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Business Associations and Professions; Collection Agencies

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Business Associations and Professions; contractors—rebuttable presumption

NEV. REV. STAT. § 624 (new); §§ 624.3011; 624.307 (amended).
SB 241 (Committee on Commerce and Labor); 1987 STAT. Ch 476

Existing law requires a contractor¹ to include the contractor's name and license number in an advertisement² for construction projects.³ Chapter 476 requires a contractor to display the contractor's license number on each commercial motor vehicle.⁴ In addition, Chapter 476 provides for a rebuttable presumption of willful and deliberate violation of the building laws if a contractor performs construction without obtaining any necessary building permit.⁵ Existing law prohibits a contractor from advertising unless the contractor has a valid license.⁶ Chapter 476 extends this prohibition to advertising on a motor vehicle.⁷

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1. NEV. REV. STAT. § 624.020 (definition of contractor).
 2. *Id.* § 624.307 2 (definition of advertising).
 3. *Id.* § 624.3017 2.
 4. 1987 Nev. Stat. ch. 476, sec. 1, at ____ (enacting NEV. REV. STAT. § 624.____); NEV. REV. STAT. § 484.217 (definition of motor vehicle).
 5. 1987 Nev. Stat. ch. 476, sec. 2, at ____ (enacting NEV. REV. STAT. § 624.3011 2) (the State Contractor's Board cannot require the contractor to obtain a permit more than 90 days after the construction is completed). *See id.* § 624.010 (definition of the State Contractor's Board); *id.* § 278.010 2 (definition of building code).
 6. *Id.* § 624.307 2 (amended by 1987 Nev. Stat. ch. 476, sec. 3, at ____); *id.* § 624.230 (contracting without a valid license is unlawful).
 7. 1987 Nev. Stat. ch. 476, sec. 3, at ____ (enacting NEV. REV. STAT. § 624.307 2).

Business Associations and Professions; collection agencies

NEV. REV. STAT. § 649.____ (new); §§ 649.295, 649.355, 649.395 (amended).
SB 125 (Committee on Commerce and Labor); 1987 STAT. Ch 644

Existing law allows for the operation and licensing of collection agencies¹ by the administrator of financial institutions.² Chapter 644

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1. NEV. REV. STAT. § 649.020 (definition of collection agency).
 2. *Id.* §§ 649.075-.165 (licensing procedures for collection agencies and agents).

expands existing law by authorizing the administrator to issue permits for the operation of branch offices.³ Thus, a licensed collection agency may apply to the administrator for a permit to operate a branch office in a location not previously approved by the license.⁴ Prior to issuing a permit, Chapter 644 requires the administrator to examine and find the operation of the principal office of the collection agency to be satisfactory.⁵ Moreover, Chapter 644 requires the branch office to have a manager⁶ on the premises during regular business hours.⁷

Under Chapter 644, in an investigation or hearing, the administrator may compel the attendance of a person by subpoena, administer oaths, examine a person under oath, and require the production of any books, records or papers.⁸ If the collection agency is conducting business in violation of Chapter 644 or without proper licensing, the administrator may notify the district attorney or bring suit in the name of the State of Nevada.⁹ The administrator also may impose an administrative fine for each violation if the agency intentionally or repeatedly commits a violation of Chapter 644.¹⁰ Under Chapter 644, the administrator may suspend or revoke a license if the collection agency is found liable for a breach of a bond, is found guilty of fraud, misrepresentation, or of an act or omission inconsistent with the faithful discharge of the agency's duties, or has violated Chapter 644.¹¹ Under existing law the suspension or revocation must be in writing and served on the licensee by registered or certified mail.¹² Chapter 644 provides that the administrator may revoke or

2. *Id.* §§ 649.075-.165 (licensing procedures for collection agencies and agents).

3. See 1987 Nev. Stat. ch. 644, sec. 4, at ___ (enacting NEV. REV. STAT. § 649.____); *id.*, sec. 7, at ___ (amending NEV. REV. STAT. § 649.295); *id.*, sec. 8, at ___ (amending NEV. REV. STAT. § 649.355); *id.*, sec. 9, at ___ (amending NEV. REV. STAT. § 649.395).

