

Amendment No. 161

Senate Amendment to Senate Bill No. 194	(BDR S-563)
Proposed by: Senate Committee on Judiciary	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	☐	Lost	☐	_____	Adopted	☐	Lost	☐	_____
Concurred In	☐	Not	☐	_____	Concurred In	☐	Not	☐	_____
Receded	☐	Not	☐	_____	Receded	☐	Not	☐	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

RRY/BAW



Date: 4/10/2011

S.B. No. 194—Urges the Nevada Supreme Court to amend the Nevada Rules of Civil Procedure to require certain disclosures in class action lawsuits. (BDR S-563)



SENATE BILL NO. 194—SENATOR HARDY

FEBRUARY 24, 2011

JOINT SPONSORS: ASSEMBLYMEN HARDY AND STEWART

Referred to Committee on Judiciary

SUMMARY—Urges the Nevada Supreme Court to amend the Nevada Rules of Civil Procedure to require certain disclosures in class action lawsuits. (BDR S-563)

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 civil practice; urging the Nevada Supreme Court to amend the Nevada Rules of Civil Procedure to require an attorney in certain class actions to provide ~~to a disclosure~~ **certain disclosures** under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under the existing Nevada Rules of Civil Procedure, an attorney in certain class actions is required to make certain disclosures to certain members of the class. Specifically, those disclosures provide that: (1) the court will exclude a member of the class if the member requests such an exclusion, or “opts out” of the class by a specified date; (2) the judgment in the action will include all members of the class who do not opt out of the class; and (3) any member of the class who does not opt out of the class may enter an appearance with the court through the member’s attorney. (N.R.C.P. 23) **Under the existing Federal Rules of Civil Procedure, such an attorney is also required to make other disclosures not specifically required pursuant to N.R.C.P. 23, including: (1) the nature of the action; (2) the definition of the class certified; (3) the class claims, issues or defenses; and (4) the time and manner for requesting exclusion from the class. (F.R.C.P. 23)** This bill urges the Nevada Supreme Court to amend the Nevada Rules of Civil Procedure to require an attorney in such class actions to make ~~an additional disclosure~~ **all the disclosures required pursuant to F.R.C.P. 23** to each member of the class. ~~concerning possible consequences that the member of the class may face if the member does not opt out of the class.~~

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

Section 1. The Legislature finds and declares that:

1. A class action is an efficient use of judicial resources which provides a method of resolving many similar claims in one lawsuit rather than litigating each of the claims in separate lawsuits.

2. A person may ~~be included in a class action without realizing that he or she is included in the lawsuit or may not be adequately informed of the ramifications of being included in the lawsuit.~~

~~3. A) benefit greatly from remaining a member of a class and participating in a class action.~~

3. However, a person may also suffer negative consequences as a result of being included in a class action and may not understand that he or she has the ability to opt out of the lawsuit.

4. Thus, it is important that each person who is included in a class action make an informed decision regarding whether to remain a member of the class and participate in the lawsuit or to opt out of the lawsuit.

5. For a person to make such an informed decision, it is necessary to provide the person with sufficient information regarding the lawsuit and how to opt out of the lawsuit.

6. Under the existing Nevada Rules of Civil Procedure, specifically N.R.C.P. 23, an attorney in certain class actions is required to make certain disclosures to certain members of the class.

~~5. Having an additional disclosure to each member of the class which is clear and noticeable and which sets forth the possible consequences that the member of the class may face if the member does not request to be excluded from the class is in the public interest.~~

~~6. 7. Under the existing Federal Rules of Civil Procedure, specifically F.R.C.P. 23, such an attorney is also required to make other disclosures not specifically required pursuant to N.R.C.P. 23, including the nature of the action, the definition of the class certified, the class claims, issues or defenses, and the time and manner for requesting exclusion from the class.~~

8. Providing these additional disclosures would help a member of a class to understand and appreciate more fully his or her decision to remain in the lawsuit or to opt out of the lawsuit.

9. Therefore, the Legislature urges the Nevada Supreme Court to amend the Nevada Rules of Civil Procedure to require ~~such a disclosure.~~ all the disclosures required pursuant to F.R.C.P. 23.