

SENATE BILL NO. 17—COMMITTEE ON  
COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE STATE TREASURER)

PREFILED NOVEMBER 16, 2016

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions governing payday lending.  
(BDR 52-409)

FISCAL NOTE: Effect on Local Government: No.  
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.

AN ACT relating to financial services; prohibiting a person who is licensed to operate certain loan services from making certain short-term loans to a customer under certain circumstances; requiring the Commissioner of Financial Institutions to develop, implement and maintain a database storing certain information relating to short-term loans made to customers in this State; providing that information in such a database is confidential; revising requirements for the contents of written loan agreements between licensees and customers; revising various provisions governing short-term loans; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law establishes standards and procedures for the licensing and  
2 regulation of certain short-term loans. (Chapter 604A of NRS) Existing law: (1)  
3 prohibits a licensee who makes deferred deposit loans, single-advance, single-  
4 payment loans or high-interest loans from making more than one such loan to the  
5 same customer at one time or before any outstanding balance on an existing loan  
6 made by that licensee to the customer is paid in full unless certain conditions are  
7 satisfied; and (2) limits the circumstances under which certain new short-term loans  
8 may be used to pay off certain outstanding loans. (NRS 604A.430, 604A.480)  
9 **Section 11** of this bill repeals these provisions of existing law and, instead, **section**  
10 **3** of this bill prohibits a licensee from making a deferred deposit loan, single-  
11 advance, single-payment loan or high-interest loan to a customer if: (1) the  
12 customer has such a loan outstanding with any licensee; or (2) has had such a loan



13 outstanding with any licensee within the 45 days immediately preceding the making  
14 of the loan. To determine whether making a loan would violate this prohibition,  
15 **section 3** requires a licensee to search the database developed, implemented and  
16 maintained by the Commissioner of Financial Institutions pursuant to **section 4** of  
17 this bill. **Section 8** of this bill requires a written loan agreement between a licensee  
18 and a customer for a deferred deposit loan, single-advance, single-payment loan or  
19 high-interest loan to include a signed statement by the customer, certifying that the  
20 customer does not have such a loan outstanding and has not had such a loan  
21 outstanding within the 45 days immediately preceding the making of the loan.

22 **Section 4** of this bill requires the Commissioner of Financial Institutions to  
23 develop, implement and maintain, by contract with a vendor or service provider or  
24 otherwise, a database of all deferred deposit loans, single-advance, single-payment  
25 loans and high-interest loans made in this State. Under **section 4**, a licensee who  
26 makes such loans must enter and update certain information concerning each  
27 deferred deposit loan, single-advance, single-payment loan or high-interest loan  
28 made by the licensee. **Section 4** further requires the Commissioner to charge and  
29 collect a fee from a licensee who is required to enter information into the database  
30 to pay for the administration and operation of the database.

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

1 **Section 1.** Chapter 604A of NRS is hereby amended by  
2 adding thereto the provisions set forth as sections 2, 3 and 4 of this  
3 act.

4 **Sec. 2.** *“Single-advance, single-payment loan” means a*  
5 *transaction in which, pursuant to a loan agreement, a customer is*  
6 *given a single advance equal to the amount financed with payment*  
7 *in full due within 35 days after the date of the transaction.*

8 **Sec. 3. 1.** *A licensee shall not make a deferred deposit loan,*  
9 *single-advance, single-payment loan or high-interest loan to a*  
10 *customer who:*

11 *(a) Currently has such a loan outstanding with the licensee or*  
12 *another licensee; or*

13 *(b) Has had any such loan outstanding with the licensee or*  
14 *another licensee within the 45 days immediately preceding the*  
15 *making of the loan.*

16 **2.** *Before making a deferred deposit loan, single-advance,*  
17 *single-payment loan or high-interest loan, a licensee shall search*  
18 *the database created pursuant to section 4 of this act for a history*  
19 *of loans made to the customer to determine whether making the*  
20 *loan would violate subsection 1.*

21 **Sec. 4. 1.** *The Commissioner shall, by contract with a*  
22 *vendor or service provider or otherwise, develop, implement and*  
23 *maintain a database by which:*



