Senate Bill No. 103.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to recede from its action on Assembly Bill No. 42, Senate Amendment Nos. 847, 1040,



Also, I have the honor to inform your honorable body that the Senate on this day concurred in the Assembly Amendment No. 878 to Senate Bill No. 37; Assembly Amendment No. 741 to Senate Bill No. 45; Assembly Amendment No. 1054 to Senate Bill No. 120; Assembly Amendment No. 1075 to Senate Bill No. 126; Assembly Amendment No. 885 to Senate Bill No. 153; Assembly Amendment No. 829 to Senate Bill No. 181; Assembly Amendment No. 914 to Senate Bill No. 189; Assembly Amendment No. 759 to Senate Bill No. 233; Assembly Amendment No. 915 to Senate Bill No. 238; Assembly Amendment No. 1065 to Senate Bill No. 245; Assembly Amendment No. 916 to Senate Bill No. 256; Assembly Amendment No. 1038 to Senate Bill No. 300; Assembly Amendment No. 681 to Senate Bill No. 332; Assembly Amendment No. 1085 to Senate Bill No. 339; Assembly Amendment No. 990 to Senate Bill No. 358; Assembly Amendment No. 980 to Senate Bill No. 365; Assembly Amendment No. 830 to Senate Bill No. 397; Assembly Amendment No. 911 to Senate Bill No. 428; Assembly Amendment No. 1067 to Senate Bill No. 431; Assembly Amendment No. 890 to Senate Bill No. 467; Assembly Amendment No. 902 to Senate Bill No. 477; Assembly Amendment No. 1003 to Senate Bill No. 509.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to concur in the Assembly Amendment No. 834 to Senate Bill No. 29; Assembly Amendment Nos. 892, 1079 to Senate Bill No. 62; Assembly Amendment No. 722 to Senate Bill No. 80; Assembly Amendment No. 972 to Senate Bill No. 163; Assembly Amendment No. 751 to Senate Bill No. 174; Assembly Amendment No. 1102 to Senate Bill No. 224; Assembly Amendment Nos. 884, 1032 to Senate Bill No. 325; Assembly Amendment No. 1043 to Senate Bill No. 333; Assembly Amendment No. 959 to Senate Bill No. 335; Assembly Amendment No. 906 to Senate Bill No. 356; Assembly Amendment Nos. 931, 1002 to Senate Bill No. 386; Assembly Amendment No. 1077 to Senate Bill No. 394; Assembly Amendment No. 1001 to Senate Bill No. 396; Assembly Amendment No. 1086 to Senate Bill No. 434; Assembly Amendment No. 881 to Senate Bill No. 453; Assembly Amendment Nos. 1087, 1108 to Senate Bill No. 457.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Washington, Wiener, and Nolan as a first Conference Committee concerning Senate Bill No. 173.

MARY JO MONGELLI  
*Assistant Secretary of the Senate*

Madam Speaker pro Tempore announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 10:46 a.m.

#### ASSEMBLY IN SESSION

At 10:53 a.m.

Madam Speaker pro Tempore presiding.

Quorum present.

#### MOTIONS, RESOLUTIONS AND NOTICES

##### NOTICE OF WAIVER

A Waiver requested by Senator Nolan.

For: Senate Bill No. 118.

To Waive:

Subsections 1 and 2 of Joint Standing Rule No. 14 and Joint Standing Rule Nos. 14.2 and 14.3 (all of the above).



Has been granted effective: June 2, 2005.

WILLIAM J. RAGGIO  
*Senate Majority Leader*

RICHARD D. PERKINS  
*Speaker of the Assembly*

Assemblyman Ocegueda moved that for the balance of session, the reading of titles to all bills and resolutions be dispensed with.  
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 103.

Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 165.

Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

UNFINISHED BUSINESS

RECEDE FROM ASSEMBLY AMENDMENTS

Assemblyman Anderson moved that the Assembly do not recede from its actions on Senate Bill No. 325, that a conference be requested, and that Madam Speaker pro Tempore appoint a first Conference Committee consisting of three members to meet with a like committee of the Senate.  
Remarks by Assemblyman Anderson.  
Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Madam Speaker pro Tempore appointed Assemblymen Horne, Allen, and Manendo as a first Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 325.

RECEDE FROM ASSEMBLY AMENDMENTS

Assemblyman Anderson moved that the Assembly do not recede from its action on Senate Bill No. 453, that a conference be requested, and that Madam Speaker pro Tempore appoint a first Conference Committee consisting of three members to meet with a like committee of the Senate.  
Remarks by Assemblyman Anderson.  
Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Madam Speaker pro Tempore appointed Assemblymen Buckley, Carpenter, and Anderson as a first Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 453.



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE ONE-HUNDRED AND NINETEENTH DAY

CARSON CITY (Sunday), June 5, 2005

Assembly called to order at 10:30 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Terry Sullivan.

Let us pray. In this final prayer that I will give this session Lord, we just ask You that You continue to keep us all—legislators, lobbyists, attachés, interns, full-time staff, and, yes, even those folks at the north end of the building—in Your heart. Keep us all safe and in good spirits and allow us to keep the good friends we've made here. And if we didn't make friends with everyone let us at least remember only the best situations and dull our minds to those incidents that were unpleasant to us.

And Lord, please give an extra blessing to these legislators who epitomize the term "public servants." There are a lot of folks who work in government that are referred to as public servants, but these legislators are the only ones I know of who do it without pay. And we ask once more that You send us safely home to our family and friends, our dogs, our cats, our horses, and even our goldfish, if that's the case. And we ask these things in whose name we pray.

AMEN.

Pledge of Allegiance to the Flag.

Assemblyman Ocegüera moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 127 and 233, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 105, 156, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.



*Mr. Speaker:*

Your Concurrent Committee on Ways and Means, to which was referred Assembly Bill No. 176, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MORSE ARBERRY, *Chairman*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 5, 2005

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day adopted Assembly Concurrent Resolution No. 28.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 274, Amendment No. 1183, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Senate on this day passed Senate Bill No. 525.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in the Assembly Amendment No. 1175 to Senate Bill No. 149.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Townsend, Titus and Rhoads as a first Conference Committee concerning Senate Bill No. 17.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Cegavske, Beers and Mathews as a first Conference Committee concerning Senate Bill No. 98.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Cegavske, Nolan and Washington as a first Conference Committee concerning Senate Bill No. 221.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Washington, Cegavske and Mathews as a first Conference Committee concerning Senate Bill No. 460.

Also, I have the honor to inform your honorable body that the Senate on this day adopted the report of the first Conference Committee concerning Senate Bills Nos. 29, 68, 198, 296, 302, 325, 335, 338, 367, 434, 453; Assembly Bills Nos. 52, 63, 64, 87, 143, 239, 337, 380, 505, 550.

MARY JO MONGELLI  
*Assistant Secretary of the Senate*

MOTIONS, RESOLUTIONS AND NOTICES

Assembly Concurrent Resolution No. 20.

Assemblywoman McClain moved the adoption of the resolution.

Remarks by Assemblywoman McClain.  
Resolution adopted.

Assemblyman Ocegvera moved that Assembly Bills Nos. 176, 567, and 572 be taken from their position on the General File and placed at the top of the General File.

Motion carried.

Assemblyman Ocegvera moved that Senate Concurrent Resolution No. 42 be taken from the Chief Clerk's desk and placed on the Resolution File.

Motion carried.



Amend the title of the bill by deleting the first through third lines and inserting:

“AN ACT relating to pupils; revising provisions governing the formation of charter schools designed exclusively for pupils with disciplinary problems; providing that a pupil who is”.

Assemblyman Horne moved that the Assembly adopt the report of the first Conference Committee concerning Senate Bill No. 367.

Remarks by Assemblyman Horne.  
Motion carried by a constitutional majority.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 8:19 p.m.

### ASSEMBLY IN SESSION

At 8:24 p.m.

Mr. Speaker presiding.  
Quorum present.

#### REPORTS OF CONFERENCE COMMITTEES

*Mr. Speaker:*

The first Conference Committee concerning Senate Bill No. 29, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that the Amendment No. 834 of the Assembly be concurred in.

KATHY MCCLAIN  
BARBARA BUCKLEY  
FRANCIS ALLEN

*Assembly Conference Committee*

JOE HECK  
WARREN B. HARDY  
MICHAEL SCHNEIDER

*Senate Conference Committee*

Assemblywoman McClain moved that the Assembly adopt the report of the first Conference Committee concerning Senate Bill No. 29.  
Remarks by Assemblywoman McClain.  
Motion carried by a constitutional majority.

*Mr. Speaker:*

The first Conference Committee concerning Senate Bill No. 198, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that the Amendment No. 1041 of the Assembly be receded from and a 3rd reprint be created in accordance with this action.

BARBARA BUCKLEY  
JOHN C. CARPENTER  
MARCUS CONKLIN

*Assembly Conference Committee*

TERRY CARE  
MIKE MCGINNESS  
MARK E. AMODEI

*Senate Conference Committee*

Assemblyman Conklin moved that the Assembly adopt the report of the first Conference Committee concerning Senate Bill No. 198.  
Remarks by Assemblyman Conklin.  
Motion carried by a constitutional majority.



*Mr. Speaker:*

The first Conference Committee concerning Senate Bill No. 453, consisting of the undersigned members, has met and reports that:  
It has agreed to recommend that the Amendment No. 881 of the Assembly be concurred in.  
It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. CA17, which is attached to and hereby made a part of this report.

BARBARA BUCKLEY  
JOHN C. CARPENTER  
BERNIE ANDERSON

*Assembly Conference Committee*

MARK E. AMODEI  
MIKE MCGINNIS  
TERRY CARE

*Senate Conference Committee*

Conference Amendment No. CA17.

Amend sec. 36, page 31, between lines 13 and 14, by inserting:

“6. *As used in this section, “record” means information that is:*

- (a) Inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form; and*
- (b) Filed or offered for filing by a person pursuant to any provision of title 7 of NRS or Article 9 of the Uniform Commercial Code.”.*

Assemblywoman Buckley moved that the Assembly adopt the report of the first Conference Committee concerning Senate Bill No. 453.

Remarks by Assemblywoman Buckley.

Motion carried by a constitutional majority.

*Mr. Speaker:*

The first Conference Committee concerning Senate Bill No. 80, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that the Amendment No. 722 of the Assembly be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. CA34, which is attached to and hereby made a part of this report.

MARCUS CONKLIN  
DAVID PARKS  
BOB SEALE

*Assembly Conference Committee*

JOHN LEE  
WARREN B. HARDY  
RANDOLPH J. TOWNSEND

*Senate Conference Committee*

Conference Amendment No. CA34.

Amend sec. 3, page 3, by deleting lines 7 through 11 and inserting:

“6. *The presence of a security freeze in the file of a consumer must not be considered to be an adverse factor in the consumer’s credit worthiness, credit standing or credit capacity.”.*

Amend the bill as a whole by deleting sec. 5 and adding a new section designated sec. 5, following sec. 4, to read as follows:

“Sec. 5. 1. *Except as otherwise provided in this section:*

- (a) A reporting agency may charge a consumer a reasonable fee, not to exceed \$15, to place a security freeze in his file.*
- (b) After a security freeze has been placed in the file of a consumer, a reporting agency may charge the consumer a reasonable fee:*

*(1) Not to exceed \$18, to remove the security freeze from his file pursuant to section 9 of this act.*



**NEVADA LEGISLATURE**

SEVENTY-THIRD SESSION  
2005

TWENTY-SECOND SPECIAL SESSION  
JUNE 7, 2005

**SUMMARY OF LEGISLATION**



PREPARED BY  
RESEARCH DIVISION  
LEGISLATIVE COUNSEL BUREAU





**S.B. 453 (Chapter 468)**

Senate Bill 453 revises provisions concerning the timing, form, and contents of various filings by certain business entities. The bill also clarifies that unit-owners' or homeowners' associations must comply with certain requirements before the Secretary of State may accept for filing any articles of incorporation or any certificate of amendment of articles of incorporation.

Additionally, the bill provides that a person who knowingly files a forged or false record may be subject to civil liability. The measure defines "record" as an inscribed or tangible medium that is filed pursuant to any provision of Title 7 of the *Nevada Revised Statutes* or Article 9 of the *Uniform Commercial Code*.

Senate Bill 453 also prohibits a notary public from willfully notarizing the signature of a person in certain circumstances. Finally, the measure establishes certain fees, including an expedited one hour service fee, charged by the Office of the Secretary of State for services provided to business entities.

**S.B. 488 (Chapter 383)**

Senate Bill 488 requires a local government to give trade associations and businesses that are likely to be affected by a proposed rule at least 15 working days to submit arguments as to whether the rule will impose a significant economic burden or directly restrict the formation, operation, or expansion of the business. If no responses are received, a rebuttable presumption is created that the proposed rule will not impose a burden or restrict businesses. Senate Bill 488 further requires that the adoption of a proposed rule cannot appear on an agenda for action by a local government unless a business impact statement has been prepared and is available for public inspection when the agenda is posted.

This measure also requires any state agency wishing to hold a workshop on or act upon a regulation to prepare a statement that identifies the methods used by the agency in determining the impact of a proposed regulation on a small business.

This measure is effective on July 1, 2005.

**S.B. 489 (Chapter 375)**

Senate Bill 489 prohibits a person, for compensation, from transferring or assigning any right or interest in a motor vehicle if the motor vehicle is subject to a lease contract, retail installment contract, or a security agreement that prohibits the transfer or assignment of any right or interest in the motor vehicle. This prohibition does not apply to a party to the lease contract, retail installment contract, or security agreement. A violation is a gross misdemeanor.

The bill also expands a private right of action for victims of consumer fraud to include victims of unlawful transfer or assignment of an interest in motor vehicles and establishes civil and



**State of Nevada  
Office of the Secretary of State**

**Annual Report  
Fiscal Year 2005**



**DEAN HELLER  
Secretary of State**

**August 1, 2005**





## OFFICE OF THE SECRETARY OF STATE

DEAN HELLER  
*Secretary of State*

August 1, 2005

Dear Governor Guinn and Members of the Legislature:

The following is an account of fiscal year 2005, including reports from each Division and a close examination of revenues versus expenditures. Our goal is to continue to deliver great service to residents and businesses alike by providing the most efficient and timely service possible through enhanced use of technology, including a website that receives more than four million hits per month.

During fiscal year 2005, agency revenue climbed to more than \$87 million—an increase of almost 10% over fiscal year 2004—while expenditures were held to approximately \$11 million, resulting in \$8 in revenue for each dollar spent. Revenue per full-time employee (138) rose to \$635,704.



Fiscal year 2005 included many accomplishments through the efforts of the employees of the Secretary of State's office, including national recognition and distinction for being the only state in the nation to include a voter verifiable paper audit trail printer on touch screen voting machines during the 2004 Election. Nevada also continues to be recognized by national organizations and media outlets as one of the "top ten" business-friendly states in terms of filing for incorporation status, our Customer Service Division has received acclaim from across the nation and the world for their hands-on approach to customer service, the Notary Division is making great strides in its continuing effort to better educate newly appointed notaries public, and the Securities Division has built on its reputation for protecting investors from unscrupulous con artists through educational seminars and the aggressive prosecution of the law.

The agency's strong fiscal showing is a direct reflection of the expanded use of technology, which has permitted the agency to grow revenue, control costs and increase employee productivity, while at the same time improve service.

I thank you for your attention to our 2005 Annual Report. We welcome your comments regarding the Nevada Secretary of State's office.