4. *Id.*, sec. 4, at ___ (enacting NEV. REV. STAT. § 649.____).

5. *Id.*

6. NEV. REV. STAT. § 649.035 (definition of manager).

7. 1987 Nev. Stat. ch. 644, sec. 4, at ___ (enacting NEV. REV. STAT. § 649.____).

8. 1987 Nev. Stat. ch. 644, sec. 2, at ___ (enacting NEV. REV. STAT. § 649.____).

9. *Id.*, sec. 3, at ___ (enacting NEV. REV. STAT. § 649.____). If the administrator brings suit, the district court may grant injunctions to prevent and restrain the agency from such practices. *Id.* The findings of the administrator are to be considered prima facie evidence and sufficient grounds, in the discretion of the court, for the issue ex parte of a temporary restraining order. *Id.*

10. 1987 Nev. Stat. ch. 644, sec. 5, at ___ (enacting NEV. REV. STAT. § 649.____). The administrator must give written notice to a collection agency that a violation of the provisions of Chapter 644 or of the administrative regulations has occurred and afford the collection agency a reasonable time to correct the agency's action before imposing a fine. *Id.* Only a single fine may be imposed for the violation, regardless of the number of violations that occurred before the notice was given. *Id.*

11. 1987 Nev. Stat. ch. 644, sec. 7, at ___ (amending NEV. REV. STAT. § 649.355); NEV. REV. STAT. § 649.395 (amended by 1987 Nev. Stat. ch. 644, sec. 9, at ___).

12. NEV. REV. STAT. § 649.395 (amended by 1987 Nev. Stat. ch. 644, sec. 9, at ___).

suspend the license without notice of a hearing if the action is necessary for immediate protection of the public and the licensee is afforded a hearing to contest the suspension or revocation within twenty days after the written order is served upon the agency.¹³

Existing law provides that the agency maintain a separate bank account in which all money collected be deposited.¹⁴ Chapter 644 requires the account be maintained in a bank located in Nevada and further requires that the collection records be maintained at the premises where the permit authorizes the agency to conduct business.¹⁵ In addition, Chapter 644 further provides that each collection agency maintain a signed contract¹⁶ with each customer.¹⁷

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13. *Id.*

14. NEV. REV. STAT. § 649.355 (2), (3) (amended by 1987 Nev. Stat. ch. 644, sec. 8 at ___).

15. *Id.* If the administrator finds that a licensee's records are not maintained. The administrator may require the licensee to deliver an audited financial statement prepared from the records by a certified public accountant who is licensed by the state. *Id.*

16. 1987 NEV. REV. STAT. ch. 644, sec. 6, at ___ (enacting NEV. REV. STAT. § 649.____). The contract must include: (1) The fee charged by the agency; (2) the manner in which any interest collected is shared between the customer and the agency; and (3) the rules governing the return of accounts, as established by regulations adopted by the administrator. *Id.*

17. 1987 Nev. Stat. ch. 644, sec. 6, at ___ (enacting NEV. REV. STAT. § 649.____) (contracts which are transferred from a collection agency in another state are exempt). NEV. REV. STAT. § 649.030 (definition of customer).

Business Associations and Professions; controlled substances-taxation

NEV. REV. STAT. § 000.____ (new); § 171.085 (amended).

SB 144 (Vergiels); 1987 STAT. Ch 717

(Effective June 22, 1987)

Existing law provides for the taxation of specific activities, including the taxation of alcohol and tobacco.¹ Chapter 717² provides that a person who sells,³ offers to sell, or possesses with the intent to

1. NEV. REV. STAT. §§ 369.010-.550 (taxation of intoxicating liquor), 370.001-.530 (taxation of tobacco).

2. Chapter 717 amends Title 32 of NEV. REV. STAT. by adding a new chapter thereto. 1987 Nev. Stat. ch. 717, sec. 5, at ___.

3. Sell includes exchange, barter, solicitation or receipt of an order, transfer to another for sale or resale, possession, or transportation in contravention of Chapter 717, and any