
ASSEMBLY BILL NO. 33—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE CONSUMER AFFAIRS DIVISION)

PREFILED JANUARY 26, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing martial arts studios.
(BDR 52-592)

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: Yes.

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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 trade practices; making provisions regarding
deceptive trade practices applicable to certain enterprises
that provide instruction or training in martial arts;
providing a penalty; and providing other matters properly
relating thereto.

Legislative Counsel's Digest:

1 Existing law makes certain commercial health clubs conducting business in this
2 State subject to provisions governing deceptive trade practices. (NRS 598.940-
3 598.966) Existing law also requires that certain commercial health clubs register
4 with the Consumer Affairs Division of the Department of Business and Industry
5 and pay a \$25 administrative fee when applying for registration. (NRS 598.721)
6 This bill revises the definition of “health club” to include certain facilities used for
7 instruction or training in martial arts. Thus, such commercial martial arts studios
8 will be subject to the same provisions governing deceptive trade practices that
9 apply to health clubs and to the registration and fee requirements that apply to
10 health clubs.



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:

“Martial arts” means any type of competitive self-defense in which a participant kicks, punches, strikes, grapples or uses other techniques with the intent not to injure or disable an opponent but to defeat the opponent or win by decision, knockout or submission.

Sec. 2. NRS 598.0999 is hereby amended to read as follows:

598.0999 1. Except as otherwise provided in NRS 598.0974, a person who violates a court order or injunction issued pursuant to the provisions of NRS 598.0903 to 598.0999, 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 598.0999, inclusive.

2. Except as otherwise provided in NRS 598.0974, in any action brought pursuant to the provisions of 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 \$5,000 for each violation. The court in any such action may, in addition to any other relief or reimbursement, award reasonable attorney’s fees and costs.

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:

(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.

➤ The court may require the natural person, firm, or officer or managing agent of the corporation or association to pay to the aggrieved party damages on all profits derived from the knowing and willful engagement in a deceptive trade practice and treble damages on all damages suffered by reason of the deceptive trade practice.



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, 598.305 to 598.395, inclusive, 598.405 to 598.525, inclusive, 598.741 to 598.787, inclusive, or 598.840 to 598.966, inclusive, **and section 1 of this act**, 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

(b) If the defendant is a corporation, dissolution of the corporation.

➤ The court may grant or deny the relief sought or may order other appropriate relief.

6. If a person violates any provision of NRS 228.500 to 228.640, inclusive, 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 Attorney General 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

(b) If the defendant is a corporation, dissolution of the corporation.

➤ The court may grant or deny the relief sought or may order other appropriate relief.

Sec. 3. NRS 598.940 is hereby amended to read as follows:

598.940 As used in NRS 598.940 to 598.966, inclusive, **and section 1 of this act**, unless the context otherwise requires, the words and terms defined in NRS 598.9403 to 598.9417, inclusive, **and section 1 of this act** have the meanings ascribed to them in those sections.

Sec. 4. NRS 598.9415 is hereby amended to read as follows:

598.9415 **1.** "Health club" means any enterprise which offers the use of its facilities for ~~the maintenance~~ :

(a) The maintenance or development of physical fitness or the control of weight ~~except:~~



1 ~~1.1~~; or

2 (b) *Instruction or training in martial arts.*

3 2. *The term does not include:*

4 (a) A nonprofit public or private school, college or university;

5 ~~1.2~~ (b) The State or any political subdivision; or

6 ~~1.3~~ (c) A nonprofit religious or ethnic organization or a
7 nonprofit organization for the benefit of the community or its
8 members.

9 **Sec. 5.** NRS 598.966 is hereby amended to read as follows:

10 598.966 1. The remedies, duties and prohibitions of NRS
11 598.940 to 598.966, inclusive, *and section 1 of this act* are not
12 exclusive and are in addition to any other remedies provided by law.

13 2. Any violation of NRS 598.944 to 598.958, inclusive,
14 constitutes a deceptive trade practice for the purposes of NRS
15 598.0903 to 598.0999, inclusive.

