ASSEMBLY BILL NO. 196–ASSEMBLYMEN CONKLIN, PIERCE, ATKINSON, ANDERSON, PARKS, ARBERRY JR., BUCKLEY, CLABORN, DENIS, GERHARDT, GIUNCHIGLIANI, HORNE, KIRKPATRICK, KOIVISTO, LESLIE, MANENDO, MCCLAIN, MCCLEARY, OCEGUERA, PERKINS AND SMITH

MARCH 10, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits control of thrift company by department store. (BDR 56-1166)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 thrift companies; prohibiting a department store from acquiring control of a thrift company; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the formation, regulation and licensure of thrift companies, which are a type of financial institution. (Chapter 677 of NRS)

This bill prohibits a department store from acquiring control of a thrift company either by establishing or purchasing a thrift company or through merger, consolidation or other business combination with an existing thrift company. A department store is defined as a retail establishment that provides for the retail sale of six or more specified lines of merchandise, including apparel, appliances, automotive accessories, cosmetics, electronics, furniture and other home furnishings, hardware, jewelry, photographic equipment, sporting goods, toiletries, toys and other household goods. A person who knowingly and intentionally violates this prohibition is subject to the general misdemeanor penalty for violating a law relating to thrift companies. (NRS 677.800)

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

Section 1. Chapter 677 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A department store shall not acquire control of a thrift company.

2. As used in this section:

(a) "Acquire" includes:

(1) The purchase of an existing thrift company;

(2) The merger, consolidation or other form of business combination with an existing thrift company; and

(3) The establishment of a new thrift company.

(b) "Control" means the power, directly or indirectly, to:

(1) Direct or exercise a controlling influence over the management or policies of a thrift company or the election of a majority of the directors or trustees of a thrift company; or

(2) Vote:

(I) Twenty percent or more of any class of voting securities of a thrift company if exercised by a natural person; or

(II) More than 10 percent of any class of voting securities of a thrift company if exercised by a person other than a natural person.

(c) "Department store" means a retail establishment that provides for the retail sale of six or more of the following lines of merchandise:

(1) Apparel;

(2) Appliances;

(3) Automotive accessories;

(4) Cosmetics;

(5) Electronics;

(6) Furniture and other home furnishings;

(7) Hardware;

(8) Jewelry;

(9) Photographic equipment;

(10) Sporting goods;

(11) Toiletries;

(12) Toys; and

(13) Other household goods.