

**Amendment No. 578**

Assembly Amendment to Assembly Bill No. 228 (BDR 52-999)

**Proposed by:** Assembly Committee on Commerce and Labor

**Amendment Box:** Replaces Amendment No. 317.

**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/> _____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/> _____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/> _____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/> _____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/> _____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/> _____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added 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 proposed to be retained in this amendment.

DHR/MSM



Date: 4/15/2015

A.B. No. 228—Revises provisions governing trade regulations. (BDR 52-999)



ASSEMBLY BILL NO. 228—COMMITTEE  
ON COMMERCE AND LABOR

MARCH 5, 2015

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing trade regulations. (BDR 52-999)

FISCAL NOTE: Effect on Local Government: No.  
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 regulations; authorizing a ~~financier~~ ***creditor who finances the sale or lease*** of a motor vehicle to install ***under certain circumstances*** certain devices in the motor vehicle which he or she finances; revising provisions relating to retail installment contracts; ***providing penalties***; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Section 1 of this bill authorizes a ~~financier (a person)~~ ***creditor*** who finances the sale ***or lease*** of a motor vehicle ~~for a lessor who leases a motor vehicle to a lessee~~ to install under certain circumstances devices in the motor vehicle which the ~~financier~~ ***creditor*** finances or leases, which devices are used to remotely locate or disable a motor vehicle upon breach or default of the financing contract by the ~~debtor or lessee~~ ***consumer***.

Existing law requires certain retail installment contracts to be contained in a single document which must contain the entire agreement of the parties. (NRS 97.165) ~~(Section) Sections 2 and 2.5 of this bill (amend) remove~~ that requirement, commonly known as the "single document rule," ~~(to provide that it does not apply)~~ ***with regard to applications for credit and retail installment contracts relating to the sale, loan or lease of (a) certain motor vehicle in which the secured party and a debtor enter into an agreement authorizing the secured party to install and use a device which is able to remotely disable the motor vehicle upon breach or default by the debtor.) vehicles.***

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

Section 1. Chapter ~~597~~ ***598*** of NRS is hereby amended by adding thereto a new section to read as follows:

1. A ~~financier~~ ***creditor, in connection with a credit or retail installment sale, loan or lease of a motor vehicle shall not install or use electronic (re)possession, tracking technology in a motor vehicle which he or she finances to (take possession) obtain or record the location of the motor vehicle, or without removal, to render the motor vehicle unusable, unless:***

~~(a) After executing the financing contract, the parties to the contract enter into an agreement which:~~

- ~~(1) Is contained in a separate document;~~
- ~~(2) Is not a condition of the financing contract; and~~
- ~~(3) Provides that:~~

~~(I) Electronic tracking technology may be used by the financier only to ensure that the electronic tracking technology is operating properly, to repossess the motor vehicle, to locate the motor vehicle for the purpose of servicing the financing contract or to keep the financing contract current;~~

~~(II) The debtor or lessee, as applicable, may cancel the agreement authorizing the use of electronic tracking technology at any time during the term of the financing contract without affecting the sale or lease of the motor vehicle or any term or condition of the financing contract; and~~

~~(III) After providing proper notice to the debtor or lessee, as applicable, pursuant to subsection 2, a financier may use starter interrupt technology to disable the motor vehicle following certain defaults or breaches of the financing contract; and~~ The creditor provides written notification to the consumer before the transaction that the motor vehicle is equipped with electronic tracking technology and that the electronic tracking technology may be used by the creditor to verify and maintain the operational status of the electronic tracking technology, to service the transaction or to locate the vehicle for repossession or recovery; or

~~(b) At the time of the sale or lease of the motor vehicle, the financier provides the debtor or lessee, as applicable, with a written disclosure that the vehicle is equipped with electronic repossession technology and which includes, without limitation:~~

~~(1) The nature of the defaults or breaches following which the financier may use the electronic repossession technology;~~

~~(2) The prohibitions on the use of electronic repossession technology as provided in subsection 3;~~

~~(3) The consumer elects to have the electronic tracking technology installed in the motor vehicle and the agreement to utilize the electronic tracking technology is optional and is not a condition of the sale, loan or lease.~~