1       (a) A licensee who makes a deferred deposit loan, single-  
2 advance, single-payment loan or high-interest loan to a customer  
3 may determine:

4           (1) Whether the customer has a deferred deposit loan,  
5 single-advance, single-payment loan or high-interest loan  
6 outstanding with any licensee;

7           (2) Whether the customer has had a deferred deposit loan,  
8 single-advance, single-payment loan or high-interest loan  
9 outstanding with any licensee within the immediately preceding 45  
10 days;

11           (3) Whether the customer entered into a repayment plan  
12 pursuant to NRS 604A.475 for a deferred deposit loan, single-  
13 advance, single-payment loan or high-interest loan; and

14           (4) Any other information necessary to comply with the  
15 provisions of this chapter.

16       (b) The Commissioner may determine the original dollar  
17 amount of each deferred deposit loan, single-advance, single-  
18 payment loan or high-interest loan.

19       2. Any information entered into or stored by the database  
20 created pursuant to subsection 1 must be:

21           (a) Accessible to and usable by any licensee in this State; and

22           (b) Protected from fire, theft, loss, destruction, other hazards  
23 and unauthorized access.

24       3. After the development and implementation of the database  
25 created pursuant to subsection 1, a licensee making a deferred  
26 deposit loan, single-advance, single-payment loan or high-interest  
27 loan shall:

28           (a) Enter and update the information set forth in subsection 1  
29 for each such loan made to a customer; and

30           (b) Within 10 business days after ceasing to make such loans  
31 pursuant to this chapter, submit a plan to the Commissioner for  
32 approval, outlining the manner in which the licensee will continue  
33 to comply with this section as long as any such loan made by the  
34 licensee is outstanding.

35       4. The Commissioner shall charge and collect a fee from  
36 each licensee required to enter information into the database  
37 pursuant to subsection 3 for the operation and administration of  
38 the database.

39       5. Any information in the database created pursuant to  
40 subsection 1 is confidential and shall not be considered a public  
41 book or record pursuant to NRS 239.010. The information may be  
42 used by the Commissioner for statistical purposes if the identity of  
43 the persons is not discernible from the information disclosed.

44       6. The Commissioner shall adopt regulations that:



1       (a) *Prescribe the specifications for the information entered*  
2 *into the database;*

3       (b) *Establish standards for the retention, access, reporting,*  
4 *archiving and deletion of information entered into or stored by the*  
5 *database;*

6       (c) *Establish the amount of the fee required pursuant to this*  
7 *section; and*

8       (d) *Are necessary for the administration of the database.*

9       **Sec. 5.** NRS 604A.010 is hereby amended to read as follows:

10       604A.010 As used in this chapter, unless the context otherwise  
11 requires, the words and terms defined in NRS 604A.015 to  
12 604A.125, inclusive, *and section 2 of this act* have the meanings  
13 ascribed to them in those sections.

14       **Sec. 6.** NRS 604A.407 is hereby amended to read as follows:

15       604A.407 1. Except as otherwise provided in this section, for  
16 the purposes of determining whether a loan is a high-interest loan,  
17 when determining whether a lender is charging an annual percentage  
18 rate of more than 40 percent, calculations must be made in  
19 accordance with the Truth in Lending Act and Regulation Z, except  
20 that every charge or fee, regardless of the name given to the charge  
21 or fee, payable directly or indirectly by the customer and imposed  
22 directly or indirectly by the lender must be included in calculating  
23 the annual percentage rate, including, without limitation:

24       (a) Interest;

25       (b) Application fees, regardless of whether such fees are charged  
26 to all applicants or credit is actually extended;

27       (c) Fees charged for participation in a credit plan, whether  
28 assessed on an annual, periodic or nonperiodic basis; and

29       (d) Prepaid finance charges.

