ASSEMBLY BILL NO. 279-ASSEMBLYMEN EVANS, DE BRAGA, PERKINS, DINI, LESLIE, CLABORN, MORTENSON, CHOWNING, HETTRICK, CEGAVSKE, GIUNCHIGLIANI, SEGERBLOM, CARPENTER, GIBBONS, FREEMAN, ARBERRY, WILLIAMS, LEE, NEIGHBORS, BUCKLEY, BACHE AND PARKS

FEBRUARY 18, 1999

JOINT SPONSORS: SENATORS CARLTON, McGINNESS, NEAL, TITUS AND WIENER

Referred to Committee on Commerce and Labor

SUMMARY—Establishes certain rights of lessee of safe-deposit box that is improperly opened. (BDR 55-5)

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

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to financial institutions; establishing certain rights of a lessee of a safe-deposit box that is improperly opened; 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.** Chapter 663 of NRS is hereby amended by adding thereto 1 a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, if a lessor opens a safe-deposit box without complying with subsection 1 of NRS 663.085 or
- opens it for any other reason without giving the lessee an opportunity to
- 6 consent to the opening or to remove the contents, the lessee may demand
- 7 the following relief in addition to any other relief appropriate under the
- circumstances, and require the lessor to submit the claim to arbitration,
- mediation or factfinding:
- (a) A complete explanation of the circumstances of the opening of the 10
- examination of the 11 **box** the lessor and of an contents;

- (b) An adjudication of whether any items have been found to be missing and a determination of the value of any missing items;
- (c) A determination of the compensation owed to the lessee if the factfinder determines that an unjustified invasion of his privacy has occurred; and
 - (d) An allocation of the costs of arbitration, mediation or factfinding.
 - The commissioner:

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- 7 (a) Shall provide a form for the submission of a claim to arbitration, 8 mediation or factfinding pursuant to subsection 1;
- (b) Shall adopt regulations that establish appropriate procedures for conducting the arbitration, mediation or factfinding required by subsection 1; and 12
 - (c) May maintain a list of persons in this state who are qualified to conduct such a proceeding.
 - A lessor may refuse to submit a claim to arbitration, mediation or factfinding pursuant to subsection 1 if the lessor gives notice to the lessee in its written procedures for the rental of a safe-deposit box which clearly states that it does not intend to comply with the provisions of subsection 1 and contains a copy of the provisions of this section and a description of the procedures that it will follow in such a case.
 - **Sec. 2.** Chapter 673 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, if a lessor opens a safe-deposit box without complying with subsection 1 of NRS 673.373 or opens it for any other reason without giving the lessee an opportunity to 26 consent to the opening or to remove the contents, the lessee may demand the following relief in addition to any other relief appropriate under the circumstances, and require the lessor to submit the claim to arbitration, mediation or factfinding:
- (a) A complete explanation of the circumstances of the opening of the 30 box by the lessor and of an examination of the contents;
 - (b) An adjudication of whether any items have been found to be missing and a determination of the value of any missing items;
- 34 (c) A determination of the compensation owed to the lessee if the factfinder determines that an unjustified invasion of his privacy has 35 occurred; and 36
 - (d) An allocation of the costs of arbitration, mediation or factfinding.
- The commissioner: 38
- (a) Shall provide a form for the submission of a claim to arbitration, 39 mediation or factfinding pursuant to subsection 1; 40
- (b) Shall adopt regulations that establish appropriate procedures for 41 conducting the arbitration, mediation or factfinding required by subsection1;

and

- 1 (c) May maintain a list of persons in this state who are qualified to 2 conduct such a proceeding.
- 3. A lessor may refuse to submit a claim to arbitration, mediation or factfinding pursuant to subsection 1 if the lessor gives notice to the lessee in its written procedures for the rental of a safe-deposit box which clearly states that it does not intend to comply with the provisions of subsection 1 and contains a copy of the provisions of this section and a description of the procedures that it will follow in such a case.

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