ASSEMBLY BILL NO. 245–ASSEMBLYMEN CHOWNING, ANDERSON, ARBERRY, BROWN, CARPENTER, CLABORN, COLLINS, DE BRAGA, FREEMAN, GIUNCHIGLIANI, GOLDWATER, HETTRICK, KOIVISTO, MANENDO, MARVEL, MCCLAIN, NEIGHBORS, NOLAN, PARKS, PERKINS AND SMITH

## FEBRUARY 26, 2001

## Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to advertising and charges by tour operators and tour brokers. (BDR 52-1021)

FISCAL NOTE: Effect on Local Government: Yes.

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Effect on the State: Yes.

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EXPLANATION - Matter in *bolded italics* is new; matter between brackets <del>[omitted material]</del> is material to be omitted.

AN ACT relating to deceptive trade practices; requiring tour operators and tour brokers to make certain disclosures relating to price in an advertisement for a tour; prohibiting tour operators and tour brokers from charging more for a tour than the price disclosed in an advertisement for the tour; requiring a tour operator and a tour broker to include certain information in a billing invoice and receipt; 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.** Chapter 598 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In each advertisement for a tour, a tour operator and a tour broker shall disclose in a clear and conspicuous manner the total cash price a customer is required to pay to take the tour. Unless the inclusion of a fee or tax in the total cash price would violate a specific statute of this state or a federal statute or regulation, the total cash price must include, without limitation, all fees, taxes and other charges that a customer for a tour is required to pay to take the tour. If a fee or tax cannot be included in the total cash price because its inclusion would violate a specific statute of this state or a federal statute or regulation, the tour operator or tour broker, as applicable, shall disclose in a clear and conspicuous manner that the fee or tax is not included in the total cash price and must be paid in addition to the total cash price.



- 2. A tour operator and a tour broker shall not charge a customer for a tour an amount that exceeds the sum of:
- (a) The total cash price for the tour which is disclosed in an advertisement for the tour; and
- (b) Any fee or tax that is not included in the total cash price because its inclusion would violate a specific statute of this state or a federal statute or regulation.
- 3. On a billing invoice or receipt given to a customer for a tour, a tour operator and a tour broker shall provide a clear and conspicuous notice which:
  - (a) Sets forth the provisions of subsection 2;
- (b) States that complaints concerning the charges for a tour may be directed to the consumer affairs division of the department of business
- (c) Provides a telephone number for the consumer affairs division of the department of business and industry.
- 4. The failure of a tour operator or tour broker to comply with a provision of this section constitutes a deceptive trade practice for the purposes of NRS 598.0903 to 598.0999, inclusive.
  - 5. As used in this section:

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- (a) "Advertise" and "advertisement" mean the attempt by publication, dissemination, solicitation or circulation to induce, directly or indirectly, any person to take a tour.
- (b) "Tour broker" means a person who advertises a tour for a tour operator and collects money from customers for a tour.
- (c) "Tour operator" means a person who engages in the business of 26 27 providing a tour with a duration of 24 hours or less to customers. 28
  - Sec. 2. NRS 598.0999 is hereby amended to read as follows:
  - 598.0999 1. A person who violates a court order or injunction issued pursuant to NRS 598.0903 to 598.0997, inclusive, upon a complaint brought by the commissioner, the director, the district attorney of any county of this state or the attorney general shall forfeit and pay to the state general fund a civil penalty of not more than \$10,000 for each violation. For the purpose of this section, the court issuing the order or injunction retains jurisdiction over the action or proceeding. Such civil penalties are in addition to any other penalty or remedy available for the enforcement of the provisions of NRS 598.0903 to 598.0997, inclusive.

    2. In any action brought pursuant to NRS 598.0903 to 598.0999,
  - inclusive, if the court finds that a person has willfully engaged in a deceptive trade practice, the commissioner, the director, the district attorney of any county in this state or the attorney general bringing the action may recover a civil penalty not to exceed \$2,500 for each violation.
  - 3. A natural person, firm, or any officer or managing agent of any corporation or association who knowingly and willfully engages in a deceptive trade practice, other than a deceptive trade practice described in NRS 598.992:
    - (a) For the first offense, is guilty of a misdemeanor.
  - (b) For the second offense, is guilty of a gross misdemeanor.



(c) For the third and all subsequent offenses, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

- 4. Any offense which occurred within 10 years immediately preceding the date of the principal offense or after the principal offense constitutes a prior offense for the purposes of subsection 3 when evidenced by a conviction, without regard to the sequence of the offenses and convictions.
- 5. If a person violates any provision of NRS 598.0903 to 598.0999, inclusive, 598.100 to 598.2801, inclusive, 598.281 to 598.289, inclusive, 598.840 to 598.966, inclusive, or 598.992, or section 1 of this act, or fails to comply with a judgment or order of any court in this state concerning a violation of such a provision, or fails to comply with an assurance of discontinuance or other agreement concerning an alleged violation of such a provision, the commissioner or the district attorney of any county may bring an action in the name of the State of Nevada seeking:
- (a) The suspension of the person's privilege to conduct business within this state: or
- 17 (b) If the defendant is a corporation, dissolution of the corporation.
  18 The court may grant or deny the relief sought or may order other
  19 appropriate relief.
  - Sec. 3. The amendatory provisions of this act do not apply to offenses committed before October 1, 2001.



