

ASSEMBLY BILL NO. 187—COMMITTEE
ON COMMERCE AND LABOR

MARCH 1, 2013

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing retail installment contracts. (BDR 8-977)

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 retail installment contracts; revising provisions relating to retail installment contracts; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires certain retail installment contracts to be contained in a
2 single document which must contain the entire agreement of the parties. (NRS
3 97.165) This bill amends that requirement, commonly known as the “single
4 document rule,” to provide that it only applies to the agreement of the parties with
5 respect to certain information relating to the total price and the terms of payment.
6 This bill also authorizes a seller to provide to the buyer in a separate document any
7 other disclosures not related to such information.

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

1 **Section 1.** NRS 97.165 is hereby amended to read as follows:
2 97.165 1. Every retail installment contract must be contained
3 in a single document which must contain the entire agreement of the
4 parties ~~+~~ *with respect to the items set forth in NRS 97.185,*
5 including any promissory notes or other evidences of indebtedness
6 between the parties relating to the transaction, except as otherwise
7 provided in NRS 97.205 and 97.235, but:
8 (a) If the buyer’s obligation to pay the total of payments is
9 represented by a promissory note secured by a chattel mortgage or
10 other security agreement, the promissory note may be a separate



1 instrument if the mortgage or security agreement recites the amount
2 and terms of payment of that note and the promissory note recites
3 that it is secured by a mortgage or security agreement.

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

10 (c) *The seller may provide in a separate document any*
11 *disclosure not otherwise related to the items set forth in*
12 *NRS 97.185.*

13 2. The contract must be dated, signed by the retail buyer and
14 completed as to all essential provisions, except as otherwise
15 provided in NRS 97.205, 97.215 and 97.235. The printed or typed
16 portion of the contract, other than instructions for completion, must
17 be in a size equal to at least 8-point type.

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

