Consumer Protection; membership clubs

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Consumer Protection

unused rent and value of the unused LPG. Chapter 768 also requires the Board to arbitrate complaints between customers and dealers of LPG.

BJW

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3. Id. sec. 13, at 1839 (amending Nev. Rev. Stat. § 590.515). Chapter 768 allows the Board to impose fines or take any other actions deemed appropriate when there is a violation of: (1) a regulation adopted by the Board; (2) a health or safety law; or (3) any other act which the Board deems to be against the best interest of the public. 1989 Nev. Stat. ch. 768, sec. 15, at 1840 (amending Nev. Rev. Stat. § 590.605).

Consumer Protection; membership clubs

Nev. Rev. Stat. § 598... (new); § 598.805 (amended).
SB 341 (Townsend); 1989 Stat. Ch. 848

Chapter 848 requires the owner of a membership club1 to register with the Consumer Affairs Division of the Department of Commerce2 and to either deposit a bond,3 a letter of credit,4 or a certificate of deposit5 against which any aggrieved buyer6 may bring an action.7 In addition, Chapter 848 provides that a membership contract must have specific terms, and must contain a cancellation clause.8 Any

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1. See 1989 Nev. Stat. ch. 848, sec. 2, at 2037 (enacting Nev. Rev. Stat. § 598... (definition of membership club). Chapter 848 establishes trade practices for any membership club which requires membership payment or dues in return for usage or services. Id.
3. See id. sec. 5 at 2038 (the bond must be approved by a licensed surety).
4. See id. (must be issued by a bank whose assets are federally insured).
5. See id. (must be in a federally insured financial institution).
6. See id. sec. 2 at 2037 (definition of buyer).
7. Id. sec. 5 at 2038 (buyer damaged by breach of contract or bankruptcy may bring an action). The requirement for deposit of a bond, letter of credit, or certificate of deposit does not apply where a membership club has been in business for at least four years with the same ownership, or in the case of a corporation, where not more than 25 percent of its shares have been transferred. Id. If the requirement for posting security is not complied with, the club must post notice of non-compliance and get written acknowledgment from each member. Id. The amount of the bond, letter of credit or certificate of deposit must be between $10,000 and $50,000, depending on the size of membership. Id. If a club sells memberships prior to completion of its facilities, the amount of the bond must be $100,000. Id.
8. Id. sec. 6 at 2039 (the contract must be in writing, use the same language as the sales presentation, contain information regarding security, and not include an automatic renewal

Review of Selected Nevada Legislation 49
Consumer Protection

membership contract signed pursuant to a false or misleading representation is unenforceable. Further, a buyer may cancel the membership contract or obtain another remedy if the buyer becomes disabled, the membership club closes, or the club changes its location or service.

DA clause). A buyer may cancel the membership contract by written notification within three business days of its receipt. Id. sec. 7 at 2040. All money paid must be returned to the buyer within 15 days. Id.


11. See 1989 Nev. Stat. ch. 848, sec. 9, at 2040 (enacting Nev. Rev. Stat. § 598__). A buyer who is temporarily disabled may extend the contract for a period equal to the disability; if permanently disabled the buyer may cancel and receive a refund on the contract. Id.

12. See id. sec. 10 at 2040 (if a membership club closes for more than one month, the buyer may elect to extend the period of the contract or receive a refund).

13. Id. sec. 11 at 2040 (if a membership club transfers its services to another club offering fewer services, or moves its location more than 20 miles from the buyer's residence, the buyer is entitled to a proportionate refund or other remedy). It is contrary to public policy for a buyer to waive any of the provisions of Chapter 848, therefore, a waiver will be void. Id., sec. 13. A violation of any provision of this Chapter is a misdemeanor. Id. sec. 14 at 2041.

Consumer Protection; motor vehicle dealers

AB 370 (Nevin); 1989 Stat. Ch. 93

Existing law makes it an unfair act to require a dealer of motor vehicles to release a manufacturer from certain liability. Under

1. A district court may provide injunctive relief or damages for an unfair act. 1989 Nev. Stat. ch. 93, sec. 2, at 209 (amending Nev. Rev. Stat. § 482.3623). Unfair acts includes: (1) raising prices of new vehicles without prior official written notification; (2) preventing dealers from designating others as participants in the franchise; and (3) modifying franchise agreements in violation of the law. Id. sec. 1, at 208 (amending Nev. Rev. Stat. § 482.36423).


3. Id. A release from liability, as imposed by Chapter 482 of the Nevada Revised Statutes, may be determined to be an unfair act. Nev. Rev. Stat. § 482.3638 (1987).