

ASSEMBLY BILL NO. 454—COMMITTEE  
ON COMMERCE AND LABOR

MARCH 25, 2019

Referred to Committee on Growth an Infrastructure

SUMMARY—Revises provisions relating to advertising vehicles for sale. (BDR 43-936)

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 motor vehicles; revising provisions relating to the prohibition against certain types of advertising by vehicle dealers and rebuilders and the enforcement of the prohibition by a civil action; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law prohibits a vehicle dealer or rebuilder from employing certain types of advertising which are misleading or inaccurate or which misrepresent any of the products available to the public. (NRS 482.351) A person may bring an action for consumer fraud against a vehicle dealer or rebuilder for a violation of this prohibition, and may seek damages, equitable relief and the person’s costs and attorney’s fees for bringing the action. (NRS 41.600) **Section 1** of this bill defines “advertising” for the purposes of such prohibitions on vehicle dealers and rebuilders, and **section 2** of this bill clarifies that a person does not need to show actual monetary or pecuniary loss or damages to bring an action alleging a violation of this prohibition.

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

**Section 1.** NRS 482.351 is hereby amended to read as follows:  
482.351 1. No vehicle dealer or rebuilder may employ “bait and switch” advertising or otherwise intentionally publish, display or circulate any advertising which is misleading or inaccurate in any material particular or which misrepresents any of the products sold, leased, manufactured, handled or furnished to the public.



2. The Director shall adopt such regulations as may be necessary for making the administration of this section effective.

3. As used in this section, "bait and switch" advertising consists of an offer to sell goods or services which the seller in truth may not intend or desire to sell, accompanied by one or more of the following practices:

(a) Refusal to show the goods advertised.

(b) Disparagement in any material respect of the advertised goods or services or the terms of sale.

(c) Requiring other sales or other undisclosed conditions to be met before selling the advertised goods or services.

(d) Refusal to take orders for the goods or services advertised for delivery within a reasonable time.

(e) Showing or demonstrating defective goods which are unusable or impractical for the purposes set forth in the advertisement.

(f) Accepting a deposit for the goods or services and subsequently switching the purchase order to higher priced goods or services.

*4. As used in this section, "advertising" means any written, electronic or printed communications or a communication by recorded television message, radio, television, the Internet or a similar medium of communication which is published, communicated or otherwise placed before the public to either directly or indirectly create an interest in, or induce a person to enter into, any obligation relating to the purchase or lease of a new vehicle or used vehicle.*

**Sec. 2.** NRS 41.600 is hereby amended to read as follows:

41.600 1. An action may be brought by any person who is a victim of consumer fraud.

2. As used in this section, "consumer fraud" means:

(a) An unlawful act as defined in NRS 119.330;

(b) An unlawful act as defined in NRS 205.2747;

(c) An act prohibited by NRS 482.36655 to 482.36667, inclusive;

(d) An act prohibited by NRS 482.351; or

(e) A deceptive trade practice as defined in NRS 598.0915 to 598.0925, inclusive.

3. If the claimant is the prevailing party, the court shall award the claimant:

(a) Any damages that the claimant has sustained;

(b) Any equitable relief that the court deems appropriate; and

(c) The claimant's costs in the action and reasonable attorney's fees.



1        4. Any action brought pursuant to this section is not an action  
2 upon any contract underlying the original transaction.

3        *5. A person may bring an action pursuant to paragraph (d) of*  
4 *subsection 1 without proof of any actual monetary or pecuniary*  
5 *loss or damage.*

