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PROPOSED CLARIFYING AMENDMENTS TO ASSEMBLY BILL 343 1ST REPRINT  
SELLERS OF TRAVEL, PROPOSED BY DOUG CROSBY, JONES VARGAS LAW FIRM

May 5, 2003 Amendment No 1.

Page 2, Line 2 - Subsections 1 and 2 of Section 3:

Sec. 3. "Inured person" means a person who:

1. Paid money to a seller of travel for the purchase of travel services or a vacation certificate; and

2. Is damaged by:

(a) The failure of the seller of travel to provide the travel services or the services to be provided by the vacation certificate; or

(b) The violation by a seller of travel of any provision of NRS 598.305 to 598.365, inclusive, or sections 2 to 20, inclusive, of this act.

NOTE: The purpose of this change is to include "vacation certificates" that is a part of the definition of a "seller of travel" in NRS 598.335.

Amendment No. 2

Page 2, Line 6 - Section 4: Instead of having to spell out "Nevada Seller of Travel" and then

"Registration No.", would propose "NEV. ST #\_\_\_" as done similarly in other states in a font that is easy to read. Requiring 14 point bold type and spelling it out increases the cost of advertising in yellow pages and newspapers and this alternative is simple and identifying.

Amendment No. 3

Page 2, Line 22 - Subsection 2 of Section 5: "within 1 business day" is too frequent. If a

customer pays even \$10.00 toward the purchase of travel services, a seller of travel would be required to go to the bank that day or the next day. Conceivably, one could be required travel to the bank every day regardless of the amount paid. The current NRS Chapter 343 requirement of 3 days to submit funds works well. Would propose that the language should also make it clear that the requirement, whatever it turns out to be, only applies to currency - not checks.

Amendment No. 4:

Page 2, Line 33 - Section subsection 1 of Section 7:

Sec. 7. 1. Except as otherwise provided in section 10 of this act, the money in the account must be used to pay claims made by injured persons.

NOTE: The rest of Section 7(1)(a) and (b) can be deleted as the term "injured person" (see

Section 3 above) covers what is stated in the rest of Section 7. Another reason for doing it this way is the provision of subsections 2 and 3 of Section 7 and Section 8 that refer to "an injured person." If the language is left as is, a person who is damaged by a violation of chapter 598 is not entitled to make a claim against the account as subsections 2 and 3 of Section 7 and Section 8 are limited to "an injured person."

Amendment No. 5:

Page 3, Line 33 - Section 8:

Sec. 8 1. Except as otherwise provided in subsection 2, a claimant is eligible for recovery from the account if the division or its designee, after conducting a hearing on the complaint pursuant to the provisions of subsection 4 of the section 7 of this act finds that the claimant is an injured person who suffered actual damages.

NOTE: The rest of subsection 1 (a) of Section 8 can be deleted. The phrase "who suffered actual damages" is included in the suggested language because of the provisions of subsection 8 of Section 8.

Amendment No. 6:

Page 5, Line 14 - Section 9:

Line 14 starting with the word travel should read: "travel to provide the travel services or the services to be provided by the vacation certificate for which you paid....."

NOTE: The purpose of this change is to include "vacation certificates" that is a part of the definition of a "seller of travel" in NRS 598.335.

Amendment No. 7:

Page 8, Line 6 - Section 13:

Delete the words: "including, without limitation, a business entity."

Rationale: The definition of "person" in NRS 0.039 includes "any form of business or social organization....." If the "included, without limitation.." language remains in Section 13, you can argue that the meaning of the word "person" in other sections of the act does not include business entities.

GENERAL NOTE: The words "adequately" (Section 3) and "satisfactorily" (Section 7.1.(a) and Section 9) are proposed to be deleted due to a concern that the State's Consumer Affairs Division will be deluged with complaints every time an airline flight gets cancelled or is several hour late departing, or someone was unhappy with the size of their hotel room or cabin on a cruise ship or they didn't like the food they were served, etc. The subjective language opens the door for everyone to find something they didn't like about their travel services or vacation certificate product and then complain about it in order to obtain compensation from the Recovery Fund, which would overshadow the intent of the Recovery Fund.