Respectfully,

DEAN HELLER  
Secretary of State

ONE HUNDRED ONE NORTH CARSON STREET, SUITE THREE  
CARSON CITY, NEVADA 89701-4786  
PHONE (775) 684-5708 FAX (775) 684-5717

LEGISLATIVE INTENT SERVICE (800) 666-1917

LEGISLATIVE INTENT SERVICE



Office of the

# Secretary of State

*The mission of the Office of Secretary of State is to effectively and efficiently serve the public by performing its statutory duties to ensure the integrity of elections, facilitate business filings, protect consumers against securities fraud, preserve public records, and to promote public awareness and education in these and related areas.*

With the advent of statehood in 1864, the Nevada Office of the Secretary of State was established as part of the state's executive branch of government. The Secretary of State, Nevada's third highest-ranking constitutional officer, is elected to a four-year term. In 1996, Nevada voters approved a ballot initiative limiting state constitutional officers to two terms in office.

The Secretary of State is responsible for maintaining the official records of the acts of the Nevada Legislature and of the executive branches of state government, as prescribed by law. Along with duties established by Nevada Revised Statutes, the Secretary of State is a member of the State Board of Examiners, State Board of Prison Commissioners, Tahoe Regional Planning Agency, Executive Branch Audit Committee and Chairman of the State Records Committee.

In addition to Constitutional duties, the Secretary of State serves as Nevada's Chief Elections Officer. In this role, the Secretary of State is responsible for the

The goals of the Office of Secretary of State are to:

- (1) Ensure the integrity of elections and proper disclosure by candidates and elected officials through the effective administration of the state's election laws;
- (2) Encourage the development and diversification of the state's business community by providing efficient, expeditious and cost-effective services;
- (3) Protect consumers from investment fraud through effective regulation of the securities industry, enforcement of the securities laws, and education of the public; and
- (4) Maintain records and information filed with the office and to make that information more easily accessible and at a reasonable cost.



execution, interpretation and enforcement of federal and state election laws, is the filing officer for statewide elective positions, and is the filing officer for all statewide initiative petitions and referendums.

The Secretary of State's office also receives business entity filings and maintains records for corporations, limited liability companies, limited partnerships, limited liability partnerships, limited liability limited partnerships, business trusts, professional corporations and associations, and rights of publicity; administers the Notary Public Act, Trademark Act, and the Uniform Commercial Code; regulates the securities industry by registering securities, licensing persons who sell them, and enforcing the civil and criminal provisions of state and federal securities law; licenses and regulates athletes agents; and administers the state's Confidential Address Program (CAP).

### **Constitutional and Statutory Duties**

**Certifies all statewide candidates and ballot questions and reports and certifies primary and general election results.**

**Supervises state and local elections, and enforces state and federal election laws**

- ◆ **Registers and files candidate contribution and expenditure reports.**

**Registers corporations, limited partnerships, limited liability companies, limited liability partnerships, limited liability limited partnerships and business trusts.**

- ◆ **Registers trade names, trademarks, professional corporations and associations, and rights of publicity.**

**Records and Searches Uniform Commercial Code statements and documents.**

**Appoints, trains, and regulates Notaries Public.**

**Administers the Confidential Address Program for victims of domestic violence.**

**Regulates the state's securities industry and enforces securities law.**

**Licenses and regulates athletes' agents.**

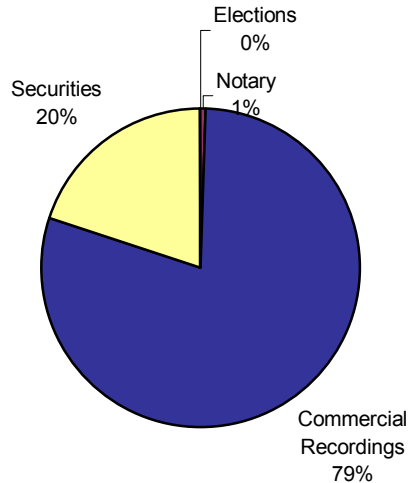


## Executive

# Summary

The Secretary of State's office experienced continued growth during fiscal year 2005. Revenues outpaced the previous years by more than \$8 million, an increase of about 10% over fiscal year 2004.

**Nevada Secretary of State  
Revenue by Division  
Fiscal Year 2005**



The continued implementation of efficient and cost-effective technology, coupled with reengineering of office procedures and comprehensive employee training, has resulted in increased staff productivity. While the number of full-time employees grew by two from 136 in 2004 to 138 in 2005, the agency registered an increase of almost 10% over the previous fiscal year in revenue generated per full-time employee (\$635,704) during fiscal year 2005.

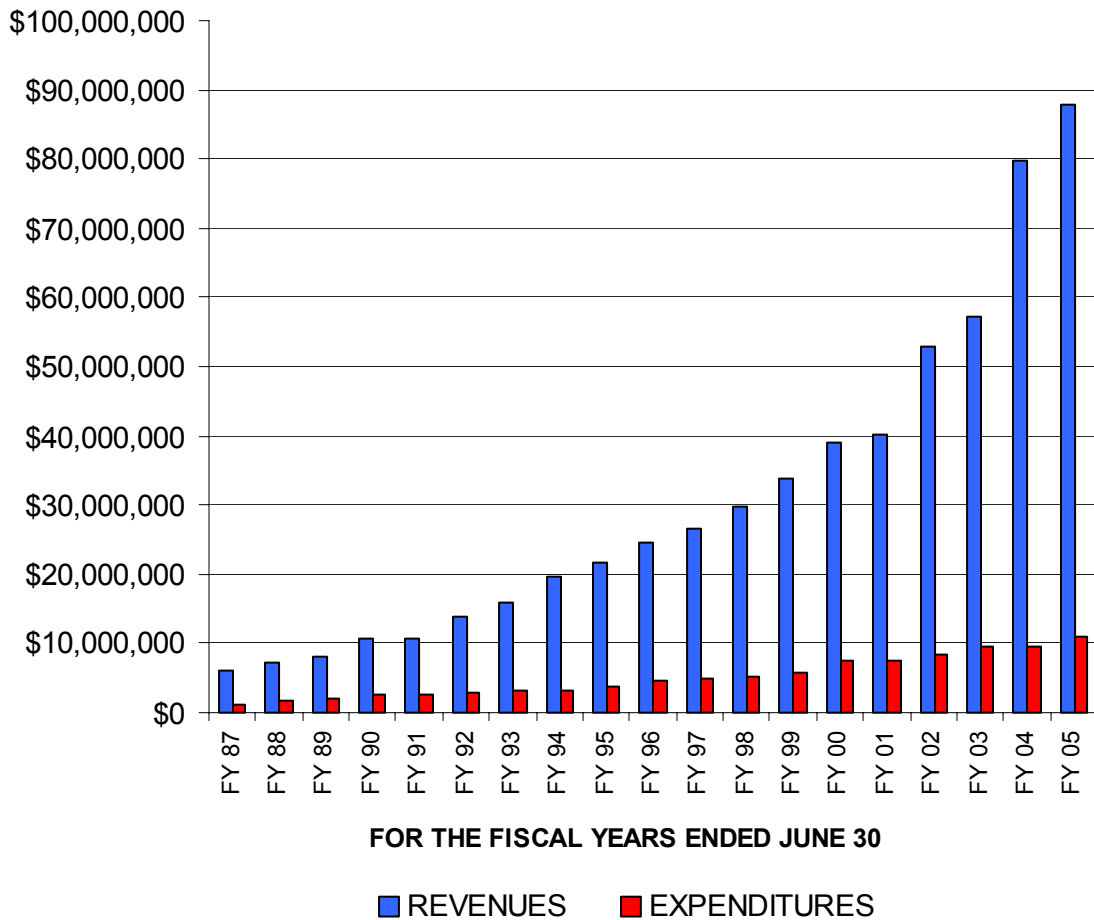
One of the primary goals of the Secretary of State's office continues to be to make conducting business with the agency increasingly efficient and convenient for its customers. The expanded use of technology, continuous evaluation of office procedures



and a strong commitment to employee development has resulted in greater customer and worker satisfaction.

Since its unveiling in 1998, the Secretary of State’s award winning website has become a valuable tool by which individuals and businesses interact with the agency. Generating in excess of four million hits per month, the website attracts an average of more than 150,000 visitors per day. More than 200 forms, including investor complaint forms, corporation filing forms, election forms and Notary Public application forms, are available online from the Secretary of State.

## SECRETARY OF STATE REVENUES VS EXPENDITURES

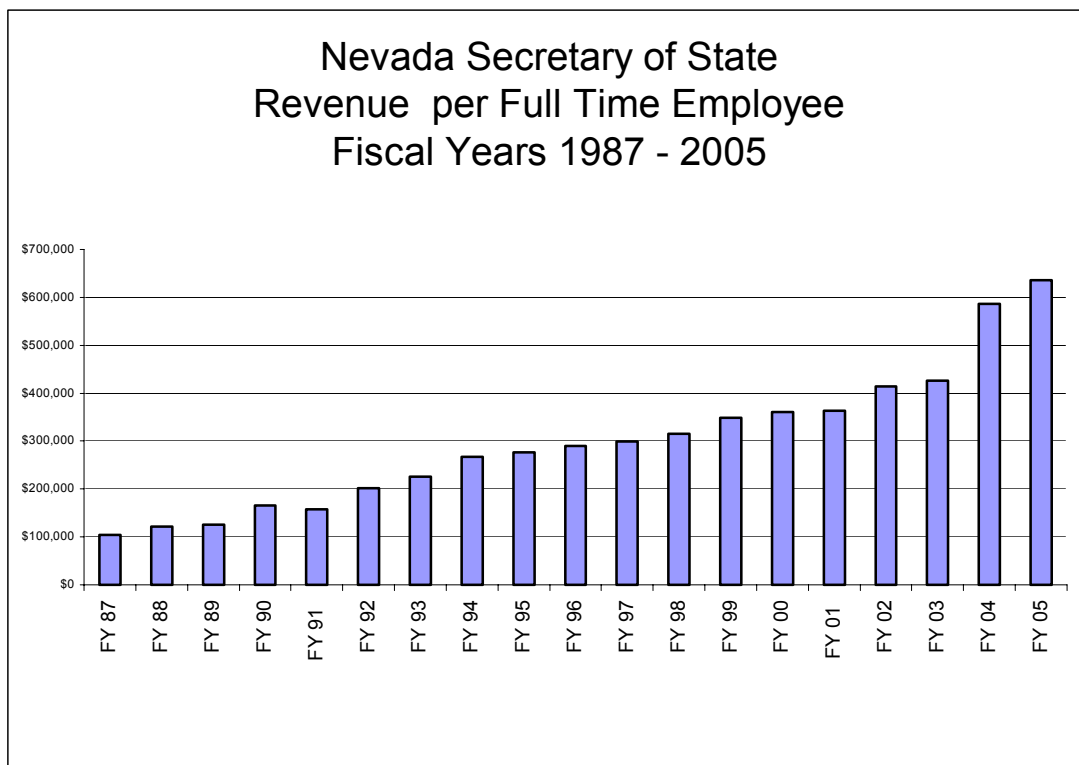


The technology in place in the Secretary of State’s office has also allowed the office to proceed with e-commerce applications. In the process, the agency has:

- Become an e-government leader in the state of Nevada.

- Implemented online with corporate name reservation, the agency's first e-commerce venture (late December of 1999).
- Retooled a user-friendly filing program wherein candidates for office are afforded the opportunity to electronically file Contribution and Expenditure Reports with the Secretary of State.
- Began implementation of the fourth largest IT project in the State: a Statewide Voter Registration System that must be operational by January 1, 2006 to comply with federal law.
- Deployed a full service Uniform Commercial Code (UCC) e-government application that is receiving positive reviews from and substantial use by the public.
- Implemented an expanded e-commerce system that allows business entities to file via the Internet their Annual List and other business-related forms.

These developments and the many others that have affected the Secretary of State's office during fiscal year 2005 are discussed in further detail in the following Division Profile sections of this report.





## Division Profile

# Notary Division

The Secretary of State, Notary Division, is responsible for appointing, training and regulating Notaries Public in the state of Nevada. There are now almost 34,000 Notaries Public who serve the residents of Nevada by providing such services as taking acknowledgements, executing jurats, administering oaths and certifying copies. During fiscal year 2005, 6,078 new notaries were appointed and 3,560 renewals were granted. Notaries Public serve in law firms, title companies, banks, government offices and many other private businesses.

The Notary Division is also responsible for providing authentication of notary signatures, known as apostilles or certifications, which are typically used to authenticate documents that will be presented in foreign countries. Apostilles and certifications can only be issued by the Secretary of State's office. As the number of Notaries Public in the state increases, the number of apostilles issued annually by the Notary Division has also increased. During fiscal year 2005, the Notary Division issued 11,400 apostilles.

### **WEBSITE**

The Notary Division posts forms and information on its section of the agency's web site. The Notary Division section of the web site now includes a notary training class schedule, all notary forms, information on how to become a Notary Public and an explanation of notary duties. The ease and availability of Notary Division information to clients has helped to maintain a five-day turnaround for signature authentication and seven-day period for processing of notary applications.

### **EDUCATION AND OUTREACH**

The Notary Division offers regularly scheduled training classes statewide for Nevada's Notaries Public and individuals seeking notary appointments. The classes are also offered to any business with 20 or more notaries public on staff who wish to arrange



an in-house training at their place of business. During fiscal year 2005, more than 3,000 people took part in the volunteer instructional program.

For fiscal year 2006, the instructional program has been modified and improved to include an interactive work section, allowing new notaries the advantage of correctly completing necessary paperwork under the supervision of the Notary Division staff.



**Notary Division Administrator Bru Ethridge teaches one of her outstanding notary training classes**

## **REGISTRATION OF MINISTERS**

The Notary Division also maintains a list of ministers in the State of Nevada who have been licensed and approved, or who have been temporarily licensed, by the state's county clerks. At the close of fiscal year 2005, the number of current active ministers in the state stood at 4,168. During fiscal year 2005, 308 individuals were granted temporary minister licenses, and an additional 325 individuals received general licenses as ministers.





## **LEGISLATION**

Introduced by the Secretary of State's office, AB 453 made various changes to the State's notary laws relating to the verification process of signatures and associated fines and penalties for non-compliance.

At the request of Assemblyman Mo Denis and with the full support of the Secretary of State's office, the 2005 Legislature passed AB 227, which amended NRS 240.085 relating to the advertisement of notary service to limit the use of the words "notario" and "notary publico" to address confusion and fraud that resulted from the use of those terms because their Spanish meaning is different than the English version.

AB 178, introduced by Assemblyman John Ocegüera, allows an attorney licensed to practice law in Nevada to notarize a client's document and charge a separate fee from that authorized by Nevada's Notarial Act.

## **NOTARY FINES**

By law, the Secretary of State's office is charged with imposing fines for violations of NRS Chapter 240. The average fine for a notary who does not follow correct procedures is \$200.



# Staff Profiles



**Renee Parker** was named **Chief Deputy Secretary of State** in December 2000. She is responsible for carrying out Secretary's Heller's mandates, including implementing agency policies, administering the agency's budget, supervising all agency personnel, and representing the Secretary of State at various office-related functions when necessary. She drafts and proposes legislative changes and testifies on behalf of the Secretary and the agency before the Legislature.

She graduated Summa Cum Laude from Santa Clara University School of Law, receiving her Juris Doctor in 1996. She is a member of the Nevada and California State Bars. She earned a Bachelor of Science degree Magna Cum Laude in Economics from Santa Clara University in 1992.

Renee previously served as policy advisor and assistant general counsel to the Public Utilities Commission. Her background also includes being an associate at the law firm of Pillsbury, Madison & Sutro, LLP, where she specialized in corporate and securities law.

She lives in Carson City.

As **Deputy Secretary of State for Commercial Recordings**, a position he has held since 1997, **Scott Anderson** oversees the Division that processes and maintains the documents of more than 260,000 business entities on file with the Secretary of State's office. Scott also helped oversee the implementation of the Secretary of State's new *e-SoS* processing system.

Scott has served on the governing board of the International Association of Commercial Administrators (IACA) for six years. He is currently serving as the Association's President, an honor that also brings the 2006 IACA Conference to Nevada.

