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ASSEMBLY BILL NO. 194—ASSEMBLYMEN ANGLE, CARPENTER,  
CHRISTENSEN, GANSERT, GOICOECHEA, GRADY, HETTRICK,  
HOLCOMB, MABEY, MARVEL AND SHERER

MARCH 10, 2005

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Referred to Committee on Judiciary

SUMMARY—Revises provisions governing amount of interest paid by plaintiff in action relating to eminent domain. (BDR 3-850)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
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.

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AN ACT relating to eminent domain; revising the provisions governing the amount of interest a plaintiff must pay in an action relating to eminent domain; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Under existing law, a court may authorize a plaintiff in an eminent domain case  
2 to occupy the premises to be condemned pending the conclusion of the litigation.  
3 (NRS 37.100, 37.170) Before a plaintiff other than the State of Nevada may occupy  
4 the premises, the plaintiff must deposit a bond or money with the court. (NRS  
5 37.100, 37.170) Upon final judgment, the plaintiff must pay interest on the  
6 difference between the amount deposited with the court and the sum of the amount  
7 of compensation awarded and any damages awarded for the severance of the  
8 property, excluding costs and attorney’s fees. (NRS 37.175) The rate of interest is  
9 the prime lending rate as ascertained by the Commissioner of Financial Institutions,  
10 plus 2 percent, and runs from the date the summons is first served until the date the  
11 judgment is satisfied. (NRS 17.130, 37.175)  
12 This bill requires the interest paid by the plaintiff to be compounded annually.

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

- 1       **Section 1.** NRS 37.175 is hereby amended to read as follows:  
2       37.175 1. Except as otherwise provided in this section, the  
3 plaintiff shall pay interest on the final judgment on the difference  
4 between the amount deposited pursuant to NRS 37.100 or 37.170  
5 and the sum of the amount awarded for the taking and any damages  
6 awarded for the severance of the property, excluding costs and  
7 attorney's fees, from the date of the first service of the summons  
8 until the date the judgment is satisfied, at the rate provided in NRS  
9 17.130. *The interest must be compounded annually.*  
10      2. The plaintiff is not required to pay interest on any amount  
11 deposited pursuant to the provisions of NRS 37.100 or 37.170.  
12      3. No interest is required to be paid for the period from the date  
13 of a trial which is continued past 2 years after the date of the first  
14 service of the summons, until the date of entry of judgment, if the  
15 continuance was caused primarily by the defendant or, if there is  
16 more than one defendant, the total delay caused by all the  
17 defendants. As used in this subsection, "primarily" means  
18 the greater amount, quantity or quality of acts of the plaintiff or the  
19 defendant or, if there is more than one defendant, the total delay  
20 caused by all defendants, that would cause the trial to be continued  
21 past 2 years after the date of the first service of the summons.

