

ASSEMBLY BILL NO. 340—ASSEMBLYMEN GIUNCHIGLIANI, LESLIE,  
PARKS, OHRENSCHALL, ANDERSON, BUCKLEY, CLABORN,  
DENIS, KOIVISTO, MCCLAIN, MCCLEARY AND PERKINS

MARCH 21, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to certain short-term,  
high interest loans. (BDR 52-126)

FISCAL NOTE: Effect on Local Government: No.  
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 financial institutions; requiring businesses which offer certain services to post a notice including a toll-free number for concerns or complaints of borrowers; requiring local governing bodies to adopt zoning regulations restricting the location of businesses which offer certain services; requiring persons who provide loans secured by tax refunds to provide certain notices regarding fees; 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 604 of NRS is hereby amended by adding thereto a new section to read as follows:

***A registrant shall prominently display in each location at which the registrant does business a notice in such form and size as is prescribed by the Commissioner which provides a toll-free number to the Office of the Commissioner to handle concerns or complaints of borrowers.***

**Sec. 2.** NRS 604.130 is hereby amended to read as follows:

**604.130** 1. The Commissioner shall issue to each registrant a certificate of registration in such form and size as is prescribed by the Commissioner for each location at which the registrant proposes



1 to do business. Each certificate of registration must show the name  
2 and address of the registrant.

3 2. Each registrant shall prominently display his certificate of  
4 registration at the location where he does business.

5 **3. The Commissioner shall not issue to any registrant a**  
6 **certificate of registration for a kiosk at which the registrant**  
7 **proposes to do business.**

8 **Sec. 3.** Chapter 278 of NRS is hereby amended by adding  
9 thereto a new section to read as follows:

10 **1. A governing body shall adopt zoning regulations which**  
11 **restrict to specific districts within the geographical jurisdiction of**  
12 **the governing body the construction, reconstruction, alteration,**  
13 **repair or use of buildings, structures or land of a business that**  
14 **offers:**

15 **(a) Check-cashing services or deferred deposit services**  
16 **pursuant to chapter 604 of NRS; or**

17 **(b) Payday loans, as that term is defined pursuant to section 6**  
18 **of this act.**

19 **2. The provisions of this section do not apply to any place of**  
20 **business devoted to accounting, recordkeeping or administrative**  
21 **purposes only.**

22 **Sec. 4.** NRS 278.250 is hereby amended to read as follows:

23 278.250 1. For the purposes of NRS 278.010 to 278.630,  
24 inclusive, **and section 3 of this act**, the governing body may divide  
25 the city, county or region into zoning districts of such number, shape  
26 and area as are best suited to carry out the purposes of NRS 278.010  
27 to 278.630, inclusive **H**, **and section 3 of this act**. Within the  
28 zoning district it may regulate and restrict the erection, construction,  
29 reconstruction, alteration, repair or use of buildings, structures or  
30 land.

31 2. The zoning regulations must be adopted in accordance with  
32 the master plan for land use and be designed:

33 (a) To preserve the quality of air and water resources.

34 (b) To promote the conservation of open space and the  
35 protection of other natural and scenic resources from unreasonable  
36 impairment.

37 (c) To provide for recreational needs.

38 (d) To protect life and property in areas subject to floods,  
39 landslides and other natural disasters.

40 (e) To conform to the adopted population plan, if required by  
41 NRS 278.170.

42 (f) To develop a timely, orderly and efficient arrangement of  
43 transportation and public facilities and services, including facilities  
44 and services for bicycles.



(g) To ensure that the development on land is commensurate with the character and the physical limitations of the land.

(h) To take into account the immediate and long-range financial impact of the application of particular land to particular kinds of development, and the relative suitability of the land for development.

(i) To promote health and the general welfare.

(j) To ensure the development of an adequate supply of housing for the community, including the development of affordable housing.

(k) To ensure the protection of existing neighborhoods and communities, including the protection of rural preservation neighborhoods.

3. The zoning regulations must be adopted with reasonable consideration, among other things, to the character of the area and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the city, county or region.

4. In exercising the powers granted in this section, the governing body may use any controls relating to land use or principles of zoning that the governing body determines to be appropriate, including, without limitation, density bonuses, inclusionary zoning and minimum density zoning.

5. As used in this section:

(a) "Density bonus" means an incentive granted by a governing body to a developer of real property that authorizes the developer to build at a greater density than would otherwise be allowed under the master plan, in exchange for an agreement by the developer to perform certain functions that the governing body determines to be socially desirable, including, without limitation, developing an area to include a certain proportion of affordable housing.

(b) "Inclusionary zoning" means a type of zoning pursuant to which a governing body requires or provides incentives to a developer who builds residential dwellings to build a certain percentage of those dwellings as affordable housing.

(c) "Minimum density zoning" means a type of zoning pursuant to which development must be carried out at or above a certain density to maintain conformance with the master plan.

**Sec. 5.** Chapter 675 of NRS is hereby amended by adding thereto the provisions set forth as sections 6 and 7 of this act.

**Sec. 6. 1. A licensee who makes payday loans shall prominently display in each location at which the licensee does business a notice in such form and size as is prescribed by the Commissioner which provides a toll-free number to the Office of the Commissioner to handle concerns or complaints of borrowers.**



1       2. The Commissioner shall by regulation define the term  
2       “payday loans” for the purposes of this section.

3       Sec. 7. 1. A licensee who makes any loan which is secured  
4       by a tax refund shall:

5       (a) Post in a conspicuous place in every location at which he  
6       conducts business under his license a notice that states the fees he  
7       charges for making such loans; and

8       (b) Give written notice to each customer of the fees he charges  
9       for making such loans. The customer must sign the notice before  
10      the licensee makes such a loan to the customer.

11      2. The Commissioner shall prescribe by regulation the form  
12      and contents of the written notice required pursuant to the  
13      provisions of this section.

14      3. As used in this section, “loan which is secured by a tax  
15      refund” means a transaction in which, pursuant to a written  
16      agreement:

17      (a) The customer agrees to give to the licensee any amount due  
18      to the customer from a tax refund from the Internal Revenue  
19      Service of the United States Department of the Treasury or from  
20      any state or local governmental entity; and

21      (b) The licensee makes a loan to the customer in that amount,  
22      less any fees charged for the transaction.