30       2. The following charges and fees must be excluded from the  
31 calculation of the annual percentage rate pursuant to subsection 1:

32       (a) Any fees allowed pursuant to NRS 604A.490 or 675.365 for  
33 a check not paid upon presentment or an electronic transfer of  
34 money that fails;

35       (b) Interest accrued after default pursuant to paragraph (c) of  
36 subsection 1 of NRS 604A.485;

37       (c) Charges for an unanticipated late payment, exceeding a  
38 credit limit, or a delinquency, default or similar occurrence; *and*

39       (d) Any premiums or identifiable charges for insurance  
40 permitted pursuant to NRS 675.300. ~~†; and~~

41 ~~—(e) The fee allowed pursuant to NRS 604A.487.†~~

42       3. Calculation of the annual percentage rate in the manner  
43 specified in this section is limited only to the determination of  
44 whether a loan is a high-interest loan and must not be used in  
45 compliance with the disclosure requirements of paragraph ~~(g)~~ (h)



1 of subsection 2 of NRS 604A.410 or any other provisions of this  
2 chapter requiring disclosure of an annual percentage rate in the  
3 making of a loan.

4 **Sec. 7.** NRS 604A.408 is hereby amended to read as follows:

5 604A.408 1. Except as otherwise provided in this chapter, the  
6 original term of a deferred deposit loan or high-interest loan must  
7 not exceed 35 days.

8 2. The original term of a high-interest loan may be up to 90  
9 days if:

10 (a) The loan provides for payments in installments;

11 (b) The payments are calculated to ratably and fully amortize the  
12 entire amount of principal and interest payable on the loan;

13 (c) The loan is not subject to any extension; and

14 (d) The loan does not require a balloon payment of any kind.

15 3. ~~Notwithstanding the provisions of NRS 604A.480, a~~ A  
16 licensee shall not agree to establish or extend the period for the  
17 repayment, renewal, refinancing or consolidation of an outstanding  
18 deferred deposit loan or high-interest loan for a period that exceeds  
19 90 days after the date of origination of the loan.

20 4. *The provisions of subsections 1 and 2 do not apply to a*  
21 *deferred deposit loan or high-interest loan if the licensee:*

22 (a) *Makes the deferred deposit loan or high-interest loan to a*  
23 *customer pursuant to a loan agreement which, under its original*  
24 *terms:*

25 (1) *Charges an annual percentage rate of less than 200*  
26 *percent;*

27 (2) *Requires the customer to make a payment on the loan at*  
28 *least once every 30 days;*

29 (3) *Requires the loan to be paid in full in not less than 150*  
30 *days; and*

31 (4) *Provides that interest does not accrue on the loan at the*  
32 *annual percentage rate set forth in the loan agreement after the*  
33 *date of maturity of the loan;*

34 (b) *Performs a credit check of the customer with a major*  
35 *consumer reporting agency before making the loan;*

36 (c) *Reports information relating to the loan experience of the*  
37 *customer to a major consumer reporting agency;*

38 (d) *Gives the customer the right to rescind the new deferred*  
39 *deposit loan or high-interest loan within 5 days after the loan is*  
40 *made without charging the customer any fee for rescinding the*  
41 *loan;*

42 (e) *Participates in good faith with a counseling agency that is:*

43 (1) *Accredited by the Council on Accreditation of Services*  
44 *for Families and Children, Inc., or its successor organization; and*



1           ***(2) A member of the National Foundation for Credit***  
2 ***Counseling, or its successor organization; and***

3           ***(f) Does not commence any civil action or process of***  
4 ***alternative dispute resolution on a defaulted loan or any extension***  
5 ***or repayment plan thereof.***

6           **Sec. 8.** NRS 604A.410 is hereby amended to read as follows:

7           604A.410 1. Before making any loan to a customer, a  
8 licensee shall provide to the customer a written loan agreement  
9 which may be kept by the customer and which must be written in:

10           (a) English, if the transaction is conducted in English; or

11           (b) Spanish, if the transaction is conducted in Spanish.

