

ASSEMBLY BILL NO. 15—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE ATTORNEY GENERAL)

PREFILED NOVEMBER 15, 2018

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing crimes. (BDR 15-409)

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 crimes; prohibiting the preparation or delivery of documents that simulate legal process for certain purposes; revising provisions governing crimes related to certain financial transactions; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill makes it unlawful for a person to cause to be prepared or delivered to another person any document that simulates a summons, complaint, judgment, order or other legal process with the intent to: (1) induce payment of a claim from another person; or (2) induce another person to submit to the putative authority of the document or take or refrain from taking certain actions. **Section 1** provides that a person who violates any such provision is guilty of a category D felony. **Section 1** also establishes the circumstances: (1) in which a rebuttable presumption exists that a person intended to violate any such provision; and (2) that do not constitute a defense to a prosecution under the section.

Existing law provides that if a monetary instrument represents the proceeds of or is derived from any unlawful activity, it is unlawful for a person who has knowledge of that fact to conduct or attempt to conduct a financial transaction involving such monetary instrument or transport or attempt to transport the monetary instrument, if the person has the intent to further any unlawful activity or has certain other knowledge. (NRS 207.195) **Section 1.5** of this bill: (1) increases the penalty for a violation of any such provision from a category D to a category C felony; and (2) includes other property that represents the proceeds of or is derived from any unlawful activity in such provisions.

Existing law also provides that it is unlawful for any person to conduct or attempt to conduct a financial transaction with the intent to evade any regulation governing the records of certain casinos regarding transactions involving cash. A person who violates such a provision is guilty of a category D felony. (NRS 207.195) **Section 1.5:** (1) expands the prohibition and makes it unlawful for any



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person to conduct or attempt to conduct a financial transaction with the intent to evade any provision of federal or state law that requires the reporting of a financial transaction; and (2) provides that a person who violates such a provision is guilty of a category C felony.

Section 1.5 additionally makes it unlawful for a person to conduct or attempt to conduct a financial transaction concerning any monetary instrument or other property that has a value of \$5,000 or more with the knowledge that the monetary instrument or other property is directly or indirectly derived from any unlawful activity. A person who violates such a provision is guilty of a category C felony.

Section 1.5 further: (1) provides that each violation of the section involving one or more monetary instruments, financial transactions or property valued at \$5,000 or more is a separate offense; (2) provides that the section must not be construed to prohibit any financial transaction relating to the medical use of marijuana or the regulation or taxation of marijuana; and (3) revises the definition of "monetary instrument" to include virtual currency.

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

Section 1. Chapter 207 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Any person who causes to be prepared or delivered to another person any document that simulates a summons, complaint, judgment, order or other legal process with the intent to:

(a) Induce payment of a claim from another person; or

(b) Induce another person to:

(1) Submit to the putative authority of the document; or

(2) Take any action or refrain from taking any action:

(I) In response to or on the basis of the document; or

(II) To comply with the document,

↪ is guilty of a category D felony and shall be punished as provided in NRS 193.130.

2. There is a rebuttable presumption that a person intended to violate the provisions of this section if the person files with or presents or delivers to any court in this State any document that simulates a summons, complaint, judgment, order or other legal process.

3. It is not a defense to a prosecution under this section that a document that simulates a summons, complaint, judgment, order or other legal process states that the document is not legal process or purports to have been issued or authorized by a person or entity who does not have the lawful authority to issue or authorize the document.

4. As used in this section, "action" includes, without limitation:

(a) Making a court appearance;



(b) *Obtaining legal counsel;*

(c) *Acting upon a perceived conflict created by a document that simulates a summons, complaint, judgment, order or other legal process; or*

(d) *Recusal.*

Sec. 1.5. NRS 207.195 is hereby amended to read as follows:

207.195 1. If a monetary instrument *or other property* represents the proceeds of or is directly or indirectly derived from any unlawful activity, it is unlawful for a person, having knowledge of that fact:

(a) To conduct or attempt to conduct a financial transaction involving the *monetary* instrument ~~or~~ *or other property*:

(1) With the intent to further any unlawful activity;

(2) With the knowledge that the transaction conceals the location, source, ownership or control of the *monetary* instrument ~~or~~ *or other property*; or

(3) With the knowledge that the transaction evades any provision of federal or state law that requires the reporting of a financial transaction.

(b) To transport or attempt to transport the monetary instrument ~~or~~ *or other property*:

(1) With the intent to further any unlawful activity;

(2) With the knowledge that the transportation conceals the location, source, ownership or control of any proceeds derived from unlawful activity; or

(3) With the knowledge that the transportation evades any provision of federal or state law that requires the reporting of a financial transaction.

2. *It is unlawful for any person to conduct or attempt to conduct a financial transaction concerning any monetary instrument or other property that has a value of \$5,000 or more with the knowledge that the monetary instrument or other property is directly or indirectly derived from any unlawful activity.*

3. It is unlawful for any person to conduct or attempt to conduct a financial transaction with the intent to evade ~~a regulation adopted pursuant to NRS 463.125.~~

~~—3.~~ *any provision of federal or state law that requires the reporting of a financial transaction.*

4. A person who violates any provision of subsection 1, ~~or~~ 2 *or 3* is guilty of a category ~~D~~ C felony and shall be punished as provided in NRS 193.130.

~~4.~~ 5. Each violation of ~~subsection 1 or 2~~ *this section* involving one or more monetary instruments ~~totaling \$10,000~~ *, financial transactions or property valued at \$5,000* or more shall be deemed a separate offense.



~~15.1~~ 6. *The provisions of this section must not be construed to prohibit any financial transaction conducted pursuant to chapter 453A or 453D of NRS.*

7. As used in this section:

(a) “Financial transaction” means any purchase, sale, loan, pledge, gift, transfer, deposit, withdrawal or other exchange involving a monetary instrument ~~15.1~~ *or other property*. The term does not include any instrument or transaction for the payment of assistance of counsel in a criminal prosecution.

(b) “Monetary instrument” includes any coin or currency of the United States or any other country, any traveler’s check, personal check, money order, bank check, cashier’s check, *virtual currency*, stock, bond, precious metal, precious stone or gem or any negotiable instrument to which title passes upon delivery. The term does not include any instrument or transaction for the payment of assistance of counsel in a criminal prosecution.

(c) “Unlawful activity” includes any crime related to racketeering as defined in NRS 207.360 or any offense punishable as a felony pursuant to state or federal statute. The term does not include any procedural error in the acceptance of a credit instrument, as defined in NRS 463.01467, by a person who holds a nonrestricted gaming license.

Sec. 2. This act becomes effective on July 1, 2019.