He holds a Business Administration Degree from the University of Nevada, Reno, and is a certified public accountant.

Prior to state service, Scott was Chief Financial Officer for a Carson City manufacturing business. He resides in Carson City with his wife and family.



**Ellick Hsu** was hired as **Deputy Secretary of State for Elections** in January 2005. Hsu is responsible for: administering a Division that now includes a staff of eight; planning, directing and supervising departmental operations; and functions relating to the elections process in Nevada, including enforcing state and federal election laws and procedures.

He graduated Cum Laude from the California Western School of Law, receiving his Juris Doctor Degree in 2000. Hsu attained his Bachelor of Science degree in Neuroscience/Animal Physiology from the University of California, San Diego.

Hsu joined the Secretary of State's office after spending four plus years with the prestigious law firm Lionel, Sawyer and Collins, practicing corporate, commercial and real estate/land use law.





**Securities Division Administrator Charles Moore** manages the statewide operations of the Division, including directing a staff of investigators, attorneys and legal assistants.

He received a Juris Doctor Degree from Oklahoma City University School of Law and a Bachelor of Science Degree in Accounting from Central State University in Edmond, Oklahoma. Charles is licensed as an attorney and as a certified public accountant.

Before joining the Securities Division as the Director of Enforcement in 1993, Charles was the Director of Enforcement for the Oklahoma Securities Division.

Charles and his wife and family reside in Las Vegas.



**Pamela Ruckel** was named **Deputy Secretary of State for Southern Nevada** in August 2001. She had previously been the agency's Education and Information Officer.

In her role as Deputy Secretary for Southern Nevada, Pam conducts educational programs throughout the community. She is responsible for coordinating the administrative functions of the Secretary of State's Las Vegas office.

Pam previously served as Director of Education for the Nevada Hotel, Motel and Restaurant Association, and as Public Information Officer for a California school district.

Pam earned a Bachelor of Arts Degree in Political Science from Kent State University.

She lives in Las Vegas with her husband and son.

As the Secretary of State's **Notary and Digital Signature Administrator, Bru Ethridge** oversees the daily operation of the Notary Division.

As part of her duties, Bru regularly travels throughout the state organizing and conducting numerous notary public training classes. In fact, she has personally trained many of the state's Notaries Public.

Before serving the past 14 years in the Secretary of State's office, Bru managed a family business with her husband.

Bru has lived in Carson City since 1969.



**Roy Cage** was appointed Director of Information Technology (IT) in June 2004. He manages a staff of ten IT specialists who support 138 Secretary of State staff members, along with overseeing the agency's website. Roy is also responsible for several new systems, including Election Night Reporting, Statewide Voter Registration and the Commercial Recording Division's *eSoS* project.

Roy obtained a Master of Business Administration degree from the University of Utah and a Bachelor's Degree in Business Administration from Virginia Tech. He is a Certified Internal Auditor and a Certified Information Systems Auditor. Roy brings 38 years of information technology related experience to his current position.

Roy and his wife live in Reno.





**Customer Service Division Supervisor Tamara Rains** oversees the daily operation of the Carson City Customer Service Division. She coordinates all internal training of Division representatives, along with working closely with other staff to provide the best service possible to customers.

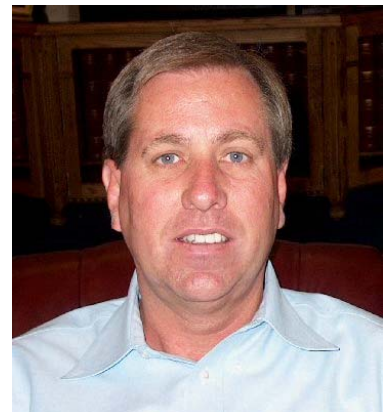
Tami became the Supervisor of the Customer Service Division in March 2004 after previously working in the agency's Floater Division. She spent 5 ½ years with the Nevada Gaming Control Board before joining the Secretary of State's office.

Tami, her husband and their two daughters live in Carson City.

**Public Information Officer Steve George** joined the Secretary of State's staff in January 2002. His duties include: managing the public relations and information program for the agency; writing news releases, speeches, newsletters and articles; creating informational brochures; answering media and public inquiries; monitoring media outlets; and developing public outreach programs.

He previously worked in the Nevada Attorney General's office as Director of Communications, and as News Director at KNUU News Radio in Las Vegas.

Steve lives in Dayton with his wife and two children.



**Executive Assistant Sallie Lincoln** provides secretarial support to the Secretary of State and the Chief Deputy, including: responding to constituent inquiries received via mail, email and telephone; scheduling and coordinating executive office meetings; serving as a liaison between the Secretary of State and the agency's Deputies and other staff; and scheduling travel for the Secretary of State and Chief Deputy.

Sallie previously worked in the agency's Customer Service Division and in the Legislative Counsel Bureau's Media Services Division.

She and her husband reside in Carson City.



## NEVADA SECRETARY OF STATE DEAN HELLER

Dean Heller got into politics early in life, making daily trips to the Capitol Building to give then Governor Mike O'Callaghan an update on local, national and world events. That is, Dean was delivering the Governor's newspaper as his paperboy at the age of twelve.

Dean grew up in a log cabin---oops, wrong story. After graduating from Carson High School, Dean received a Bachelor's Degree in Business Administration, specializing in finance and securities analysis, from the University of Southern California in 1985.



Dean was first elected Secretary of State in 1994, and re-elected in 1998 and again in 2002. He previously served Carson City as an assemblyman in the Nevada Legislature from 1990-1994. Prior to that, Dean worked as an institutional stockbroker and as a broker/trader on the Pacific Stock Exchange.

Secretary of State Heller is the third highest-ranking constitutional officer in Nevada, serving as the state's Chief Elections Officer. His office includes the Elections Division, Commercial Recordings Division, Securities Fraud Division and the Notary Division. In his official capacity, Dean also is a member of the Board of Examiners (which includes the governor and attorney general), State Prison Board, and the Tahoe Regional Planning Agency.

Dean was also a Founding Board Member of the Boys and Girls Club of Western Nevada and the Western Nevada Community College Foundation, and is an Advisory Board Member for Nevada's Foster Grandparent program.

Dean and his wife, Lynne, who met while they were attending the University of Southern California, live in Carson City. They have four children: Hilary, Harris, Drew and Emmy.

The Heller family is Carson City's version of the Von Trapp family. Lynne has been a major force in the development of the Western Nevada Musical Theatre Company, and Dean and the children have performed in many of the group's plays. Dean has performed—although that is stretching the definition—as a sailor, baseball player and a 6'4 Chinese gambler. He even performed at Carnegie Hall in 1996. Okay, so all he actually did was serve as narrator for the Sierra Nevada Master Chorale Singing Troop's performance, but his Mom, Janet, who sings with the group, said her "little Dean-o" was just great.

Many people believe politicians are always in a fog, but Dean actually went the extra mile and created fog...during a play that is. Seems he was in charge of the fog machine during a play and kept it going so long that the entire theater was covered.

Dean also enjoys stockcar racing, competing in several races a year throughout Nevada and California. He grew up around the sport following his dad, "Blackjack" Heller, who raced for many years. That background has led many people to ask the question, "How could someone who always turns left end up as a Republican?"



Dean loves sports, especially basketball, golf and snowboarding, and attending his children's events.



**Secretary Heller with his wife, Lynne,  
and their children, Harris, Drew, Hilary and Emmy.**





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For more information regarding the Nevada Secretary of State's office and its Divisions, please visit the agency's website at <http://secretaryofstate.biz> or contact:

Office of the Secretary of State  
101 North Carson Street  
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Suite 4000  
Las Vegas, NV 89101  
(702) 486-2880

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Securities Division  
555 E. Washington Avenue  
Suite 5200  
Las Vegas, NV 89101  
(702) 486-2440  
(800) 758-6440

Secretary of State  
Securities Satellite Office  
1755 E. Plumb Lane  
Suite 231  
Reno, NV 89502  
(775) 688-1855



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ASSEMBLY BILL NO. 508—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 28, 2005

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Referred to Committee on Government Affairs

SUMMARY—Makes various changes to provisions relating to notaries public. (BDR 19-574)

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.

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AN ACT relating to notaries public; requiring certain persons who apply for appointments or reappointments as notaries public to complete a course of study approved, endorsed or provided by the Secretary of State; authorizing the Secretary of State to approve or endorse a course of study under certain circumstances; requiring the Secretary of State to charge a fee to determine whether to approve or endorse a course of study; prohibiting a notary public from notarizing the signature of certain persons; authorizing the Secretary of State to request that the Attorney General bring an action to enjoin a person who unlawfully represents himself as a notary public; increasing the fee for applying for appointment as a notary public; increasing the fee for duplicate or amended certificates of appointment; 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.** Chapter 240 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 5, inclusive, of this  
3 act.

4     **Sec. 2. 1.** *Except as otherwise provided in subsection 5, in*  
5 *addition to the requirements of NRS 240.030, each person who*  
6 *applies for appointment as a notary public must complete a course*  
7 *of study that provides at least 6 hours of instruction relating to the*  
8 *functions and duties of notaries public and is:*

9       (a) *Approved or endorsed by the Secretary of State pursuant to*  
10 *section 3 of this act; or*

11       (b) *Provided by the Secretary of State pursuant to*  
12 *NRS 240.018.*

13     **2.** *Except as otherwise provided in subsection 5, each notary*  
14 *public who applies for reappointment must complete a course of*  
15 *study that provides:*

16       (a) *At least 3 hours of instruction relating to the functions and*  
17 *duties of notaries public, if he applies for reappointment 1 year or*  
18 *less before the expiration of his appointment; or*

19       (b) *At least 6 hours of instruction relating to the functions and*  
20 *duties of notaries public, if he applies for reappointment more*  
21 *than 1 year before the expiration of his appointment.*

22     **3.** *The course of study described in subsection 2 must be:*

23       (a) *Approved or endorsed by the Secretary of State pursuant to*  
24 *section 3 of this act; or*

25       (b) *Provided by the Secretary of State pursuant to*  
26 *NRS 240.018.*

27     **4.** *A notary public who fails to complete the course of study*  
28 *required by subsection 2 before his appointment expires may not*  
29 *be reappointed until he completes the course of study and pays a*  
30 *reinstatement fee of \$20. The reinstatement fee is in addition to*  
31 *any renewal fee required by the Secretary of State.*

32     **5.** *The provisions of subsections 1, 2 and 3 do not apply to a*  
33 *court reporter who:*

34       (a) *Applies for appointment as a notary public with limited*  
35 *powers pursuant to subsection 4 of NRS 240.030; or*

36       (b) *Receives a certificate of appointment as a notary public*  
37 *with limited powers pursuant to subsection 4 of NRS 240.030 and*  
38 *who applies for reappointment.*

39     **6.** *As used in this section, an “hour of instruction” means at*  
40 *least 50 minutes of time spent receiving instruction.*



1       **Sec. 3. 1.** *The Secretary of State may approve or endorse*  
2 *any course of study to satisfy the requirements of section 2 of this*  
3 *act if:*

4       (a) *The course of study provides instruction in the provisions*  
5 *of this chapter and the function and duties of notaries public;*

6       (b) *The sponsor of the course of study:*

7           (1) *Provides to the Secretary of the State:*

8               (I) *The curriculum for the course of study; and*

9               (II) *An explanation of the manner in which the sponsor*  
10 *will monitor the attendance for the course of study. The sponsor*  
11 *must ensure that each person who attends the course of study to*  
12 *satisfy the requirements of section 2 of this act is in attendance at*  
13 *least 50 minutes of each hour of instruction.*

14           (2) *Agrees to provide to the Secretary of State a certificate*  
15 *of attendance for each person who attends the course of study to*  
16 *satisfy the requirements of section 2 of this act.*

17       2. *The sponsor of a course of study must:*

18       (a) *Allow a representative of the Secretary of State to attend, at*  
19 *no cost, all or part of any course of study approved or endorsed by*  
20 *the Secretary of State to observe the curriculum and the*  
21 *procedures for taking attendance. A representative of the*  
22 *Secretary of State who attends the course of study must pay the fee*  
23 *for attendance if he wishes to attend the course of study to satisfy*  
24 *the requirements of section 2 of this act.*

25       (b) *Report to the Secretary of State any changes in the*  
26 *curriculum of a course of study approved or endorsed by the*  
27 *Secretary of State.*

28       3. *The Secretary of State may withdraw his approval or*  
29 *endorsement of any course of study if:*

30       (a) *The course of study approved or endorsed by the Secretary*  
31 *of State does not substantially conform to the description of the*  
32 *curriculum provided to the Secretary of State pursuant to*  
33 *subsection 1.*

34       (b) *The sponsor does not report changes to the curriculum of*  
35 *the course of study approved or endorsed by the Secretary of State*  
36 *in a timely manner.*

37       (c) *The sponsor fails to monitor the attendance of any course*  
38 *of study approved or endorsed by the Secretary of State.*

39       **Sec. 4.** *The Secretary of State shall require a sponsor to pay*  
40 *a fee of \$500 for the Secretary of State to determine whether he*  
41 *should approve or endorse a course of study to satisfy the*  
42 *requirements of section 2 of this act.*

43       **Sec. 5. 1.** *A notary public who is appointed pursuant to this*  
44 *chapter who willfully notarizes the signature of a person who is:*

45           (a) *Not in the presence of the notary public; or*



1       ***(b) Unknown to the notary public, if the person does not***  
2 ***provide documentary evidence of identification to the notary***  
3 ***public,***

4       ***↪ is guilty of a category D felony, and shall be punished as***  
5 ***provided in NRS 193.130.***

6       ***2. Any person who aids and abets a notary public to commit a***  
7 ***violation of subsection 1 is guilty of a category D felony and shall***  
8 ***be punished as provided in NRS 193.190.***

9       **Sec. 6.** NRS 240.001 is hereby amended to read as follows:

10       240.001 As used in NRS 240.001 to 240.169, inclusive, ***and***  
11 ***sections 2 to 5, inclusive, of this act,*** unless the context otherwise  
12 requires, the words and terms defined in NRS 240.002 to 240.005,  
13 inclusive, have the meanings ascribed to them in those sections.

14       **Sec. 7.** NRS 240.010 is hereby amended to read as follows:

15       240.010 1. The Secretary of State may appoint notaries  
16 public in this State.

17       2. The Secretary of State shall not appoint as a notary public a  
18 person:

19       (a) Who submits an application containing a substantial and  
20 material misstatement or omission of fact.

21       (b) Whose previous appointment as a notary public in this State  
22 has been revoked.

23       (c) Who has been convicted of a crime involving moral  
24 turpitude, if the Secretary of State is aware of such a conviction  
25 before he makes the appointment.

26       (d) Against whom a complaint that alleges a violation of a  
27 provision of this chapter is pending.

28       3. A notary public may cancel his appointment by submitting a  
29 written notice to the Secretary of State.

30       4. It is unlawful for a person to:

31       (a) Represent himself as a notary public appointed pursuant to  
32 this section if he has not received a certificate of appointment from  
33 the Secretary of State pursuant to this chapter.

34       (b) Submit an application for appointment as a notary public that  
35 contains a substantial and material misstatement or omission of fact.

36       ***5. The Secretary of State may request that the Attorney***  
37 ***General bring an action to enjoin a person from violating the***  
38 ***provisions of paragraph (a) of subsection 4.***

39       **Sec. 8.** NRS 240.017 is hereby amended to read as follows:

40       240.017 The Secretary of State:

41       1. May adopt regulations:

42       (a) Prescribing the procedure for the appointment and  
43 **[voluntary]** training of a notary public.

44       (b) Establishing procedures for the notarization of digital or  
45 electronic signatures.



1       2. Shall adopt regulations prescribing the form of each affidavit  
2 required pursuant to subsection 2 of NRS 240.030.