12           2. The loan agreement must include, without limitation, the  
13 following information:

14           (a) The name and address of the licensee and the customer;

15           (b) The nature of the security for the loan, if any;

16           (c) The date and amount of the loan, amount financed, annual  
17 percentage rate, finance charge, total of payments, payment  
18 schedule and a description and the amount of every fee charged,  
19 regardless of the name given to the fee and regardless of whether the  
20 fee is required to be included in the finance charge under the Truth  
21 in Lending Act and Regulation Z;

22           (d) ***A statement, signed by the customer, certifying that the***  
23 ***customer does not have outstanding with any licensee a deferred***  
24 ***deposit loan, single-advance, single-payment loan or high-interest***  
25 ***loan and has not had such a loan outstanding within the 45 days***  
26 ***immediately preceding the making of the loan;***

27           (e) A disclosure of the right of the customer to rescind a loan  
28 pursuant to the provisions of this chapter;

29           ~~(e)~~ (f) A disclosure of the right of the customer to pay his or  
30 her loan in full or in part with no additional charge pursuant to the  
31 provisions of this chapter;

32           ~~(f)~~ (g) A disclosure stating that, if the customer defaults on the  
33 loan, the licensee must offer a repayment plan to the customer  
34 before the licensee commences any civil action or process of  
35 alternative dispute resolution or, if appropriate for the loan, before  
36 the licensee repossesses a vehicle; and

37           ~~(g)~~ (h) Any other disclosures required under the Truth in  
38 Lending Act and Regulation Z or under any other applicable federal  
39 or state statute or regulation.

40           **Sec. 9.** NRS 604A.485 is hereby amended to read as follows:

41           604A.485 1. If a customer defaults on a loan or on any  
42 extension or repayment plan relating to the loan, whichever is later,  
43 the licensee may collect only the following amounts from the  
44 customer, less all payments made before and after default:

45           (a) The unpaid principal amount of the loan.



1 (b) The unpaid interest, if any, accrued before the default at the  
2 annual percentage rate set forth in the disclosure statement required  
3 by the Truth in Lending Act and Regulation Z that is provided to the  
4 customer. If there is an extension, in writing and signed by the  
5 customer, relating to the loan, the licensee may charge and collect  
6 interest pursuant to this paragraph for a period not to exceed 60 days  
7 after the expiration of the initial loan period . ~~‡, unless otherwise~~  
8 ~~allowed by NRS 604A.480.‡~~

9 (c) The interest accrued after the expiration of the initial loan  
10 period or after any extension or repayment plan that is allowed  
11 pursuant to this chapter, whichever is later, at an annual percentage  
12 rate not to exceed the prime rate at the largest bank in Nevada, as  
13 ascertained by the Commissioner, on January 1 or July 1, as the case  
14 may be, immediately preceding the expiration of the initial loan  
15 period, plus 10 percent. The licensee may charge and collect interest  
16 pursuant to this paragraph for a period not to exceed 90 days. After  
17 that period, the licensee shall not charge or collect any interest on  
18 the loan.

19 (d) Any fees allowed pursuant to NRS 604A.490 for a check  
20 that is not paid upon presentment or an electronic transfer of money  
21 that fails because the account of the customer contains insufficient  
22 funds or has been closed.

23 ➤ The sum of all amounts collected pursuant to paragraphs (b), (c)  
24 and (d) must not exceed the principal amount of the loan.

25 2. Except for the interest and fees permitted pursuant to  
26 subsection 1 and any other charges expressly permitted pursuant to  
27 NRS ~~[604A.430,‡]~~ 604A.445 ~~‡,‡~~ and 604A.475 , ~~[and 604A.487,‡]~~ the  
28 licensee shall not charge any other amount to a customer, including,  
29 without limitation, any amount or charge payable directly or  
30 indirectly by the customer and imposed directly or indirectly by the  
31 licensee as an incident to or as a condition of the extension of the  
32 period for the payment of the loan or the extension of credit. Such  
33 prohibited amounts include, without limitation:

34 (a) Any interest, other than the interest charged pursuant to  
35 subsection 1, regardless of the name given to the interest; or

36 (b) Any origination fees, set-up fees, collection fees, transaction  
37 fees, negotiation fees, handling fees, processing fees, late fees,  
38 default fees or any other fees, regardless of the name given to the  
39 fee.

