
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.

~

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 a disclosure under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under the existing Nevada Rules of Civil Procedure, an attorney in certain class
2 actions is required to make certain disclosures to certain members of the class.
3 Specifically, those disclosures provide that: (1) the court will exclude a member of
4 the class if the member requests such an exclusion, or “opts out” of the class by a
5 specified date; (2) the judgment in the action will include all members of the class
6 who do not opt out of the class; and (3) any member of the class who does not opt
7 out of the class may enter an appearance with the court through the member’s
8 attorney. (N.R.C.P. 23) This bill urges the Nevada Supreme Court to amend the
9 Nevada Rules of Civil Procedure to require an attorney in such class actions to
10 make an additional disclosure to each member of the class concerning possible
11 consequences that the member of the class may face if the member does not opt out
12 of the class.



* S B 1 9 4 *

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

- 1 **Section 1.** The Legislature finds and declares that:
2 1. A class action is an efficient use of judicial resources which
3 provides a method of resolving many similar claims in one lawsuit
4 rather than litigating each of the claims in separate lawsuits.
5 2. A person may be included in a class action without realizing
6 that he or she is included in the lawsuit or may not be adequately
7 informed of the ramifications of being included in the lawsuit.
8 3. A person may suffer negative consequences as a result of
9 being included in a class action and may not understand that he or
10 she has the ability to opt out of the lawsuit.
11 4. Under the existing Nevada Rules of Civil Procedure,
12 specifically N.R.C.P. 23, an attorney in certain class actions is
13 required to make certain disclosures to certain members of the class.
14 5. Having an additional disclosure to each member of the class
15 which is clear and noticeable and which sets forth the possible
16 consequences that the member of the class may face if the member
17 does not request to be excluded from the class is in the public
18 interest.
19 6. Therefore, the Legislature urges the Nevada Supreme Court
20 to amend the Nevada Rules of Civil Procedure to require such a
21 disclosure.