3       **Sec. 9.** NRS 240.018 is hereby amended to read as follows:

4       240.018 1. The Secretary of State may:

5       (a) Provide courses of study for the ~~voluntary~~ training of  
6 notaries public at such times and for such duration as he determines  
7 appropriate; and

8       (b) Charge a reasonable fee to each person who enrolls in a  
9 course of study for the ~~voluntary~~ training of notaries public.

10       2. A course of study provided pursuant to this section must  
11 comply with the regulations adopted pursuant to subsection 1 of  
12 NRS 240.017.

13       3. The Secretary of State shall deposit the fees collected  
14 pursuant to paragraph (b) of subsection 1 in the Notary Public  
15 Training Fund which is hereby created as a special revenue fund in  
16 the State Treasury. The Fund must be administered by the Secretary  
17 of State. Any interest and income earned on the money in the Fund,  
18 after deducting any applicable charges, must be credited to the  
19 Fund. Any money remaining in the Fund at the end of a fiscal year  
20 does not revert to the State General Fund and the balance in the  
21 Fund must be carried forward. All claims against the Fund must be  
22 paid as other claims against the State are paid. The money in the  
23 Fund may be expended only to pay for expenses related to providing  
24 courses of study for the ~~voluntary~~ training of notaries public,  
25 including, without limitation, the rental of rooms and other facilities,  
26 advertising, travel and the printing and preparation of course  
27 materials.

28       **Sec. 10.** NRS 240.030 is hereby amended to read as follows:

29       240.030 1. Except as otherwise provided in subsection 4,  
30 each person applying for appointment as a notary public must:

31       (a) At the time he submits his application, pay to the Secretary  
32 of State ~~[\$35.] a fee of \$50.~~

33       (b) Take and subscribe to the oath set forth in Section 2 of  
34 Article 15 of the Constitution of the State of Nevada as if he were a  
35 public officer.

36       (c) Enter into a bond to the State of Nevada in the sum of  
37 \$10,000, to be filed with the clerk of the county in which the  
38 applicant resides or, if the applicant is a resident of an adjoining  
39 state, with the clerk of the county in this State in which the applicant  
40 maintains a place of business or is employed. The applicant shall  
41 submit to the Secretary of State a certificate issued by the  
42 appropriate county clerk which indicates that the applicant filed the  
43 bond required pursuant to this paragraph.

44       2. In addition to the requirements set forth in subsection 1, an  
45 applicant for appointment as a notary public, including, without





1 limitation, a court reporter, who resides in an adjoining state must  
2 submit to the Secretary of State with his application:

3 (a) An affidavit setting forth the adjoining state in which he  
4 resides, his mailing address and the address of his place of business  
5 or employment that is located within the State of Nevada; and

6 (b) Unless the applicant is self-employed, an affidavit from his  
7 employer setting forth the facts that show:

8 (1) The employer is licensed to do business in the State of  
9 Nevada; and

10 (2) The employer regularly employs the applicant at an  
11 office, business or facility which is located within the State of  
12 Nevada.

13 3. In completing an application, bond, oath or other document  
14 necessary to apply for appointment as a notary public, an applicant  
15 ~~{must not be}~~ **is not** required to disclose his residential address or  
16 telephone number on any such document which will become  
17 available to the public.

18 4. A court reporter who has received a certificate of registration  
19 pursuant to NRS 656.180 may apply for appointment as a notary  
20 public with limited powers. Such an applicant is not required to  
21 enter into a bond to obtain the limited power of a notary public to  
22 administer oaths or affirmations.

23 5. If required, the bond, together with the oath, must be filed  
24 and recorded in the office of the county clerk of the county in which  
25 the applicant resides when he applies for his appointment or, if the  
26 applicant is a resident of an adjoining state, with the clerk of the  
27 county in this State in which the applicant maintains a place of  
28 business or is employed. On a form provided by the Secretary  
29 of State, the county clerk shall immediately certify to the Secretary  
30 of State that the required bond and oath have been filed and  
31 recorded. Upon receipt of the application, fee and certification that  
32 the required bond and oath have been filed and recorded, the  
33 Secretary of State shall issue a certificate of appointment as a notary  
34 public to the applicant.

35 6. Except as otherwise provided in subsection 7, the term of a  
36 notary public commences on the effective date of the bond required  
37 pursuant to paragraph (c) of subsection 1. A notary public shall not  
38 perform a notarial act after the effective date of the bond unless he  
39 has been issued a certificate of appointment.

40 7. The term of a notary public with limited powers commences  
41 on the date set forth in his certificate of appointment.

42 8. Except as otherwise provided in this subsection, the  
43 Secretary of State shall charge a fee of ~~[\$10]~~ **\$20** for each duplicate  
44 or amended certificate of appointment which is issued to a notary. If  
45 the notary public does not receive an original certificate of



1 appointment, the Secretary of State shall provide a duplicate  
2 certificate of appointment without charge if the notary public  
3 requests such a duplicate within 60 days after the date on which the  
4 original certificate was issued.

5 **Sec. 11.** NRS 240.036 is hereby amended to read as follows:

6 240.036 1. If, at any time during his appointment, a notary  
7 public changes his mailing address, county of residence or signature  
8 or, if he is a resident of an adjoining state, changes his place of  
9 business or employment, he shall submit to the Secretary of State a  
10 request for an amended certificate of appointment on a form  
11 provided by the Secretary of State. The request must:

- 12 (a) Include the new information;
- 13 (b) Be submitted within 30 days after making that change; and
- 14 (c) Be accompanied by a fee of ~~[\$10.]~~ \$20.

15 2. The Secretary of State may suspend the appointment of a  
16 notary public who fails to provide to the Secretary of State notice of  
17 a change in any of the information specified in subsection 1.

18 3. If a notary public changes his name during his appointment  
19 and he intends to use his new name in the performance of his  
20 notarial duties, he shall submit to the Secretary of State a request for  
21 an amended certificate of appointment on a form provided by the  
22 Secretary of State. The request must:

- 23 (a) Include his new name and signature and his address;
- 24 (b) Be submitted within 30 days after making the change; and
- 25 (c) Be accompanied by a fee of ~~[\$10.]~~ \$20.

26 4. Upon receipt of a request for an amended certificate of  
27 appointment and the appropriate fee, the Secretary of State shall  
28 issue an amended certificate of appointment.

29 5. When the notary public receives the amended certificate of  
30 appointment, he shall:

- 31 (a) Destroy his notary's stamp and obtain a new notary's stamp  
32 which includes the information on the amended certificate.
- 33 (b) Notify the surety company which issued his bond of the  
34 changes.

35 **Sec. 12.** 1. This section and sections 1, 5, 6, 7, 10 and 11 of  
36 this act become effective on October 1, 2005.

37 2. Sections 2, 3, 4, 8 and 9 of this act become effective on  
38 October 1, 2006.





ASSEMBLY BILL NO. 508—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE SECRETARY OF STATE)

MARCH 28, 2005

Referred to Committee on Government Affairs

SUMMARY—Makes various changes to provisions relating to notaries public. (BDR 19-574)

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 notaries public; requiring certain persons who apply for appointments or reappointments as notaries public to complete a course of study approved, endorsed or provided by the Secretary of State; authorizing the Secretary of State to approve or endorse a course of study under certain circumstances; requiring the Secretary of State to charge a fee to determine whether to approve or endorse a course of study; prohibiting a notary public from notarizing the signature of certain persons; revising the provisions governing the issuance of an authentication by the Secretary of State; authorizing the Secretary of State to request that the Attorney General bring an action to enjoin a person who unlawfully represents himself as a notary public; 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.** Chapter 240 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 6, inclusive, of this  
3 act.

4     **Sec. 2. 1.** *Except as otherwise provided in subsection 5, in*  
5 *addition to the requirements of NRS 240.030, each person who*



1 *applies for appointment as a notary public must complete a course*  
2 *of study that provides at least 6 hours of instruction relating to the*  
3 *functions and duties of notaries public and is:*

4 (a) *Approved or endorsed by the Secretary of State pursuant to*  
5 *section 3 of this act; or*

6 (b) *Provided by the Secretary of State pursuant to*  
7 *NRS 240.018.*

8 2. *Except as otherwise provided in subsection 5, each notary*  
9 *public who applies for reappointment must complete a course of*  
10 *study that provides:*

11 (a) *At least 3 hours of instruction relating to the functions and*  
12 *duties of notaries public, if he applies for reappointment 1 year or*  
13 *less before the expiration of his appointment; or*

14 (b) *At least 6 hours of instruction relating to the functions and*  
15 *duties of notaries public, if he applies for reappointment more*  
16 *than 1 year before the expiration of his appointment.*

17 3. *The course of study described in subsection 2 must be:*

18 (a) *Approved or endorsed by the Secretary of State pursuant to*  
19 *section 3 of this act; or*

20 (b) *Provided by the Secretary of State pursuant to*  
21 *NRS 240.018.*

22 4. *A notary public who fails to complete the course of study*  
23 *required by subsection 2 before his appointment expires may not*  
24 *be reappointed until he completes the course of study and pays a*  
25 *reinstatement fee of \$20. The reinstatement fee is in addition to*  
26 *any renewal fee required by the Secretary of State.*

27 5. *The provisions of subsections 1, 2 and 3 do not apply to a*  
28 *court reporter who:*

29 (a) *Applies for appointment as a notary public with limited*  
30 *powers pursuant to subsection 4 of NRS 240.030; or*

31 (b) *Receives a certificate of appointment as a notary public*  
32 *with limited powers pursuant to subsection 4 of NRS 240.030 and*  
33 *who applies for reappointment.*

34 6. *As used in this section, an "hour of instruction" means at*  
35 *least 50 minutes of time spent receiving instruction.*

36 **Sec. 3. 1.** *The Secretary of State may approve or endorse*  
37 *any course of study to satisfy the requirements of section 2 of this*  
38 *act if:*

39 (a) *The course of study provides instruction in the provisions*  
40 *of this chapter and the function and duties of notaries public;*

41 (b) *The sponsor of the course of study:*

42 (I) *Provides to the Secretary of the State:*

43 (I) *The curriculum for the course of study; and*

44 (II) *An explanation of the manner in which the sponsor*  
45 *will monitor the attendance for the course of study. The sponsor*



1 *must ensure that each person who attends the course of study to*  
2 *satisfy the requirements of section 2 of this act is in attendance at*  
3 *least 50 minutes of each hour of instruction.*

4 (2) *Agrees to provide to the Secretary of State a certificate*  
5 *of attendance for each person who attends the course of study to*  
6 *satisfy the requirements of section 2 of this act.*

7 2. *The sponsor of a course of study must:*

8 (a) *Allow a representative of the Secretary of State to attend, at*  
9 *no cost, all or part of any course of study approved or endorsed by*  
10 *the Secretary of State to observe the curriculum and the*  
11 *procedures for taking attendance. A representative of the*  
12 *Secretary of State who attends the course of study must pay the fee*  
13 *for attendance if he wishes to attend the course of study to satisfy*  
14 *the requirements of section 2 of this act.*

15 (b) *Report to the Secretary of State any changes in the*  
16 *curriculum of a course of study approved or endorsed by the*  
17 *Secretary of State.*

18 3. *The Secretary of State may withdraw his approval or*  
19 *endorsement of any course of study if:*

20 (a) *The course of study approved or endorsed by the Secretary*  
21 *of State does not substantially conform to the description of the*  
22 *curriculum provided to the Secretary of State pursuant to*  
23 *subsection 1.*

24 (b) *The sponsor does not report changes to the curriculum of*  
25 *the course of study approved or endorsed by the Secretary of State*  
26 *in a timely manner.*

27 (c) *The sponsor fails to monitor the attendance of any course*  
28 *of study approved or endorsed by the Secretary of State.*

29 **Sec. 4.** *The Secretary of State shall require a sponsor to pay*  
30 *a fee of \$500 for the Secretary of State to determine whether he*  
31 *should approve or endorse a course of study to satisfy the*  
32 *requirements of section 2 of this act.*

33 **Sec. 5.** 1. *A notary public who is appointed pursuant to this*  
34 *chapter who willfully notarizes the signature of a person who is:*

35 (a) *Not in the presence of the notary public; or*

36 (b) *Unknown to the notary public, if the person does not*  
37 *provide documentary evidence of identification to the notary*  
38 *public,*

39 *is guilty of a gross misdemeanor, and shall be punished as*  
40 *provided in NRS 193.140.*

41 2. *Any person who aids and abets a notary public to commit a*  
42 *violation of subsection 1 is guilty of a gross misdemeanor and*  
43 *shall be punished as provided in NRS 193.140.*

44 **Sec. 6.** 1. *Except as otherwise provided in subsection 2, the*  
45 *Secretary of State shall, upon request and payment of a fee of \$20,*



1 *issue an authentication in one of the following forms to verify that*  
2 *the signature of a notarial officer on a document is genuine and*  
3 *that the notarial officer holds the indicated office:*

4 (a) *If the document is intended for use in a foreign country*  
5 *that is a participant in the Hague Convention of October 5, 1961,*  
6 *the Secretary of State must issue an apostille in the form*  
7 *prescribed by the Hague Convention of October 5, 1961; or*

8 (b) *If the document is intended for use in the United States or*  
9 *a foreign country that is not a participant in the Hague*  
10 *Convention of October 5, 1961, the Secretary of State must issue a*  
11 *certification.*

12 2. *The Secretary of State shall not issue an authentication*  
13 *pursuant to subsection 1 if:*

14 (a) *The document has not been notarized in accordance with*  
15 *the provisions of this chapter; or*

16 (b) *The Secretary of State has information that the document*  
17 *may be used to accomplish any fraudulent, criminal or other*  
18 *unlawful purpose.*

19 **Sec. 7.** NRS 240.001 is hereby amended to read as follows:

20 240.001 As used in NRS 240.001 to 240.169, inclusive, *and*  
21 *sections 2 to 6, inclusive, of this act,* unless the context otherwise  
22 requires, the words and terms defined in NRS 240.002 to 240.005,  
23 inclusive, have the meanings ascribed to them in those sections.

24 **Sec. 8.** NRS 240.010 is hereby amended to read as follows:

25 240.010 1. The Secretary of State may appoint notaries  
26 public in this State.

27 2. The Secretary of State shall not appoint as a notary public a  
28 person:

29 (a) Who submits an application containing a substantial and  
30 material misstatement or omission of fact.

31 (b) Whose previous appointment as a notary public in this State  
32 has been revoked.

33 (c) Who has been convicted of a crime involving moral  
34 turpitude, if the Secretary of State is aware of such a conviction  
35 before he makes the appointment.

36 (d) Against whom a complaint that alleges a violation of a  
37 provision of this chapter is pending.

38 3. A notary public may cancel his appointment by submitting a  
39 written notice to the Secretary of State.

40 4. It is unlawful for a person to:

41 (a) Represent himself as a notary public appointed pursuant to  
42 this section if he has not received a certificate of appointment from  
43 the Secretary of State pursuant to this chapter.

44 (b) Submit an application for appointment as a notary public that  
45 contains a substantial and material misstatement or omission of fact.



1       **5. The Secretary of State may request that the Attorney**  
2 **General bring an action to enjoin a person from violating the**  
3 **provisions of paragraph (a) of subsection 4.**

4       **Sec. 9.** NRS 240.017 is hereby amended to read as follows:

5       240.017 The Secretary of State:

6       1. May adopt regulations:

7       (a) Prescribing the procedure for the appointment and  
8 **[voluntary]** training of a notary public.

9       (b) Establishing procedures for the notarization of digital or  
10 electronic signatures.

11       2. Shall adopt regulations prescribing the form of each affidavit  
12 required pursuant to subsection 2 of NRS 240.030.

13       **Sec. 10.** NRS 240.018 is hereby amended to read as follows:

14       240.018 1. The Secretary of State may:

15       (a) Provide courses of study for the **[voluntary]** training of  
16 notaries public at such times and for such duration as he determines  
17 appropriate; and

18       (b) Charge a reasonable fee to each person who enrolls in a  
19 course of study for the **[voluntary]** training of notaries public.

