

CHAPTER.....

AN ACT relating to judgments; clarifying the circumstances under which the enforcement of a foreign judgment may be stayed; prescribing the amount of a bond to secure the stay of execution of certain judgments pending appeal; and providing other matters properly relating thereto.

WHEREAS, The money paid to this state pursuant to the Master Settlement Agreement entered into between this state and tobacco product manufacturers contributes substantially to the funds available to this state to provide essential health services, education services and other human services; and

WHEREAS, It is critical that the legislature take action to ensure that the money available for these services not be unnecessarily diverted by reason of unrelated civil actions against tobacco product manufacturers; and

WHEREAS, The legislature may take steps to protect the interest of this state in revenue available pursuant to the Master Settlement Agreement without unduly burdening the interests of other claimants; now, therefore,

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

**Section 1.** NRS 17.370 is hereby amended to read as follows:

17.370 1. If the judgment debtor shows the court that an appeal from the foreign judgment is pending or will be taken, or that a stay of execution has been granted, the court shall stay enforcement of the foreign judgment until the appeal is concluded, the time for appeal expires or the stay of execution expires or is vacated, upon proof that the judgment debtor has furnished the security for the satisfaction of the judgment required by the state in which it was rendered.

2. If the judgment debtor shows the court any ground upon which enforcement of a judgment of any court of this state would be stayed, *including, without limitation, a showing that an appeal is pending or will be taken, that a stay has been granted, requested or will be requested, or that the time for taking an appeal has not yet expired*, the court shall stay enforcement of the foreign judgment for an appropriate period, upon requiring the same security for satisfaction of the judgment which is required in this state ~~H~~, *including, without limitation, security determined pursuant to section 2 of this act, if applicable*.

**Sec. 2.** Chapter 20 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. Except as otherwise provided in subsection 2, if an appeal is taken of a judgment in a civil action in which an appellant described in subsection 3 is required to give a bond in order to secure a stay of execution of the judgment during the pendency of the appeal, the amount of the bond must not exceed \$50,000,000.*

*2. If the plaintiff proves by a preponderance of evidence that the appellant who posted the bond pursuant to subsection 1 is purposefully dissipating or diverting assets outside of the ordinary course of its business to evade the ultimate payment of the judgment, the court may enter such orders as are necessary to prevent such dissipation or*

*diversion, including, without limitation, requiring that a bond be posted in an amount equal to the full amount of the judgment.*

*3. The provisions of this section apply only to civil litigation involving a signatory or a successor in interest of a signatory of the Master Settlement Agreement, as the term is defined in NRS 370A.070.*

*4. The provisions of this section do not limit the discretion of a court, for good cause shown, to set the bond on appeal in an amount less than the amount otherwise required by law.*

**Sec. 3.** The amendatory provisions of this act apply to all actions pending or filed on or after the effective date of this act.

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