40 **Sec. 10.** NRS 239.010 is hereby amended to read as follows:

41 239.010 1. Except as otherwise provided in this section and  
42 NRS 1.4683, 1.4687, 1A.110, 41.071, 49.095, 62D.420, 62D.440,  
43 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320,  
44 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246,  
45 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355,



1 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730,  
2 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260,  
3 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370,  
4 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161,  
5 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817,  
6 130.312, 130.712, 136.050, 159.044, 172.075, 172.245, 176.015,  
7 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715,  
8 178.5691, 179.495, 179A.070, 179A.165, 179A.450, 179D.160,  
9 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651,  
10 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040,  
11 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350,  
12 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270,  
13 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300,  
14 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140,  
15 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020,  
16 241.030, 241.039, 242.105, 244.264, 244.335, 250.087, 250.130,  
17 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195,  
18 281A.350, 281A.440, 281A.550, 284.4068, 286.110, 287.0438,  
19 289.025, 289.080, 289.387, 289.830, 293.5002, 293.503, 293.558,  
20 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335,  
21 338.070, 338.1379, 338.16925, 338.1725, 338.1727, 348.420,  
22 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100,  
23 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610,  
24 365.138, 366.160, 368A.180, 372A.080, 378.290, 378.300, 379.008,  
25 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259,  
26 388.501, 388.503, 388.513, 388.750, 391.035, 392.029, 392.147,  
27 392.264, 392.271, 392.850, 394.167, 394.1698, 394.447, 394.460,  
28 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885,  
29 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749,  
30 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872,  
31 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430,  
32 432B.560, 433.534, 433A.360, 439.840, 439B.420, 440.170,  
33 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665,  
34 445B.570, 449.209, 449.245, 449.720, 450.140, 453.164, 453.720,  
35 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866,  
36 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240,  
37 463.3403, 463.3407, 463.790, 467.1005, 480.365, 481.063, 482.170,  
38 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070,  
39 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655,  
40 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070,  
41 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315,  
42 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110,  
43 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230,  
44 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336,  
45 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301,





1 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085,  
2 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075,  
3 640A.220, 640B.730, 640C.400, 640C.745, 640C.760, 640D.190,  
4 640E.340, 641.090, 641A.191, 641B.170, 641C.760, 642.524,  
5 643.189, 644.446, 645.180, 645.625, 645A.050, 645A.082,  
6 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135,  
7 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945,  
8 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110,  
9 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310,  
10 671.170, 673.430, 675.380, 676A.340, 676A.370, 677.243,  
11 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690,  
12 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873,  
13 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115,  
14 687C.010, 688C.230, 688C.480, 688C.490, 692A.117, 692C.190,  
15 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615,  
16 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 706A.230,  
17 710.159, 711.600, *and section 4 of this act*, sections 35, 38 and 41  
18 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter  
19 391, Statutes of Nevada 2013 and unless otherwise declared by law  
20 to be confidential, all public books and public records of a  
21 governmental entity must be open at all times during office hours to  
22 inspection by any person, and may be fully copied or an abstract or  
23 memorandum may be prepared from those public books and public  
24 records. Any such copies, abstracts or memoranda may be used to  
25 supply the general public with copies, abstracts or memoranda of the  
26 records or may be used in any other way to the advantage of the  
27 governmental entity or of the general public. This section does not  
28 supersede or in any manner affect the federal laws governing  
29 copyrights or enlarge, diminish or affect in any other manner the  
30 rights of a person in any written book or record which is  
31 copyrighted pursuant to federal law.

32 2. A governmental entity may not reject a book or record  
33 which is copyrighted solely because it is copyrighted.

34 3. A governmental entity that has legal custody or control of a  
35 public book or record shall not deny a request made pursuant to  
36 subsection 1 to inspect or copy or receive a copy of a public book or  
37 record on the basis that the requested public book or record contains  
38 information that is confidential if the governmental entity can  
39 redact, delete, conceal or separate the confidential information from  
40 the information included in the public book or record that is not  
41 otherwise confidential.

42 4. A person may request a copy of a public record in any  
43 medium in which the public record is readily available. An officer,  
44 employee or agent of a governmental entity who has legal custody  
45 or control of a public record:



1 (a) Shall not refuse to provide a copy of that public record in a  
2 readily available medium because the officer, employee or agent has  
3 already prepared or would prefer to provide the copy in a different  
4 medium.

5 (b) Except as otherwise provided in NRS 239.030, shall, upon  
6 request, prepare the copy of the public record and shall not require  
7 the person who has requested the copy to prepare the copy himself  
8 or herself.