20       2. A course of study provided pursuant to this section must  
21 comply with the regulations adopted pursuant to subsection 1 of  
22 NRS 240.017.

23       3. The Secretary of State shall deposit the fees collected  
24 pursuant to paragraph (b) of subsection 1 in the Notary Public  
25 Training Fund which is hereby created as a special revenue fund in  
26 the State Treasury. The Fund must be administered by the Secretary  
27 of State. Any interest and income earned on the money in the Fund,  
28 after deducting any applicable charges, must be credited to the  
29 Fund. Any money remaining in the Fund at the end of a fiscal year  
30 does not revert to the State General Fund and the balance in the  
31 Fund must be carried forward. All claims against the Fund must be  
32 paid as other claims against the State are paid. The money in the  
33 Fund may be expended only to pay for expenses related to providing  
34 courses of study for the **[voluntary]** training of notaries public,  
35 including, without limitation, the rental of rooms and other facilities,  
36 advertising, travel and the printing and preparation of course  
37 materials.

38       **Sec. 11.** NRS 240.161 is hereby amended to read as follows:

39       240.161 1. NRS 240.161 to 240.169, inclusive, **and section 6**  
40 **of this act** may be cited as the Uniform Law on Notarial Acts.

41       2. These sections must be applied and construed to effectuate  
42 their general purpose to make uniform the law with respect to the  
43 subject of these sections among states enacting them.





1       **Sec. 12.** NRS 240.165 is hereby amended to read as follows:  
 2       240.165 1. A notarial act has the same effect under the law of  
 3 this State as if performed by a notarial officer of this State if  
 4 performed within the jurisdiction of and under authority of a foreign  
 5 nation or its constituent units or a multinational or international  
 6 organization by the following persons:  
 7       (a) A notary public;  
 8       (b) A judge, clerk or deputy clerk of a court of record; or  
 9       (c) A person authorized by the law of that jurisdiction to  
 10 perform notarial acts.

11       2. ~~[An "apostille" in the form prescribed by the Hague~~  
 12 ~~Convention of October 5, 1961, conclusively establishes that the~~  
 13 ~~signature of the notarial officer is genuine and that the officer holds~~  
 14 ~~the indicated office. The Secretary of State shall, upon request and~~  
 15 ~~payment of a fee of \$20, issue an apostille to verify a signature of a~~  
 16 ~~notarial officer on a document that is kept in the records of the~~  
 17 ~~Secretary of State unless the document had not been notarized in~~  
 18 ~~accordance with the provisions of this chapter.~~

19       ~~—3.]~~ A certificate by an officer of the foreign service or consular  
 20 officer of the United States stationed in the nation under the  
 21 jurisdiction of which the notarial act was performed, or a certificate  
 22 by an officer of the foreign service or consular officer of that nation  
 23 stationed in the United States, conclusively establishes a matter  
 24 relating to the authenticity or validity of the notarial act set forth in  
 25 the certificate.

26       ~~[4.]~~ 3. An official stamp or seal of the person performing the  
 27 notarial act is prima facie evidence that the signature is genuine and  
 28 that the person holds the indicated title.

29       ~~[5.]~~ 4. An official stamp or seal of an officer listed in  
 30 paragraph (a) or (b) of subsection 1 is prima facie evidence that a  
 31 person with the indicated title has authority to perform notarial acts.

32       ~~[6.]~~ 5. If the title of office and indication of authority to  
 33 perform notarial acts appears either in a digest of foreign law or in a  
 34 list customarily used as a source for that information, the authority  
 35 of an officer with that title to perform notarial acts is conclusively  
 36 established.

37       **Sec. 13.** 1. This section and sections 5 to 8, inclusive, 11 and  
 38 12 of this act become effective on October 1, 2005.

39       2. Sections 2, 3, 4, 9 and 10 of this act become effective on  
 40 October 1, 2006.



Amendment No. 256

Assembly Amendment to Assembly Bill No. 508	(BDR 19-574)
<b>Proposed by:</b> Committee on Government Affairs	
<b>Amendment Box:</b>	
<b>Resolves Conflicts with:</b> N/A	
<b>Amends:</b> Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: No	

Adoption of this amendment will MAINTAIN a 2/3s majority vote requirement for final passage of AB508 (§§ 2, 4).

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"/>	_____

Amend section 1, page 2, line 2, by deleting “5,” and inserting “6,”.

Amend sec. 5, page 4, line 4, by deleting:

“*category D felony*,” and inserting “*gross misdemeanor*,”.

Amend sec. 5, page 4, line 5, by deleting “193.130.” and inserting “193.140.”.

Amend sec. 5, page 4, line 7, by deleting:

“*category D felony*” and inserting “*gross misdemeanor*”.

Amend sec. 5, page 4, line 8, by deleting “193.190.” and inserting “193.140.”.

Amend the bill as a whole by renumbering sections 6 through 9 as sections 7 through 10 and adding a new section designated sec. 6, following sec. 5, to read as follows:

HC/EGO

Date: 4/25/2005

A.B. No. 508—Makes various changes to provisions relating to notaries public.



**“Sec. 6. 1. Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication in one of the following forms to verify that the signature of a notarial officer on a document is genuine and that the notarial officer holds the indicated office:**

**(a) If the document is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961; or**

**(b) If the document is intended for use in the United States or a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.**

**2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:**

**(a) The document has not been notarized in accordance with the provisions of this chapter; or**

**(b) The Secretary of State has information that the document may be used to accomplish any fraudulent, criminal or other unlawful purpose.”.**

Amend sec. 6, page 4, line 11, by deleting “5,” and inserting “6,”.

Amend the bill as a whole by deleting sections 10 and 11, renumbering sec. 12 as sec. 13 and adding new sections designated sections 11 and 12, following sec. 9, to read as follows:

**“Sec. 11. NRS 240.161 is hereby amended to read as follows:**

**240.161 1. NRS 240.161 to 240.169, inclusive, and section 6 of this act may be cited as the Uniform Law on Notarial Acts.**

**2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.**





**Sec. 12.** NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

2. ~~[An “apostille” in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.~~

~~—3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~[4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~{5.}~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~{6.}~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.”.

Amend sec. 12, page 7, by deleting lines 35 through 38 and inserting:

“**Sec. 13.** 1. This section and sections 5 to 8, inclusive, 11 and 12 of this act become effective on October 1, 2005.

2. Sections 2, 3, 4, 9 and 10 of this act become effective on October 1, 2006.”.

Amend the title of the bill to read as follows:

“AN ACT relating to notaries public; requiring certain persons who apply for appointments or reappointments as notaries public to complete a course of study approved, endorsed or provided by the Secretary of State; authorizing the Secretary of State to approve or endorse a course of study under certain circumstances; requiring the Secretary of State to charge a fee to determine whether to approve or endorse a course of study; prohibiting a notary public from notarizing the signature of certain persons; revising the provisions governing the issuance of an authentication by the Secretary of State; authorizing the Secretary of State to request that the Attorney General bring an action to enjoin a person who unlawfully represents himself as a notary public; providing penalties; and providing other matters properly relating thereto.”.



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# FINAL VOLUME

NEVADA LEGISLATURE  
AT CARSON CITY

SEVENTY-THIRD SESSION  
2005

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# ASSEMBLY HISTORY

SHOWING HISTORY ACTIONS ON ALL MEASURES

WITH

LIST OF MEMBERS, OFFICERS, ATTACHÉS, COMMITTEES, EFFECTIVE DATES  
OF APPROVED BILLS AND LEGISLATIVE BOX SCORE

SEVENTY SEVEN LEGISLATIVE DAYS  
ONE HUNDRED AND TWENTY CALENDAR DAYS

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HON. RICHARD D. PERKINS  
Speaker

HON. CHRIS GIUNCHIGLIANI  
Speaker pro Tempore

Compiled Under the Direction of  
NANCY S. TRIBBLE  
Chief Clerk

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Jun. 4—In Senate. Senate Amendment No. 1012 not receded from. Conference requested. First Conference Committee appointed by Senate. To Assembly. In Assembly. First Conference Committee appointed by Assembly. To committee.  
 Jun. 5—From committee: Concur in Senate Amendment No. 1012 and further amend. First Conference report adopted by Assembly. First Conference report adopted by Senate. To printer.  
 Jun. 6—From printer. To reengrossment. Reengrossed. Third reprint. To enrollment.  
 Jun. 13—Enrolled and delivered to Governor.  
 Jun. 14—Vetoed by the Governor.

**A.B. 506—Committee on Transportation, Mar. 28.**

Summary—Revises provisions relating to towing of damaged or stolen motor vehicles. (BDR 43-1234) Fiscal Note: Effect on Local Government: May have Fiscal Impact. Effect on the State: No.  
 Mar. 28—Read first time. Referred to Committee on Transportation. To printer.  
 Mar. 29—From printer. To committee.  
 Apr. 16—(Pursuant to Joint Standing Rule No. 14.3.1, no further action allowed.)

**A.B. 507—Committee on Transportation, Mar. 28.**

Summary—Changes designation of fireman to firefighter. (BDR 43-1329) Fiscal Note: Effect on Local Government: No. Effect on the State: No.  
 Mar. 28—Read first time. Referred to Committee on Transportation. To printer.  
 Mar. 29—From printer. To committee.  
 Apr. 1—From committee: Do pass.  
 Apr. 4—Read second time.  
 Apr. 6—Taken from General File. Placed on General File for next legislative day.  
 Apr. 8—Taken from General File. Placed on General File for next legislative day.  
 Apr. 12—Taken from General File. Placed on General File for next legislative day.  
 Apr. 14—Taken from General File. Placed on General File for next legislative day.  
 Apr. 15—Taken from General File. Placed on General File for next legislative day.  
 Apr. 18—Taken from General File. Placed on General File for next legislative day.  
 Apr. 19—Read third time. Passed. Title approved. (Yeas: 42, Nays: None.) To Senate.  
 Apr. 20—In Senate. Read first time. Referred to Committee on Transportation and Homeland Security. To committee.  
 May 4—From committee: Do pass.  
 May 5—Read second time.  
 May 6—Taken from General File. Placed on General File for next legislative day.  
 May 9—Taken from General File. Placed on General File for next legislative day.  
 May 10—Taken from General File. Placed on General File for next legislative day.  
 May 11—Read third time. Passed. Title approved. (Yeas: 21, Nays: None.) To Assembly.  
 May 12—In Assembly. To enrollment.  
 May 16—Enrolled and delivered to Governor.  
 May 18—Approved by the Governor. Chapter 118.  
**Effective October 1, 2005.**

**A.B. 508—Committee on Government Affairs, Mar. 28.**

Summary—Makes various changes to provisions relating to notaries public. (BDR 19-574) Fiscal Note: Effect on Local Government: No. Effect on the State: No.  
 Mar. 28—Read first time. Referred to Committee on Government Affairs. To printer.



Mar. 29—From printer. To committee.  
 Apr. 25—From committee: Amend, and do pass as amended. Placed on Second Reading File. Read second time. Amended. (Amend. No. 256.) To printer.  
 Apr. 26—From printer. To engrossment. Engrossed. First reprint. Read third time. Lost. (Yeas: 2, Nays: 40.)

#### A.B. 509—Committee on Government Affairs, Mar. 28.

Summary—Revises Charter of City of North Las Vegas concerning procedure for enactment of ordinances. (BDR S-514) Fiscal Note: Effect on Local Government: No. Effect on the State: No.

Mar. 28—Read first time. Referred to Committee on Government Affairs. To printer.

Mar. 29—From printer. To committee.

Apr. 14—From committee: Do pass.

Apr. 15—Read second time.

Apr. 18—Taken from General File. Placed on General File for next legislative day.

Apr. 19—Read third time. Passed. Title approved. (Yeas: 42, Nays: None.) To Senate.

Apr. 20—In Senate. Read first time. Referred to Committee on Government Affairs. To committee.

May 17—From committee: Do pass.

May 19—Read second time.

May 23—Taken from General File. Placed on General File for next legislative day.

May 25—Taken from General File. Placed on General File for next legislative day.

May 26—Read third time. Passed. Title approved. (Yeas: 21, Nays: None.) To Assembly.

May 27—In Assembly. To enrollment.

May 30—Enrolled and delivered to Governor.

May 31—Approved by the Governor. Chapter 208.

**Effective July 1, 2005.**

#### A.B. 510—Committee on Government Affairs, Mar. 29.

Summary—Revises provisions related to publications of state agencies and local governments. (BDR 33-400) Fiscal Note: Effect on Local Government: No. Effect on the State: No.

Mar. 29—Read first time. Referred to Committee on Government Affairs. To printer.

Mar. 30—From printer. To committee.

Apr. 14—From committee: Do pass.

Apr. 15—Read second time.

Apr. 18—Taken from General File. Placed on General File for next legislative day.

Apr. 19—Read third time. Passed. Title approved. (Yeas: 42, Nays: None.) To Senate.

Apr. 20—In Senate. Read first time. Referred to Committee on Government Affairs. To committee.

May 17—From committee: Do pass.

May 19—Read second time.

May 23—Taken from General File. Placed on General File for next legislative day.

May 25—Taken from General File. Placed on General File for next legislative day.

May 26—Read third time. Passed. Title approved. (Yeas: 21, Nays: None.) To Assembly.

May 27—In Assembly. To enrollment.

May 30—Enrolled and delivered to Governor.



**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Third Session  
April 8, 2005**

The Committee on Government Affairs was called to order at 7:45 a.m., on Friday, April 8, 2005. Chairman David Parks presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4412 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. David Parks, Chairman  
Ms. Peggy Pierce, Vice Chairwoman  
Mr. Kelvin Atkinson  
Mr. Chad Christensen  
Mr. Jerry D. Claborn  
Mr. Pete Goicoechea  
Mr. Tom Grady  
Mr. Joe Hardy  
Mrs. Marilyn Kirkpatrick  
Mr. Bob McCleary  
Mr. Harvey J. Munford  
Ms. Bonnie Parnell  
Mr. Scott Sibley

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Assemblyman Lynn Hettrick, District 39, Douglas, Carson City  
(part), Washoe (part)  
Assemblyman Bob McCleary, District No. 11, Clark County



**STAFF MEMBERS PRESENT:**

Eileen O'Grady, Committee Counsel  
Susan Scholley, Committee Policy Analyst  
Kiz Malin, Committee Attaché

**OTHERS PRESENT:**

Jim Bentley, General Manager, Indian Hills General Improvement District,  
Douglas County, Nevada  
Ron Kruse, Chairman, Nevada Veterans Services Commission, Nevada  
office of Veterans Services  
Nancy Howard, Assistant Director, Nevada League of Cities and  
Municipalities  
James Baushke, Vice Chairman, Board of County Commissioners,  
Douglas County, Nevada  
Daniel Holler, County Manager, Office of the County Manager, Douglas  
County, Nevada  
Tod Carlini, District Fire Chief, East Fork Fire and Paramedic Districts,  
Minden, Nevada  
Laura Lau, Secretary/Treasurer, Board of Trustees, Indian Hills General  
Improvement District, Douglas County, Nevada  
Brian Nelson, Trustee, Indian Hills General Improvement District, Douglas  
County, Nevada  
Ronald Lynch, Private Citizen, Indian Hills, Douglas County, Nevada  
Patrick Sanderson, Private Citizen, Indian Hills, Douglas County, Nevada  
Terry Faff, Private Citizen, Douglas County, Nevada  
Scott McKenzie, Executive Director, State of Nevada Employees  
Association, AFSCME Local 4041  
Bob Romer, Employee Representative, State of Nevada Employees  
Association, AFSCME Local 4041  
Gary Wolff, Business Agent, International Brotherhood of Teamsters,  
Local 14, Las Vegas, Nevada  
Jeanne Green, Director, Department of Personnel, State of Nevada  
Lucille Lusk, Chairman, Nevada Concerned Citizens, Las Vegas, Nevada  
Christina Dugan, Director of Government Affairs, Las Vegas Chamber of  
Commerce, Las Vegas, Nevada  
Carole Vilardo, President, Nevada Taxpayers Association  
Al Kramer, City Treasurer, Carson City, Nevada; and President,  
Association of County Treasurers of Nevada  
Catherine Besser, Chief of Staff, State Treasurer's Office, State of  
Nevada



Dan Musgrove, Director of Intergovernmental Relations, Office of the  
County Manager, Clark County, Nevada  
Bill Uffelman, President, Nevada Bankers Association  
Fred Hillerby, Legislative Advocate, representing Sun Valley General  
Improvement District  
Diana Langs, General Manager, Sun Valley General Improvement District,  
Washoe County, Nevada  
Bill Horn, General Manager, Incline Village General Improvement District,  
Washoe County, Nevada  
Bru Ethridge, Notary Administrator, Secretary of State's Office, State of  
Nevada

**Chairman Parks:**

[Meeting called to order and roll called.] We have five bills in front of us today.  
We are going to start off with A.B. 394.