2. A creditor, in connection with a credit or retail installment sale, loan or lease of a motor vehicle, shall not install or use starter interrupt technology to disable a motor vehicle unless:

(a) The creditor provides written notification to the consumer before the transaction that:

(1) The motor vehicle is equipped with starter interrupt technology;

(2) The creditor may use the starter interrupt technology to disable the starter of the vehicle remotely; and

(3) The creditor may only activate the starter interrupt technology as provided for in this section; and

(b) The creditor provides written notification to the consumer informing the consumer:

(1) Of the name, address and toll-free telephone number of the [financier] creditor for the purposes of communicating directly with the [financier] creditor concerning the security interest in the motor vehicle and the extension of credit;

(2) That in the event the security interest or loan associated with the vehicle is transferred to a successor-in-interest, the successor-in-interest must provide the name, address and toll-free telephone number of the creditor to the consumer in a commercially reasonable time and manner;

1 (3) That the consumer must receive notice not less than 48 hours before  
2 the starter interrupt technology disables the vehicle; and

3 (4) That in the event of an emergency, the ~~debtor or lessee, as~~  
4 ~~applicable,~~ consumer will be ~~able,~~ provided the ability to start ~~for~~ the disabled  
5 vehicle for a minimum of 24 hours ~~for~~.

6 ~~2. A financier of a motor vehicle shall provide written notice to the debtor or~~  
7 ~~lessee, as applicable, before using the electronic repossession technology installed~~  
8 ~~in a motor vehicle to disable the motor vehicle. The written notice must be~~  
9 ~~delivered by registered or certified mail, return receipt requested, a minimum of 2~~  
10 ~~days, excluding Saturdays, Sundays and holidays, before the financier disables~~  
11 ~~the motor vehicle. The notice must include:~~

12 ~~(a) The name, address and telephone number of the financier;~~

13 ~~(b) The amount required to be paid by the debtor or lessee, as applicable, to~~  
14 ~~cure the breach or default; and~~

15 ~~(c) Notice that in the event of an emergency the debtor or lessee, as~~  
16 ~~applicable, will be provided the ability to start the disabled motor vehicle for a~~  
17 ~~period of not less than 24 hours ~~for~~ after the initial disablement.~~

18 3. The use of ~~electronic repossession technology,~~ starter interrupt  
19 technology in a motor vehicle which is financed or leased by a ~~financier,~~ creditor  
20 is prohibited if:

21 (a) Disablement of the motor vehicle will occur while the engine of the motor  
22 vehicle is running;

23 (b) The ~~electronic repossession technology,~~ use of the starter interrupt  
24 technology causes an audible warning which lasts longer than 20 seconds upon  
25 starting or shutting off the engine of the motor vehicle;

26 (c) ~~The financier has reason to know that the use of the vehicle repossession~~  
27 ~~technology will result in substantial injury or harm to the debtor or lessee, as~~  
28 ~~applicable, the public health, safety or welfare, or will in any way adversely affect~~  
29 ~~any third party; or~~

30 ~~(d) Less than 10 days have lapsed since the default or breach of the contract~~  
31 ~~by the ~~debtor or lessee,~~ consumer, if the default or breach of the contract is the~~  
32 ~~first such instance of a default or breach of the contract by the consumer; or~~

33 (d) Less than 5 days have lapsed since the default or breach of the contract  
34 by the consumer, if the default or breach of the contract is not the first such  
35 instance of a default or breach of the contract by the consumer.