9 **Sec. 11.** NRS 604A.430, 604A.480 and 604A.487 are hereby  
10 repealed.

11 **Sec. 12.** This act becomes effective:

12 1. On July 1, 2017, for the purpose of adopting any regulations  
13 and performing any other preparatory administrative tasks that are  
14 necessary to carry out the provisions of this act; and

15 2. On January 1, 2018, for all other purposes.

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### TEXT OF REPEALED SECTIONS

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#### **604A.430 Prohibited acts by licensee regarding multiple loans to same customer.**

1. A licensee shall not make more than one deferred deposit loan, single-advance, single-payment loan or high-interest loan to the same customer at one time or before any outstanding balance is paid in full on an existing loan made by that licensee to the customer unless:

(a) The customer is seeking multiple loans that do not exceed the limits set forth in NRS 604A.425;

(b) The licensee charges the same or a lower fee or service charge per \$100 if it is a deferred deposit loan or single-advance, single-payment loan, or the same or a lower annual percentage rate of interest if it is a high-interest loan that is not a single-advance, single-payment loan, for any additional loans as the licensee charged for the initial loan;

(c) Except for that part of the finance charge which consists of interest only, the licensee does not impose any other charge or fee to initiate any additional loans, except that a licensee who makes deferred deposit loans or high-interest loans in accordance with the provisions of subsection 2 of NRS 604A.480 may charge a reasonable fee for preparing documents in an amount that does not exceed \$50; and

(d) If the additional loans are deferred deposit loans and the customer provides one or more additional checks that are not paid



upon presentment or one or more electronic transfers of money fail, the licensee does not charge any fees to the customer pursuant to NRS 604A.490, except for the fees allowed pursuant to that section for the first check that is not paid upon presentment or electronic transfer of money that failed.

2. As used in this section, "single-advance, single-payment loan" means a transaction in which, pursuant to a loan agreement, a customer is given a single advance equal to the amount financed with payment in full due within 35 days after the date of the transaction.

**604A.480 Limitations on using proceeds of new loan to pay balance of outstanding loan; exceptions.**

1. Except as otherwise provided in subsection 2, if a customer agrees in writing to establish or extend the period for the repayment, renewal, refinancing or consolidation of an outstanding loan by using the proceeds of a new deferred deposit loan or high-interest loan to pay the balance of the outstanding loan, the licensee shall not establish or extend the period beyond 60 days after the expiration of the initial loan period. The licensee shall not add any unpaid interest or other charges accrued during the original term of the outstanding loan or any extension of the outstanding loan to the principal amount of the new deferred deposit loan or high-interest loan.

2. This section does not apply to a new deferred deposit loan or high-interest loan if the licensee:

(a) Makes the new deferred deposit loan or high-interest loan to a customer pursuant to a loan agreement which, under its original terms:

(1) Charges an annual percentage rate of less than 200 percent;

(2) Requires the customer to make a payment on the loan at least once every 30 days;

(3) Requires the loan to be paid in full in not less than 150 days; and

(4) Provides that interest does not accrue on the loan at the annual percentage rate set forth in the loan agreement after the date of maturity of the loan;

(b) Performs a credit check of the customer with a major consumer reporting agency before making the loan;

(c) Reports information relating to the loan experience of the customer to a major consumer reporting agency;

(d) Gives the customer the right to rescind the new deferred deposit loan or high-interest loan within 5 days after the loan is made without charging the customer any fee for rescinding the loan;

(e) Participates in good faith with a counseling agency that is:



(1) Accredited by the Council on Accreditation of Services for Families and Children, Inc., or its successor organization; and

(2) A member of the National Foundation for Credit Counseling, or its successor organization; and

(f) Does not commence any civil action or process of alternative dispute resolution on a defaulted loan or any extension or repayment plan thereof.

**604A.487 Limitations on fees licensees may charge after default on installment payments.** In addition to the amounts authorized to be collected pursuant to NRS 604A.485, a licensee who makes a high-interest loan in accordance with the provisions of subsection 2 of NRS 604A.480 may charge a fee of not more than \$15, payable on a one-time basis, for any installment payment that remains unpaid 10 days or more after the date of default.