**Assembly Bill 394: Incorporates City of Sierra Hills in Douglas County, Nevada.  
(BDR S-316)**

**Assemblyman Lynn Hettrick, District 39, Douglas, Carson City (part), and  
Washoe (part):**

Assembly Bill 394 does exactly what you said. It creates a city of Sierra Hills in  
Douglas County. I brought this bill by request, because I believe the proponents  
of the bill should have the opportunity to have access to this process. I know  
they are here and are prepared to testify to this Committee in regard to what  
they believe is the financial liability of the possible city. Also, they need to  
assure the Committee that there is no negative impact on the balance of the  
county. They are aware of the impact to Douglas County and are prepared to  
talk about it. I am going to turn this over to the folks who are the proponents of  
the bill.

**Jim Bentley, General Manager, Indian Hills General Improvement District,  
Douglas County, Nevada:**

This is a fairly significant possible event we are talking about. I am prepared to  
take as much time of your Committee as you want to spend. I have made a  
particular effort to try to make this presentation brief because of your workload.  
I didn't bring all of your reading material. You should have a copy of a two-page  
resolution (Exhibit B) by the Indian Hills Improvement District with Resolution  
No. 2004-06. There is also a stapled 28-page feasibility study (Exhibit C) that I  
will not read to you. There are a few points in the study that I wanted to go





**Assemblyman Hardy:**

On your pay raises for GIDs, was there discussion in the other GIDs regarding pay increases, or was there discussion by all the GIDs as to what they want to do? What do they get paid now in the smaller GIDs?

**Diana Langs:**

Basically the GIDs that have attended our meetings—which we hold on a fairly regular basis—have felt they would be unable within their budget to go to the maximum. This allows them to choose anything under that.

Our board gets \$500 a month, and other GIDs do not get that much a month. Some GIDs only meet once a month, and so the dollar amounts would be somewhat less than the \$500. I am not sure of the exact amount. It could be \$100 or \$200, so it does have a varying range, and the GIDs did indicate they would use their prudence when it came to budgeting on what they thought would be acceptable compensation.

**Assemblyman Hardy:**

Having served on a city council, that word “prudent” becomes very interesting if it is an elected position. I could give them advice if they wanted it.

**Nancy Howard, Assistant Director, Nevada League of Cities and Municipalities:**

I just wanted to offer our support.

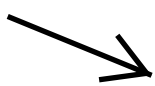
**Bill Horn:**

I just wanted to make a summary statement—in particular, for those who maybe are not quite familiar with the larger general improvement districts in the state. We are in full support of this entire bill and in particular, subsection 3 of Section 5.

Incline Village General Improvement District has been in business for over 40 years and has almost a \$29 million budget. It is located 35 miles from the city of Reno. You have to pass an 8,800 foot mountain pass to get to Incline Village. Basically, what my board and the community I represent—both in Crystal Bay and Incline Village—want is to have the opportunity to decide if it should be dissolved, merged, or consolidated. We are not making a statement that we oppose anything, but our board would like to have the final word on who represents our constituency of about 10,000 in population.

**Chairman Parks:**

I will close the hearing on A.B. 475 and open the hearing for A.B. 508.





**Assembly Bill 508: Makes various changes to provisions relating to notaries public. (BDR 19-574)**

**Bru Ethridge, Notary Administrator, Secretary of State's Office, State of Nevada:**

[Reads from prepared testimony, [Exhibit P.](#)]

I am here to testify in support of [A.B. 508](#) and provide you with a section-by-section explanation of the major provisions of this bill.

Before I begin with the bill, I have submitted an amendment to the bill ([Exhibit P](#)) for you to consider. This amendment is intended to address a situation that arose after the deadline for submission of our BDR, with respect to the issuance of an apostille.

[Bru Etheridge, continued.] The amendment adds definitions for words that are used in Chapter 240 of the NRS [*Nevada Revised Statutes*] and by notaries in general. It also clarifies the reasons the Secretary of State's Office may deny the issuance of an authentication certificate.

The main portion of the bill, Sections 2 and 3 outlines the requirement of a course of study for both new and renewing notaries public. In addition to the Secretary of State's Office offering affordable education, it also grants the Secretary of State authority to approve the course of study offered by a licensed sponsor. The Secretary of State office will review the curriculum, study guide, and monitor classes, ensuring conformity to Nevada notary law.

This section expands on the current voluntary training requirement to also require mandatory training for all new notaries to complete 6 hours of instruction relating to the functions and the duties of a notary public; current notaries will complete a 3-hour refresher course on current notary statutes and duties of notaries public. We have discovered that most of the notaries that come before us under complaints and are fined have not taken the voluntary training that is now offered. We rarely receive a complaint about a notary that has completed such a course and, therefore; believe that most notary errors that occur could be avoided if notary education were required.



[Bru Ethridge, continued.] Over the past year, I have had the notaries that attend the voluntary training courses complete a survey in which one of the questions is whether they believe notary training/education should be mandatory. These notaries overwhelmingly responded in favor of mandatory education.

Section 4 of this bill sets a \$500 fee to become a licensed sponsor of notary education.

Section 5 of this bill would make it a Category D felony for a notary or anyone who aids and abets a notary to notarize a signature of an individual who is not in the presence of the notary.

Section 7 of this bill allows the Secretary of State's Office, through the Attorney General, to stop an individual from impersonating a notary public.

In Sections 10 and 11 of this bill, increases the notary application fee from \$35 to \$50 and increases the fee to amend the information on record or a duplicate certificate from \$10 to \$20. These fees have not been raised in over 20 years.

We were just informed yesterday that the Governor will not support any fee increases, and therefore, to avoid putting the bill in jeopardy of a veto, we propose the bill also be amended to delete Sections 10 and 11.

**Assemblywoman Kirkpatrick:**

For the record, I understand in this Session we will not be able to increase the fee, but next time we should, because I always thought it was \$100.

**Chairman Parks:**

Don't people have to get a bond as well? Maybe the bond is \$100.

**Bru Ethridge:**

They do have to secure a \$10,000 surety bond which is for 4 years, and the cost of that bond is \$50.



**Chairman Parks:**

Is there anything further to come before the committee? I will close the hearing on A.B. 508. [The meeting was adjourned at 11:28 a.m.]

RESPECTFULLY SUBMITTED:

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Paul Partida  
Transcribing Attaché

APPROVED BY:

---

Assemblyman David Parks, Chairman  
DATE: \_\_\_\_\_



**EXHIBITS**

**Committee Name: Committee on Government Affairs**

**Date: April 8, 2005**

**Time of Meeting: 7:30 a.m.**

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A	*****	Agenda
<u>A.B. 394</u>	B	Jim Bentley, General Manager, Indian Hills General Improvement District	Resolution 2004-06 for Chartering a new city in Douglas County
<u>A.B. 394</u>	C	Jim Bentley, General Manager, Indian Hills General Improvement District	Feasibility of Incorporation as a Nevada City
<u>A.B. 394</u>	D	Jim Bentley, General Manager, Indian Hills General Improvement District	Administration Organizational Chart of Positions needed for new city
<u>A.B. 394</u>	E	Jim Bentley, General Manager, Indian Hills General Improvement District	Incorporation Study Area Map
<u>A.B. 394</u>	F	Jim Bentley, General Manager, Indian Hills General Improvement District	Supplemental Study on Impacts page No. 24-28
<u>A.B. 394</u>	G	Dan Holler, County Manager, Douglas County	Overview of Arguments Against Passage
<u>A.B. 394</u>	H	Tod Carlini, East Fork Fire and Paramedic District	Feasibility Study Arguments against Fire District
<u>A.B. 394</u>	I	Laura Lau, Board Member, Indian Hills General Improvement District	Opposing Argument
<u>A.B. 394</u>	J	Ronald Lynch, Resident, Indian Hills	Opposition Documents with 12 pages
<u>A.B. 328</u>	K	Scott McKenzie, Executive Director, State of Nevada Employees Association	Chart on State, County, and City Pay Raise Percentages and Differences
<u>A.B. 328</u>	L	Gary Wolff, Business Agent, Teamsters Local No. 14	Chart with Salary of Trooper/Officers



Assembly Committee on Government Affairs

April 8, 2005

Page 60

<u>A.B.</u> <u>371</u>	M	Al Kramer, Carson City Treasurer	Amendment to Section 2
<u>A.B.</u> <u>371</u>	N	Kathryn Besser, Chief of Staff, Office of the State Treasurer	Amendment to Section 1
<u>A.B.</u> <u>371</u>	O	Dan Musgrove, Director of Intergovernmental Relations, Clark County Manager's Office	Proposed Amendment to <u>A.B. 371</u> on Behalf of Clark County
<u>A.B.</u> <u>508</u>	P	Bru Etheridge, Notary Administrator, Secretary of State's Office	Proposed Amendment to Chapter 240 of NRS, Section 2



ASSEMBLY AGENDA  
for the  
**COMMITTEE ON GOVERNMENT AFFAIRS**

Day Friday                      Date April 8, 2005                      Time 7:30 a.m.                      Room 3143

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Assembly Committee on Government Affairs at (775) 684-8868.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 20 COPIES OF YOUR EXHIBITS AND NOTES**

**Note:** Interested parties may observe the proceedings through a simultaneous videoconference in Room 4412 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada. **Video facilities will only be available until 9:30 a.m.**

**REVISED**

- A.B. 328                      Revises provisions concerning salaries of state officers and employees.  
(BDR 23-895)  
Assemblyman, Bob McCleary
  
- A.B. 371                      Makes various changes concerning financial practices of local  
governments. (BDR 31-605)  
Carson City Treasurer, Alvin Kramer
  
- A.B. 394                      Incorporates City of Sierra Hills in Douglas County, Nevada. (BDR S-316)  
Assemblyman, Lynn Hettrick
  
- A.B. 475                      Makes various changes relating to general improvement districts.  
(BDR 25-39)  
Sun Valley General Improvement District, Fred Hillerby
  
- A.B. 508                      Makes various changes to provisions relating to notaries public. (BDR 19-  
574)  
Chief Deputy to Secretary of State, Renee Parker

Matters continued from a previous meeting

Committee introductions

Work session on measures previously considered

Public comment

Exhibit A/Agenda  
GOVERNMENT AFFAIRS ON 4/8/05



# AMENDMENT TO A.B. 508

CHAPTER 240 OF NRS IS AMENDED AS FOLLOWS:

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

**Section 1.** Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as section 2.

**Section 2.** “*Authentication*” means:

- (1) *An “apostille,” which is a certificate issued by the Secretary of State in the form prescribed by the Hague Convention of October 5, 1961, which is intended to be used in a foreign county which is a participant the Hague Convention, and conclusively establishes that the signature of the officer is genuine and that the officer holds the indicated office; or*
- (2) *A “certification,” which is a certificate issued by the Secretary of State intended to be used in the United States or a foreign county which is not a participant the Hague Convention, and conclusively establishes that the signature of the officer is genuine and that the officer holds the indicated office.*

**Section 3.** NRS 240.165 is hereby amended as follows: [Only subsection 2 typed out]





2. ~~[An “apostille” in the form prescribed by the Hague Convention of October, 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.]~~ The Secretary of State shall, upon request and payment of a fee of \$20, issue an ~~[apostille]~~ *authentication* to verify a signature of an officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter[-] *or the Secretary of State has information that such document may be used for fraudulent or criminal purposes.*



**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Third Session  
April 11, 2005**

The Committee on Government Affairs was called to order at 7:49 a.m., on Monday, April 11, 2005. Chairman David Parks presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4412 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. David Parks, Chairman  
Ms. Peggy Pierce, Vice Chairwoman  
Mr. Kelvin Atkinson  
Mr. Chad Christensen  
Mr. Jerry D. Claborn  
Mr. Pete Goicoechea  
Mr. Tom Grady  
Mr. Joe Hardy  
Mrs. Marilyn Kirkpatrick  
Mr. Bob McCleary  
Mr. Harvey J. Munford  
Ms. Bonnie Parnell  
Mr. Scott Sibley

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County

**STAFF MEMBERS PRESENT:**

Eileen O'Grady, Committee Counsel



Susan Scholley, Committee Policy Analyst  
Michael Shafer, Committee Attaché

**OTHERS PRESENT:**

Jon Sasser, Legislative Advocate, representing Washoe Legal Services, Nevada Legal Services, and the Washoe County Senior Law Project  
Anna Marie Johnson, Director of Advocacy, Nevada Legal Services, Las Vegas, Nevada  
Ernest Nielson, Legislative Advocate, representing the Washoe County Senior Law Project  
David Olshan, Managing Attorney Nevada Fair Housing Center, Las Vegas, Nevada  
David Morton, Executive Director, Reno Housing Authority, Reno, Nevada  
Norma Wollen, Private Citizen, Reno, Nevada  
Tricia Williams, Private Citizen, Sparks, Nevada  
Judith Lopez, Private Citizen, Reno, Nevada  
Scott Smith, Director, Southern Nevada Multi-Housing Association, Las Vegas, Nevada  
Robert Mills, Deputy Director, Planning and Analysis Division, Nevada Administrative Office of the Courts, Supreme Court of Nevada  
Joe Johnson, Legislative Advocate, representing Toiyabe Chapter of the Sierra Club  
Derek Morris, Deputy Executive Director, Planning Department Regional Transportation Commission of Washoe County, Reno, Nevada  
Irene Porter, Executive Director, Southern Nevada Home Builders Association, Las Vegas, Nevada  
Christina Dugan, Director of Government Affairs, Las Vegas Chamber of Commerce, Las Vegas, Nevada  
Michael Pennington, Public Policy Director, Reno-Sparks Chamber of Commerce, Reno, Nevada  
David Ziegler, Director, Truckee Meadows Regional Planning Agency, Reno, Nevada  
Kimberly J. McDonald, M.P.A., Special Projects Analyst and Lead Lobbyist, City Manager's Office, City of North Las Vegas, Nevada  
David Fraser, Executive Director, Nevada League of Cities and Municipalities, Carson City, Nevada  
Bruce Bommarito, Executive Director, Nevada Commission on Tourism  
Nancy Dunn, Deputy Director, Nevada Commission on Tourism  
John Slaughter, Management Services Director, Office of the County Manager, Washoe County, Nevada  
Mary Walker, Legislative Advocate, representing Carson City and Douglas County, Nevada



Pete Anderson, State Forester, Nevada Division of Forestry, Department of Conservation and Natural Resources, State of Nevada  
Jim Linardos, Fire Chief, North Lake Tahoe Fire Protection District, Incline Village, Nevada  
Ted J. Olivas, Director of Government and Community Affairs, City of Las Vegas, Nevada  
Fred Hillerby, Legislative Advocate, representing Sun Valley General Improvement District  
Andrew List, Executive Director, Nevada Association of Counties  
Dino DiCianno, Deputy Executive Director, Compliance Division, Department of Taxation, State of Nevada

**Chairman Parks:**

[Meeting called to order and roll called.] Today, we have five bills posted for hearing as well as a work session. Our first bill this morning is A.B. 355.