36 4. ~~A debtor or lessee, as applicable, may not waive any of the provisions of~~  
37 ~~this section.~~

38 ~~5. The failure by a ~~financier,~~ creditor to comply with any provision of this~~  
39 ~~section constitutes a deceptive trade practice in violation of NRS 598.0923, and a~~  
40 ~~debtor or lessee, as applicable, consumer may file a claim for relief. In addition~~  
41 ~~to any other remedy available pursuant to NRS 41.600, ~~chapter 598 of~~ NRS~~  
42 ~~598.0903 to 598.0999, inclusive, and section 1 of this act or any other provision of~~  
43 ~~law, a ~~debtor or lessee, as applicable,~~ consumer who prevails in an action~~  
44 ~~pursuant to this subsection must be awarded a ~~minimum,~~ maximum of \$1,000 as~~  
45 ~~statutory damages ~~for~~, or damages pursuant to subsection 3 of NRS 104.9625, if~~  
46 ~~applicable, whichever is greater.~~

47 ~~6. The Commissioner of Financial Institutions shall prescribe, by~~  
48 ~~regulation, forms for contracts for the use of electronic repossession technology.~~

49 ~~7. 5. The provisions of this section do not apply to a transaction between a~~  
50 ~~creditor and a business entity that purchases or leases motor vehicles for use~~  
51 ~~within the scope of the business.~~

52 6. As used in this section, unless the context otherwise requires:

~~(a) [“Electronic repossession technology” means a device that has electrical, digital, magnetic or wireless optical electromagnetic properties or similar capabilities, including, without limitation, electronic tracking technology and starter interrupt technology.]~~ “Consumer” means a borrower, retail buyer or lessee who purchases or leases a motor vehicle primarily for personal, family or household use.

(b) “Creditor” means a lender, dealer or long-term lessor or any assignee of a lender, dealer or long-term lessor of a motor vehicle.

(c) “Dealer” has the meaning ascribed to it in NRS 482.020.

(d) “Electronic tracking technology” means global positioning satellite or similar technology used to obtain or record the location of a motor vehicle.

~~(e) “Financier” means a secured party who finances the sale of a motor vehicle, a lessor who leases a motor vehicle to a lessee or any successor in interest to such a secured party or lessor.~~

~~(d) “Financing contract” means a retail installment contract or lease agreement between a financier and a debtor or lessee, as applicable, for financing the purchase or lease of a motor vehicle.~~

(e) “Lease” has the meaning ascribed to it in NRS 482.053.

(f) “Long-term lessor” has the meaning ascribed to it in NRS 482.053.

(g) “Retail installment contract” has the meaning ascribed to it in NRS 97.105.

~~(f) “Secured party” has the meaning ascribed to it in NRS 104.9102.~~

~~(g) (h) “Starter interrupt technology” means technology used to remotely disable the starter of a motor vehicle.~~

(i) “Transaction” means a retail installment sale, loan or lease between a creditor and a consumer, as applicable, for the purchase, refinance or lease of a motor vehicle, or the reinstatement of a purchase, refinance or lease of a motor vehicle.

**Sec. 1.1. NRS 598.0903 is hereby amended to read as follows:**

598.0903 As used in NRS 598.0903 to 598.0999, inclusive, and section 1 of this act, unless the context otherwise requires, the words and terms defined in NRS 598.0905 to 598.0947, inclusive, have the meanings ascribed to them in those sections.

**Sec. 1.2. NRS 598.0923 is hereby amended to read as follows:**

598.0923 A person engages in a “deceptive trade practice” when in the course of his or her business or occupation he or she knowingly:

1. Conducts the business or occupation without all required state, county or city licenses.

2. Fails to disclose a material fact in connection with the sale or lease of goods or services.

3. Violates a state or federal statute or regulation relating to the sale or lease of goods or services.

4. Uses coercion, duress or intimidation in a transaction.

5. As the seller in a land sale installment contract, fails to:

(a) Disclose in writing to the buyer:

(1) Any encumbrance or other legal interest in the real property subject to such contract; or

(2) Any condition known to the seller that would affect the buyer’s use of such property.

(b) Disclose the nature and extent of legal access to the real property subject to such agreement.

(c) Record the land sale installment contract pursuant to NRS 111.315 within 30 calendar days after the date upon which the seller accepts the first payment from the buyer under such a contract.

(d) Pay the tax imposed on the land sale installment contract pursuant to chapter 375 of NRS.

(e) Include terms in the land sale installment contract providing rights and protections to the buyer that are substantially the same as those under a foreclosure pursuant to chapter 40 of NRS.

As used in this subsection, "land sale installment contract" has the meaning ascribed to it in paragraph (d) of subsection 1 of NRS 375.010.

**6. Violates the provisions of section 1 of this act.**

**Sec. 1.4. NRS 598.0955 is hereby amended to read as follows:**

598.0955 1. The provisions of NRS 598.0903 to 598.0999, inclusive, **and section 1 of this act** do not apply to:

(a) Conduct in compliance with the orders or rules of, or a statute administered by, a federal, state or local governmental agency.

(b) Publishers, including outdoor advertising media, advertising agencies, broadcasters or printers engaged in the dissemination of information or reproduction of printed or pictorial matter who publish, broadcast or reproduce material without knowledge of its deceptive character.

(c) Actions or appeals pending on July 1, 1973.

2. The provisions of NRS 598.0903 to 598.0999, inclusive, **and section 1 of this act** do not apply to the use by a person of any service mark, trademark, certification mark, collective mark, trade name or other trade identification which was used and not abandoned prior to July 1, 1973, if the use was in good faith and is otherwise lawful except for the provisions of NRS 598.0903 to 598.0999, inclusive, **§, and section 1 of this act.**

**Sec. 1.5. NRS 598.0963 is hereby amended to read as follows:**

598.0963 1. Whenever the Attorney General is requested in writing by the Commissioner or the Director to represent him or her in instituting a legal proceeding against a person who has engaged or is engaging in a deceptive trade practice, the Attorney General may bring an action in the name of the State of Nevada against that person on behalf of the Commissioner or Director.

2. The Attorney General may institute criminal proceedings to enforce the provisions of NRS 598.0903 to 598.0999, inclusive, **§, and section 1 of this act.** The Attorney General is not required to obtain leave of the court before instituting criminal proceedings pursuant to this subsection.

3. If the Attorney General has reason to believe that a person has engaged or is engaging in a deceptive trade practice, the Attorney General may bring an action in the name of the State of Nevada against that person to obtain a temporary restraining order, a preliminary or permanent injunction, or other appropriate relief.

4. If the Attorney General has cause to believe that a person has engaged or is engaging in a deceptive trade practice, the Attorney General may issue a subpoena to require the testimony of any person or the production of any documents, and may administer an oath or affirmation to any person providing such testimony. The subpoena must be served upon the person in the manner required for service of process in this State or by certified mail with return receipt requested. An employee of the Attorney General may personally serve the subpoena.

**Sec. 1.6. NRS 598.0967 is hereby amended to read as follows:**

598.0967 1. The Commissioner and the Director, in addition to other powers conferred upon them by NRS 598.0903 to 598.0999, inclusive, **and section 1 of this act,** may issue subpoenas to require the attendance of witnesses or the production of documents, conduct hearings in aid of any investigation or inquiry

and prescribe such forms and adopt such regulations as may be necessary to administer the provisions of NRS 598.0903 to 598.0999, inclusive, H, and section 1 of this act. Such regulations may include, without limitation, provisions concerning the applicability of the provisions of NRS 598.0903 to 598.0999, inclusive, and section 1 of this act to particular persons or circumstances.

2. Service of any notice or subpoena must be made as provided in N.R.C.P. 45(c).

**Sec. 1.8. 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, and section 1 of this act 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, H, and section 1 of this act.

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, and section 1 of this act, 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, and section 1 of this act, 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, 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. 1.9. NRS 11.190 is hereby amended to read as follows:**

11.190 Except as otherwise provided in NRS 40.4639, 125B.050 and 217.007, actions other than those for the recovery of real property, unless further limited by specific statute, may only be commenced as follows:

1. Within 6 years:

(a) An action upon a judgment or decree of any court of the United States, or of any state or territory within the United States, or the renewal thereof.

(b) An action upon a contract, obligation or liability founded upon an instrument in writing, except those mentioned in the preceding sections of this chapter.

2. Within 4 years:

(a) An action on an open account for goods, wares and merchandise sold and delivered.

(b) An action for any article charged on an account in a store.

(c) An action upon a contract, obligation or liability not founded upon an instrument in writing.