**Assembly Bill 355: Provides right of judicial review for final decisions of housing authorities. (BDR 25-752)**

**Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County:**

For the record, I wanted to say that I am quite proud that I've introduced A.B. 355, which grants the ability to have a court review the decisions of public housing authorities (PHAs). The administrative decisions of most state agencies are reviewed by the courts under the Administrative Procedures Act, which is contained in NRS [*Nevada Revised Statutes*] 233B.130 through 233B.150. Other State agencies have separate judicial review statutes, as do some local government programs. In other states, the practice differs. In some, the PHAs are considered state agencies, and their decisions are reviewed under the state administrative procedures act. In other states, there are different court processes available. Some states have no court review.

PHAs were established in NRS 315. They operate a number of programs that provide affordable housing opportunities to low income, elderly, and disabled Nevadans. Most of the funding is federal. The most common programs are conventional public housing, where the projects are owned and operated by the public housing authority, and the Section 8 voucher program, where the public housing authority contracts with private landlords to provide the housing. In both programs, the tenants' rent is deeply subsidized using federal funds. These subsidies are often all that stands between the low-income family and homelessness.



do with sales and use tax. It has no bearing to this particular bill, as far as this going to a vote of the people.

**Chairman Parks:**

You're saying A.B. 347, as drafted, is satisfactory and will satisfy all needs?

**Dino DiCianno:**

Yes, that is correct.

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS  
ASSEMBLY BILL 347.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

**Assemblyman McCleary:**

I just need to make my feelings heard on this. I have trouble when we start exempting specific industries from taxation. I know this is a ballot initiative, but I also feel we have to scrutinize things before they go to the ballot to make sure they are good policy before we have the people give their say on it. I'm going to have to vote no on this.

**Chairman Parks:**

I will say that this is putting something back in place that was debated several years ago when it was put in place. I don't want to repeat the testimony we had on that, but we're trying to bring everything in line with the streamlined sales tax. Any further questions on the motion?

THE MOTION CARRIED, WITH ASSEMBLYMAN McCLEARY  
VOTING NO.

**Chairman Parks:**

That should take us up to A.B. 508.

**Assembly Bill 508: Makes various changes to provisions relating to notaries public. (BDR 19-574)**

**Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:**

Assembly Bill 508 was sponsored by the Assembly Committee on Government Affairs and by the Secretary of State. The bill was heard in this Committee on April 8. It makes various changes relating to notaries public, including requiring mandatory training for notaries; setting a fee to become a licensed sponsor of



notary education; making it a felony to notarize a signature in certain situations, or to aid and abet such action; and also allowing an action by the Attorney General's Office against a person who is impersonating a notary. The original bill also proposed separate fee increases. There was no testimony on the bill other than from the Secretary of State's Office. The Secretary of State's Office, in its presentation, proposed several amendments as set forth in the attached mockup ([Exhibit W](#)). The three amendments proposed by the Secretary of State's Office are:

- To delete Sections 10 and 11 of the bill, which raised fees for certain things.
- To add a definition of "authentication," which may or not be a new Section in Chapter 240 of NRS.
- The third amendment is to go into NRS 240.165, and change the word "apostille" to "authentication." It would also provide another basis for which the Secretary of State may turn down a notarized document, if they have information the document may be used for fraudulent or criminal purposes.

**Assemblyman Hardy:**

I took advantage of our staff and asked them to do some research on the felony issue of the notaries public. After searching through the laws of several states, I found this is usually considered a misdemeanor. For example, Pennsylvania does not assess any criminal penalty for notarizing a signature without actually being in the presence of the person whose signature is being notarized. However, they are subject to revocation and civil penalties. New York has a felony forgery statute. They have a misdemeanor, and general misconduct is a misdemeanor for notaries. In Georgia, the appointing officer can revoke the commission or deny reappointment of a notary public, though no criminal punishment is provided by law. South Carolina considers this to be a misdemeanor. Oregon, likewise, considers this to be a misdemeanor. Louisiana provides imprisonment of 60 days for misconduct and fines of no more than \$500 for similar misdeeds for notaries public. I express concern on the felony issue, and I still prefer to look at this as a misdemeanor.

**Chairman Parks:**

Ms. O'Grady, can you explain the Category D felony?

**Eileen O'Grady, Committee Counsel, Legislative Counsel Bureau:**

A Category D conviction results in a minimum imprisonment of not less than one year to a maximum term of four years, or a fine of not more than \$5,000.

**Chairman Parks:**

Dr. Hardy, do you have further comment?



**Assemblyman Hardy:**

I still prefer misdemeanor.

**Chairman Parks:**

We have a suggestion for further amendment. What's the pleasure of the Committee? Just for reference, the next level down is a Category E felony. What's the pleasure of the Committee? My understanding was that this was new language. What was the previous penalty?

**Eileen O'Grady:**

It's just creating a new violation. There wasn't anything before.

**Chairman Parks:**

I'm inclined to defer to the requestor. I'm talking about page 4, line 4.

**Susan Scholley:**

The Secretary of State's Office explained that they were proposing this bill and a specific definition of this crime, because previously, when the situation arose, they had to fit it into some other kind of criminal statute. The idea here was to clarify it and make it simpler. I can't tell you what the other criminal statutes would be, in terms of whether they would be Category A, B, C, D, or F. That was, I believe, the intent in making this a specifically referenced crime, in regard to the Secretary of State's Office.

**Assemblyman Hardy:**

Which is simpler, a felony or a misdemeanor?

**Assemblyman Goicoechea:**

Just for disclosure, my wife is a notary.

**Assemblyman Sibley:**

I'm also a notary.

**Assemblywoman Kirkpatrick:**

I want to support the bill the way it is, because a lot of times, when negotiating sentences, a felony tends to be negotiated down to a gross misdemeanor. I believe as a notary, you take the oath to get those documents. I believe you have a responsibility to do what you are supposed to. With that, I would support it the way it is.

**Chairman Parks:**

What's the pleasure of the Committee?



ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS  
ASSEMBLY BILL 508 WITH THE FELONY BECOMING A  
MISDEMEANOR

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

**Assemblywoman Parnell:**

I would be a little more comfortable with "gross misdemeanor" if it's more stringent.

**Eileen O'Grady:**

The gross misdemeanor has a possible term of imprisonment for up to a year, versus six months for the misdemeanor. It has a higher fine as well, so it is different.

**Chairman Parks:**

Would you like to amend your motion?

**Assemblyman Hardy:**

I can go with the Committee's suggestion on "gross misdemeanor."

THE MOTION CARRIED, WITH ASSEMBLYWOMAN KIRKPATRICK  
AND ASSEMBLYMAN McCLEARY VOTING NO.

**Chairman Parks:**

That takes us to A. J. R. 16.

**Assembly Joint Resolution 16: Proposes to amend Nevada Constitution to provide requirements for enactment of property and sales tax exemptions. (BDR C-422)**

**Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:**

Assembly Joint Resolution 16 was sponsored by the Assembly Committee on Elections, Procedure, Ethics, and Constitutional Amendments, on behalf of the Legislative Committee for Local Government, Taxes and Finance. It was heard in this Committee on April 8. The resolution proposes a constitutional amendment that would set criteria for legislative exemptions from the property tax or sales tax as follows:

- The sales tax would have to have a social or economic purpose, and the benefits would have to exceed any adverse impacts.





ASSEMBLYMAN ATKINSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

**Chairman Parks:**

We are adjourned [at 12:06 p.m.].

RESPECTFULLY SUBMITTED:

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Paul Partida  
Transcribing Attaché

APPROVED BY:

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Assemblyman David Parks, Chairman

DATE: \_\_\_\_\_



**EXHIBITS**

**Committee Name: Committee on Government Affairs**

**Date: April 11, 2005**

**Time of Meeting: 7:49 a.m.**

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
N/A	A	*****	Agenda
<u>A.B. 355</u>	B	Jon L. Sasser / Washoe Legal Services	Forwarded Email from Assemblywoman Buckley Regarding A.B. 355
<u>A.B. 355</u>	C	Jon L. Sasser / Washoe Legal Services	Proposed Amendment to A.B. 355
<u>A.B. 355</u>	D	Anna Marie Johnson / Nevada Legal Services	Information Package including Letter to Chairman Parks, Article from the Office of the Secretary of HUD, Minnesota statutes for Eviction, New Mexico Statutes for Eviction, and Agreement with Nevada Public Housing Authorities
<u>A.B. 355</u>	E	Ernest Nielsen / Washoe County Senior Law Project	Written Testimony in Support of <u>A.B. 355</u>
<u>A.B. 355</u>	F	David Olshan / Nevada Fair Housing Center	Written Testimony in Support of A.B. 355
<u>A.B. 355</u>	G	David Morton / Reno Housing Authority	Revised Agreement between Nevada Legal Services and the Nevada Housing Authority
<u>A.B. 355</u>	H	David Morton / Reno Housing Authority	Letter from Saul Ramirez, Executive Director, National Association of Housing and Redevelopment Officials, in Opposition to <u>A.B. 355</u>
<u>A.B. 355</u>	I	David Morton / Reno Housing Authority	Letter from Lori Boies, Executive Director, Pacific Southwest Regional Council, National

			Association of Housing and Redevelopment Officials in Opposition to A.B. 355
<u>A.B. 355</u>	J	David Morton / Reno Housing Authority	Letter from Julius Scoggins, Executive Director, Housing Authorities Risk Retention Pool in Opposition to A.B. 355
<u>A.B. 355</u>	K	David Morton / Reno Housing Authority	Letter from Denise Muha, Executive Director, National Leased Housing Association in Opposition to A.B. 355
<u>A.B. 355</u>	L	Judith Lopez / Private Citizen	Written Testimony in Opposition to A.B. 355
<u>A.B. 355</u>	M	Diana Dilcher / Resident, Tom Sawyer Village	Written Testimony in Opposition to A.B. 355
<u>A.B. 355</u>	N	Clara Gee / Resident Council President, Silverada Manor	Written Testimony in Opposition to A.B. 355
<u>A.B. 355</u>	O	Joyce Collins and Patti Williams / Residents of Silver Sage Courts	Written Testimony in Opposition to A.B. 355
<u>A.B. 355</u>	P	Amelia Coulston / Private Citizen	Written Testimony and Picture in Opposition to A.B. 355
<u>A.B. 425</u>	Q	Assemblywoman Giunchigliani	Proposed Amendment to A.B. 425
<u>A.B. 425</u>	R	Assemblywoman Giunchigliani	<i>Las Vegas Sun</i> Article regarding a Megaresort Development in Las Vegas
<u>A.B. 425</u>	S	Assemblywoman Giunchigliani	<i>Las Vegas Review-Journal</i> Article
<u>A.B. 425</u>	T	David Ziegler / Truckee Meadows Regional Planning Commission	Information Package Impacts of Environmentally Friendly Building
<u>A.B. 511</u>	U	Bruce Bommarito / Nevada Commission on Tourism	Written Testimony Describing the Nevada Commission on Tourism's Stance on A.B. 511



Assembly Committee on Government Affairs

April 11, 2005

Page 68

<u>A.B.</u> 511	V	Mary Walker / Representing Carson City and Douglas County	Proposed Amendment to A.B. 511
	W	Susan Scholley / LCB	Work Session Document



ASSEMBLY AGENDA  
for the  
**COMMITTEE ON GOVERNMENT AFFAIRS**

Day Monday      Date April 11, 2005      Time 7:30 a.m.      Room 3143

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*If you cannot attend the meeting, you can listen to it live over the Internet. The address for the legislative website is <http://www.leg.state.nv.us>. For audio broadcasts, click on the link "Listen to Live Meetings."*

*Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Assembly Committee on Government Affairs at (775) 684-8868.*

*(R#) Indicates the reprint number of the bill/resolution being considered.*

**PLEASE PROVIDE 20 COPIES OF YOUR EXHIBITS AND NOTES**  
**SECOND REVISION**

**Note:** Interested parties may observe the proceedings through a simultaneous videoconference in Room 4412 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada.

- A.B. 355      Provides right of judicial review for final decisions of housing authorities. (BDR 25-752)  
Assemblywoman, Chris Giunchigliani
  
- A.B. 425      Establishes policies and incentives for urban design, mixed use development and environmentally friendly construction. (BDR 22-1084)  
Assemblywoman, Chris Giunchigliani
  
- A.B. 509      Revises Charter of City of North Las Vegas concerning procedure for enactment of ordinances. (BDR S-514)  
City of North Las Vegas, Kimberly McDonald
  
- A.B. 511      Provides requirements relating to release and use of certain publications and certain information in files and records of Commission on Tourism. (BDR 18-382)  
Committee for Commission on Tourism, Nancy Dunn
  
- A.B. 535      Authorizes county fire protection district, under certain circumstances, to annex all or part of fire protection district receiving federal aid. (BDR 42-456)  
Washoe County, John Slaughter

Matters continued from a previous meeting

Committee introductions

Work session on measures previously considered

Public comment

LIS - 4b

lcb Meeting ID: 3981



Exhibit A/Agenda  
GOVERNMENT AFFAIRS ON 4/11/05





# WORK SESSION

## Assembly Committee on Government Affairs

PREPARED BY  
RESEARCH DIVISION  
LEGISLATIVE COUNSEL BUREAU  
Nonpartisan Staff of the Nevada State Legislature

Assembly Bill 31	p. 2
Assembly Bill 165	p. 5
Assembly Bill 231	p. 8
Assembly Bill 306	p. 11
Assembly Bill 323	p. 14
Assembly Bill 347	p. 17
Assembly Bill 371	p. 19
Assembly Bill 475	p. 28
Assembly Bill 477	p. 29
Assembly Bill 508	p. 34
A.J.R. 16	p. 36

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# WORK SESSION

## Assembly Committee on Government Affairs

PREPARED BY  
RESEARCH DIVISION  
LEGISLATIVE COUNSEL BUREAU  
Nonpartisan Staff of the Nevada State Legislature

### **ASSEMBLY BILL 508**

**Makes various changes to provisions relating to notaries public. (BDR 19-574)**

**Sponsored by: Assembly Committee on Government Affairs  
(On behalf of the Secretary of State)**

**Date Heard: April 8, 2005**

Assembly Bill 508: (1) requires mandatory training for notaries public; (2) sets a fee to become a licensed sponsor of notary education; (3) makes it a felony to notarize a signature in certain situations or to aid and abet such actions; and (4) allows action against a person impersonating a notary. The bill also proposes certain fee increases.

**Testimony:** There was no testimony on the bill other than from the Secretary of State's Office.

**Amendments:** The Secretary of State's Office proposed several amendments as set forth in the attached mock-up.

**Fiscal Impact:** Local Government: No.  
State Government: No.



1. Delete Sections 10 and 11 of the bill.
2. Add new section to Chapter 240 of *Nevada Revised Statutes* as follows:

*Section \_\_. "Authentication" means:*

*(1) An "apostille" which is a certificate issued by the Secretary of State in the form prescribed by the Hague Convention of October 5, 1961, which is intended to be used in a foreign country which is a participant in the Hague Convention, and conclusively establishes that the signature of the officer is genuine and that the officer holds the indicated office; or*

*(2) A "certification" which is a certificate issued by the Secretary of State intended to be used in the United States or a foreign country that is not a participant in the Hague Convention, and conclusively establishes that the signature of the officer is genuine and that the officer holds the indicated office.*

3. Amend NRS 240.165 as follows:

**NRS 240.165 Foreign notarial acts.**

1. A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

~~2. An "apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille *authentication* to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter *or the Secretary of State has information that such document may be used for fraudulent or criminal purposes.*~~

3. A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

4. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

5. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

6. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.