(d) An action against a person alleged to have committed a deceptive trade practice in violation of NRS 598.0903 to 598.0999, inclusive, and section 1 of this act, but the cause of action shall be deemed to accrue when the aggrieved party discovers, or by the exercise of due diligence should have discovered, the facts constituting the deceptive trade practice.

3. Within 3 years:

(a) An action upon a liability created by statute, other than a penalty or forfeiture.

(b) An action for waste or trespass of real property, but when the waste or trespass is committed by means of underground works upon any mining claim, the cause of action shall be deemed to accrue upon the discovery by the aggrieved party of the facts constituting the waste or trespass.

(c) An action for taking, detaining or injuring personal property, including actions for specific recovery thereof, but in all cases where the subject of the action is a domestic animal usually included in the term "livestock," which has a recorded mark or brand upon it at the time of its loss, and which strays or is stolen from the true owner without the owner's fault, the statute does not begin to run against an action for the recovery of the animal until the owner has actual knowledge of such facts as would put a reasonable person upon inquiry as to the possession thereof by the defendant.

(d) Except as otherwise provided in NRS 112.230 and 166.170, an action for relief on the ground of fraud or mistake, but the cause of action in such a case shall be deemed to accrue upon the discovery by the aggrieved party of the facts constituting the fraud or mistake.

(e) An action pursuant to NRS 40.750 for damages sustained by a financial institution or other lender because of its reliance on certain fraudulent conduct of a



1 borrower, but the cause of action in such a case shall be deemed to accrue upon the  
2 discovery by the financial institution or other lender of the facts constituting the  
3 concealment or false statement.

4 4. Within 2 years:

5 (a) An action against a sheriff, coroner or constable upon liability incurred by  
6 acting in his or her official capacity and in virtue of his or her office, or by the  
7 omission of an official duty, including the nonpayment of money collected upon an  
8 execution.

9 (b) An action upon a statute for a penalty or forfeiture, where the action is  
10 given to a person or the State, or both, except when the statute imposing it  
11 prescribes a different limitation.

12 (c) An action for libel, slander, assault, battery, false imprisonment or  
13 seduction.

14 (d) An action against a sheriff or other officer for the escape of a prisoner  
15 arrested or imprisoned on civil process.

16 (e) Except as otherwise provided in NRS 11.215, an action to recover damages  
17 for injuries to a person or for the death of a person caused by the wrongful act or  
18 neglect of another. The provisions of this paragraph relating to an action to recover  
19 damages for injuries to a person apply only to causes of action which accrue after  
20 March 20, 1951.

21 (f) An action to recover damages under NRS 41.740.

22 5. Within 1 year:

23 (a) An action against an officer, or officer de facto to recover goods, wares,  
24 merchandise or other property seized by the officer in his or her official capacity, as  
25 tax collector, or to recover the price or value of goods, wares, merchandise or other  
26 personal property so seized, or for damages for the seizure, detention or sale of, or  
27 injury to, goods, wares, merchandise or other personal property seized, or for  
28 damages done to any person or property in making the seizure.

29 (b) An action against an officer, or officer de facto for money paid to the  
30 officer under protest, or seized by the officer in his or her official capacity, as a  
31 collector of taxes, and which, it is claimed, ought to be refunded.

32 **Sec. 2.** NRS 97.165 is hereby amended to read as follows:

33 97.165 1. Every retail installment contract must be contained in a single  
34 document which must contain the entire agreement of the parties, including any  
35 promissory notes or other evidences of indebtedness between the parties relating to  
36 the transaction, except as otherwise provided in NRS 97.205, ~~and~~ 97.235, **97.299**  
37 **and section 1 of this act**, but:

38 (a) If the buyer's obligation to pay the total of payments is represented by a  
39 promissory note secured by a chattel mortgage or other security agreement, the  
40 promissory note may be a separate instrument if the mortgage or security agreement  
41 recites the amount and terms of payment of that note and the promissory note  
42 recites that it is secured by a mortgage or security agreement.

43 (b) In a transaction involving the repair, alteration or improvement upon or in  
44 connection with real property, the contract may be secured by a mortgage or deed  
45 of trust on the real property contained in a separate document. Retail sales  
46 transactions for home improvements which are financed or insured by the Federal  
47 Housing Administration are not subject to the provisions of this chapter.

48 ~~1. (c) In a transaction involving the purchase of a motor vehicle, the parties~~  
49 ~~may enter into an agreement contained in a separate document authorizing the~~  
50 ~~use of electronic repossession technology in accordance with the provisions of~~  
51 ~~section 1 of this act.~~

52 2. The contract must be dated, signed by the retail buyer and completed as to  
53 all essential provisions, except as otherwise provided in NRS 97.205, 97.215 and

97.235. The printed or typed portion of the contract, other than instructions for completion, must be in a size equal to at least 8-point type.

3. Any fee charged to the retail buyer for his or her cancellation of a retail installment contract within 72 hours after its execution is prohibited unless notice of the fee is clearly set forth in the printed or typed portion of the contract.

~~4. As used in this section, "electronic repossession technology" has the meaning ascribed to it in paragraph (a) of subsection 7 of section 1 of this act.~~

**Sec. 2.5. NRS 97.299 is hereby amended to read as follows:**

97.299 1. The Commissioner of Financial Institutions shall prescribe, by regulation, forms for the application for credit and retail installment contracts to be used in the sale of vehicles if:

(a) The sale involves the taking of a security interest to secure all or a part of the purchase price of the vehicle;

(b) The application for credit is made to or through the seller of the vehicle;

(c) The seller is a dealer; and

(d) The sale is not a commercial transaction.

2. The ~~form~~ application for credit and retail installment contracts prescribed pursuant to subsection 1 ~~must meet the requirements of NRS 97.165,~~ are not required to be contained in a single document in accordance with the requirements prescribed in NRS 97.165. The application for credit and retail installment contracts must be accepted and acted upon by any lender to whom the application for credit is made and, in addition to the information required in NRS 97.185 and required to be disclosed in such a transaction by federal law, must:

(a) Identify and itemize the items embodied in the cash sale price, including the amount charged for a contract to service the vehicle after it is purchased.

(b) In specifying the amount of the buyer's down payment, identify the amounts paid in money and allowed for property given in trade and the amount of any manufacturer's rebate applied to the down payment.

(c) Contain a description of any property given in trade as part of the down payment.

(d) Contain a description of the method for calculating the unearned portion of the finance charge upon prepayment in full of the unpaid total of payments as prescribed in NRS 97.225.

(e) Contain a provision that default on the part of the buyer is only enforceable to the extent that:

(1) The buyer fails to make a payment as required by the agreement; or

(2) The prospect of payment, performance or realization of collateral is significantly impaired. The burden of establishing the prospect of significant impairment is on the seller.

(f) Include the following notice in at least 10-point bold type:

#### NOTICE TO BUYER

Do not sign this agreement before you read it or if it contains any blank spaces. You are entitled to a completed copy of this agreement. If you pay the amount due before the scheduled date of maturity of the indebtedness and you are not in default in the terms of the contract for more than 2 months, you are entitled to a refund of the unearned portion of the finance charge. If you fail to perform your obligations under this agreement, the vehicle may be repossessed and you may be liable for the unpaid indebtedness evidenced by this agreement.

1           3. The Commissioner shall arrange for or otherwise cause the translation into  
2 Spanish of the forms prescribed pursuant to subsection 1.

3           4. If a change in state or federal law requires the Commissioner to amend the  
4 forms prescribed pursuant to subsection 1, the Commissioner need not comply with  
5 the provisions of chapter 233B of NRS when making those amendments.

6           5. As used in this section:

7           (a) "Commercial transaction" means any sale of a vehicle to a buyer who  
8 purchases the vehicle solely or primarily for commercial use or resale.

9           (b) "Dealer" has the meaning ascribed to it in NRS 482.020.

10          **Sec. 3.** This act becomes effective upon passage and approval for the  
11 purposes of adopting any regulations or performing any preparatory administrative  
12 tasks that are necessary to carry out the provisions of this act, and on October 1,  
13 2015, for all other purposes.