# NEVADA LEGISLATURE

Seventy-Third Session, 2005

## ASSEMBLY DAILY JOURNAL

### THE FIFTIETH DAY

CARSON CITY (Monday), March 28, 2005

Assembly called to order at 11:16 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Dr. S. S. Rogers.

Dear Father, I come to You in the mighty name of Jesus, thanking You and praising You for our great nation. I thank You for the plans You have given our fathers, by which to govern our nation and for the divisions and the powers, so that we make sure destiny does not rest in the hands of one person. I pray for these in authority. I, therefore, lift up our Congress, our House of Representatives, our Senators and our Assemblymen. I pray that You will give power to the Legislative Body to be lawful and just. Father, I ask You to give them wisdom to make decisions that will strengthen the purpose of our nation. I desire that they would make right decisions concerning the policies, the social welfare, and the economics of our nation. I pray that You would cause Congress to be motivated more by the hands of You than by partisan or by personal concern. Remember that God is the hand of trust and our Creator.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, March 25, 2005

*To the Honorable the Assembly:*

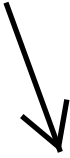
I have the honor to inform your honorable body that the Senate on this day passed Assembly Bill No. 204.

MARY JO MONGELLI

*Assistant Secretary of the Senate*

ASSEMBLY IN SESSION

At 12:20 p.m.  
Mr. Speaker presiding.  
Quorum present.



INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Commerce and Labor:  
Assembly Bill No. 488—AN ACT relating to energy; revising the requirements for certain facilities to qualify as renewable energy systems under the portfolio standard for renewable energy and energy from a qualified energy recovery process; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Commerce and Labor.  
Motion carried.

By the Assembly Committee on Growth and Infrastructure and the Senate Committee on Taxation:

Assembly Bill No. 489—AN ACT relating to the taxation of property; providing for the partial abatement of the ad valorem taxes imposed on property; directing the Legislative Commission to appoint a committee to study the taxation of real property; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Growth and Infrastructure.  
Motion carried.

By the Committee on Commerce and Labor:

Assembly Bill No. 490—AN ACT relating to immigration; establishing provisions regulating providers of immigration assistance services; requiring written contracts between providers and clients; prohibiting certain practices by providers; requiring providers to deposit security with the Consumer Affairs Division of the Department of Business and Industry for the benefit of clients; providing civil remedies; providing penalties; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Judiciary.  
Motion carried.

By the Committee on Commerce and Labor:

Assembly Bill No. 491—AN ACT relating to regulated professions; revising provisions governing a private investigator, private patrolman, process server, repossessor, dog handler, security consultant, and polygraphic examiner or intern; increasing certain fees and fines; providing a penalty; and providing other matters properly relating thereto.



By the Committee on Transportation:

Assembly Bill No. 505—AN ACT relating to motor vehicles; revising provisions governing the registration of motor vehicles with a declared gross weight in excess of 26,000 pounds; revising the procedure pursuant to which vehicles are registered under the Interstate Highway User Fee Apportionment Act; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Transportation.  
Motion carried.

By the Committee on Transportation:

Assembly Bill No. 506—AN ACT relating to motor vehicles; providing for the designation of a location to which a damaged or stolen motor vehicle must be towed; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Transportation.  
Motion carried.

By the Committee on Transportation:

Assembly Bill No. 507—AN ACT relating to public safety; changing the designation of fireman to firefighter; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Transportation.  
Motion carried.

By the Committee on Government Affairs:

Assembly Bill No. 508—AN ACT relating to notaries public; requiring certain persons who apply for appointments or reappointments as notaries public to complete a course of study approved, endorsed or provided by the Secretary of State; authorizing the Secretary of State to approve or endorse a course of study under certain circumstances; requiring the Secretary of State to charge a fee to determine whether to approve or endorse a course of study; prohibiting a notary public from notarizing the signature of certain persons; authorizing the Secretary of State to request that the Attorney General bring an action to enjoin a person who unlawfully represents himself as a notary public; increasing the fee for applying for appointment as a notary public; increasing the fee for duplicate or amended certificates of appointment; providing penalties; and providing other matters properly relating thereto.

Assemblywoman Buckley moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE SEVENTY-EIGHTH DAY

CARSON CITY (Monday), April 25, 2005

Assembly called to order at 11:28 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Stan Pesis.

Almighty God, by Your life-giving and life-renewing spirit bring life to this new day at the beginning of this new week. Freshen our spirits that we may live and act in life-giving ways for all Your people.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which were referred Assembly Bills Nos. 66, 69, 183, 236, 249, 250, 260, 278, 338, 360, 364, 384, 501, 540, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA BUCKLEY, *Chairman*

*Mr. Speaker:*

Your Committee on Education, to which was referred Assembly Bill No. 202, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BONNIE PARNELL, *Chairman*



*Mr. Speaker:*

Your Concurrent Committee on Education, to which was referred Assembly Bill No. 154, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BONNIE PARNELL, *Chairman*

*Mr. Speaker:*

Your Committee on Elections, Procedures, Ethics, and Constitutional Amendments, to which were referred Assembly Bills Nos. 443 and 497, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ELLEN KOIVISTO, *Chairman*

*Mr. Speaker:*

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 188, 210, 371, 484 and 508, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID PARKS, *Chairman*

*Mr. Speaker:*

Your Committee on Health and Human Services, to which were referred Assembly Bills Nos. 296, 322, 454, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SHEILA LESLIE, *Chairman*

*Mr. Speaker:*

Your Committee on Transportation, to which was referred Assembly Bill No. 255, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JOHN OCEGUERA, *Chairman*

*Mr. Speaker:*

Your Committee on Ways and Means, to which was referred Senate Bill No. 496, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MORSE ARBERRY JR., *Chairman*

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, April 22, 2005

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 30, 83, 110, 126, 173, 199, 216, 266, 280, 281, 282, 306, 313, 353, 403, 408, 421, 422, 432, 460, 467, 493.

MARY JO MONGELLI  
*Assistant Secretary of the Senate*

#### MOTIONS, RESOLUTIONS AND NOTICES

##### NOTICE OF EXEMPTION

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the exemption of: Assembly Bills Nos. 320 and 430.

MARK STEVENS  
*Fiscal Analysis Division*



Senate Bill No. 403.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Education.  
Motion carried.

Senate Bill No. 408.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 421.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 422.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 432.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Judiciary.  
Motion carried.

Senate Bill No. 460.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Ways and Means.  
Motion carried.

Senate Bill No. 467.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Government Affairs.  
Motion carried.

Senate Bill No. 493.  
Assemblyman Ocegueda moved that the bill be referred to the Committee on Commerce and Labor.  
Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegueda moved that Assembly Bills Nos. 66, 69, 154, 183, 188, 202, 210, 236, 249, 250, 255, 260, 278, 296, 322, 338, 360, 364, 371, 384, 443, 454, 484, 497, 501, 508, 540 just reported out of committee, be placed on the Second Reading File.  
Motion carried.

Assemblyman Parks moved that Assembly Bill No. 31 be taken from the General File and placed on the Chief Clerk's desk.



Assembly Bill No. 508.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 256.

Amend section 1, page 2, line 2, by deleting “5,” and inserting “6.”

Amend sec. 5, page 4, line 4, by deleting: “category D felony,” and inserting “gross misdemeanor.”

Amend sec. 5, page 4, line 5, by deleting “193.130.” and inserting “193.140.”

Amend sec. 5, page 4, line 7, by deleting: “category D felony” and inserting “gross misdemeanor”.

Amend sec. 5, page 4, line 8, by deleting “193.190.” and inserting “193.140.”

Amend the bill as a whole by renumbering sections 6 through 9 as sections 7 through 10 and adding a new section designated sec. 6, following sec. 5, to read as follows:

“Sec. 6. 1. Except as otherwise provided in subsection 2, the Secretary of State shall, upon request and payment of a fee of \$20, issue an authentication in one of the following forms to verify that the signature of a notarial officer on a document is genuine and that the notarial officer holds the indicated office:

(a) If the document is intended for use in a foreign country that is a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue an apostille in the form prescribed by the Hague Convention of October 5, 1961; or

(b) If the document is intended for use in the United States or a foreign country that is not a participant in the Hague Convention of October 5, 1961, the Secretary of State must issue a certification.

2. The Secretary of State shall not issue an authentication pursuant to subsection 1 if:

(a) The document has not been notarized in accordance with the provisions of this chapter; or

(b) The Secretary of State has information that the document may be used to accomplish any fraudulent, criminal or other unlawful purpose.”

Amend sec. 6, page 4, line 11, by deleting “5,” and inserting “6.”

Amend the bill as a whole by deleting sections 10 and 11, renumbering sec. 12 as sec. 13 and adding new sections designated sections 11 and 12, following sec. 9, to read as follows:

“Sec. 11. NRS 240.161 is hereby amended to read as follows:

240.161 1. NRS 240.161 to 240.169, inclusive, and section 6 of this act may be cited as the Uniform Law on Notarial Acts.

2. These sections must be applied and construed to effectuate their general purpose to make uniform the law with respect to the subject of these sections among states enacting them.



Sec. 12. NRS 240.165 is hereby amended to read as follows:

240.165 1. A notarial act has the same effect under the law of this State as if performed by a notarial officer of this State if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by the following persons:

- (a) A notary public;
- (b) A judge, clerk or deputy clerk of a court of record; or
- (c) A person authorized by the law of that jurisdiction to perform notarial acts.

~~2. [An “apostille” in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office. The Secretary of State shall, upon request and payment of a fee of \$20, issue an apostille to verify a signature of a notarial officer on a document that is kept in the records of the Secretary of State unless the document had not been notarized in accordance with the provisions of this chapter.]~~

~~3.]~~ A certificate by an officer of the foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by an officer of the foreign service or consular officer of that nation stationed in the United States, conclusively establishes a matter relating to the authenticity or validity of the notarial act set forth in the certificate.

~~[4.]~~ 3. An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

~~[5.]~~ 4. An official stamp or seal of an officer listed in paragraph (a) or (b) of subsection 1 is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

~~[6.]~~ 5. If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.”

Amend sec. 12, page 7, by deleting lines 35 through 38 and inserting:  
“Sec. 13. 1. This section and sections 5 to 8, inclusive, 11 and 12 of this act become effective on October 1, 2005.

2. Sections 2, 3, 4, 9 and 10 of this act become effective on October 1, 2006.”

Amend the title of the bill to read as follows:

“AN ACT relating to notaries public; requiring certain persons who apply for appointments or reappointments as notaries public to complete a course of study approved, endorsed or provided by the Secretary of State; authorizing the Secretary of State to approve or endorse a course of study under certain circumstances; requiring the Secretary of State to charge a fee to determine whether to approve or endorse a course of study; prohibiting a notary public from notarizing the signature of certain persons; revising the





provisions governing the issuance of an authentication by the Secretary of State; authorizing the Secretary of State to request that the Attorney General bring an action to enjoin a person who unlawfully represents himself as a notary public; providing penalties; and providing other matters properly relating thereto.”

Assemblyman Sibley moved the adoption of the amendment.

Remarks by Assemblyman Sibley.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 540.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 555.

Amend section 1, pages 1 and 2, by deleting line 15 on page 1 and lines 1 through 5 on page 2, and inserting:

~~“training and~~ certification of mobile and tower crane operators.

2. *The regulations must:*

(a) *Require the certification of all operators of:*

(1) *Tower cranes; and*

(2) *Mobile cranes having a usable boom length of 25 feet or greater or a maximum machine rated capacity of 15,000 pounds or greater; and*

(b) *Require an applicant for certification as a crane operator pursuant to this section to hold a certificate that:*

(1) *Complies with the standards of the American Society of Mechanical Engineers set forth in B30.3, B30.4 or B30.5 as adopted by regulation of the Division; and*

(2) *Is issued by an organization whose program of certification for crane operators is accredited by the National Commission for Certifying Agencies or its equivalent as determined by the Division.*

3. *The provisions of this section do not apply to the operator of an electric or utility line truck as defined by regulations adopted by the Division.”*

Amend the bill as a whole by renumbering sec. 2 as sec. 3 and adding a new section designated sec. 2, following section 1, to read as follows:

“Sec. 2. 1. Any regulations governing the certification of crane operators that are in effect on January 1, 2007, become void on that date.

2. As soon as practicable after January 1, 2007, the Legislative Counsel shall remove from the Nevada Administrative Code all regulations that are void pursuant to subsection 1.”

Amend sec. 2, page 2, line 7, by deleting: “July 1, 2006,” and inserting: “January 1, 2007.”

Amend the title of the bill to read as follows:



# NEVADA LEGISLATURE

Seventy-Third Session, 2005

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## ASSEMBLY DAILY JOURNAL

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### THE SEVENTY-NINTH DAY

CARSON CITY (Tuesday), April 26, 2005

Assembly called to order at 11:07 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Deacon Bob Evans.

We give thanks, Lord, for all of our blessings. Please bless all of those who have gathered here today. Bless them and their families with good health, knowledge, happiness, and a caring spirit. Bless these legislators with the gift of leadership as they dedicate themselves daily to serve the people of the state of Nevada. We request all these blessings in Your name, Lord.

AMEN.

Pledge of Allegiance to the Flag.

Assemblywoman Buckley moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.  
Motion carried.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which was re-referred Assembly Bill No. 186, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA BUCKLEY, *Chairman*

*Mr. Speaker:*

Your Committee on Elections, Procedures, Ethics, and Constitutional Amendments, to which was referred Assembly Bill No. 455, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ELLEN KOIVISTO, *Chairman*

*Mr. Speaker:*

Your Committee on Government Affairs, to which was referred Assembly Bill No. 142, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.



Remarks by Assemblymen Parks and Parnell.  
Roll call on Assembly Bill No. 484:  
YEAS—42.  
NAYS—None.  
Assembly Bill No. 484 having received a constitutional majority,  
Madam Speaker pro Tempore declared it passed, as amended.  
Bill ordered transmitted to the Senate.

Assembly Bill No. 496.  
Bill read third time.  
Remarks by Assemblyman Conklin.  
Roll call on Assembly Bill No. 496:  
YEAS—42.  
NAYS—None.  
Assembly Bill No. 496 having received a two-thirds majority,  
Madam Speaker pro Tempore declared it passed, as amended.  
Bill ordered transmitted to the Senate.

Assembly Bill No. 501.  
Bill read third time.  
Remarks by Assemblyman Sherer.  
Roll call on Assembly Bill No. 501:  
YEAS—42.  
NAYS—None.  
Assembly Bill No. 501 having received a constitutional majority,  
Madam Speaker pro Tempore declared it passed, as amended.  
Bill ordered transmitted to the Senate.

Assembly Bill No. 508.  
Bill read third time.  
Remarks by Assemblymen Sibley, Perkins, Parks, Buckley, Carpenter,  
Hardy, and Smith.  
Potential conflict of interest declared by Assemblymen Smith and Sibley.  
Roll call on Assembly Bill No. 508:  
YEAS—2.  
NAYS—Allen, Anderson, Angle, Arberry, Atkinson, Buckley, Carpenter, Christensen,  
Claborn, Conklin, Denis, Gansert, Gerhardt, Giunchigliani, Grady, Hardy, Hettrick, Hogan,  
Holcomb, Home, Kirkpatrick, Koivisto, Leslie, Mabey, Manendo, Marvel, McClain, McCleary,  
Mortenson, Mumford, Ocegüera, Ohrenschall, Parnell, Perkins, Pierce, Seale, Sheter, Sibley,  
Smith, Weber—40.  
Assembly Bill No. 508 having failed to receive a two-thirds majority,  
Madam Speaker pro Tempore declared it lost.

Assembly Bill No. 521.  
Bill read third time.  
Remarks by Assemblyman Seale.  
Roll call on Assembly Bill No. 521:  
YEAS—42.  
NAYS—None.

