

SENATE BILL NO. 134—SENATOR ROBERSON

FEBRUARY 10, 2015

Referred to Committee on Judiciary

SUMMARY—Makes various changes relating to the provision of a bond in certain civil actions. (BDR 2-948)

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 civil litigation; limiting the amount of a bond to secure a stay of execution of certain judgments pending appeal; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 **Section 2** of this bill generally requires that the amount of a bond that an
2 appellant is required to pay to secure a stay of execution of certain judgments
3 pending appeal must not exceed the lesser of: (1) \$50,000,000; or (2) the amount of
4 the judgment. Under **section 2**, if the appellant is a small business concern as
5 defined by the federal Small Business Act, the amount of such a bond must not
6 exceed the lesser of: (1) \$1,000,000; or (2) the amount of the judgment. **Sections 3**
7 **and 4** of this bill provide that the provisions of this bill become effective upon
8 passage and approval and apply to all actions pending or filed on or after such
9 effective date.

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

1 **Section 1.** NRS 17.370 is hereby amended to read as follows:
2 17.370 1. If the judgment debtor shows the court that an
3 appeal from the foreign judgment is pending or will be taken, or that
4 a stay of execution has been granted, the court shall stay
5 enforcement of the foreign judgment until the appeal is concluded,
6 the time for appeal expires or the stay of execution expires or is
7 vacated, upon proof that the judgment debtor has furnished the
8 security for the satisfaction of the judgment required by the state in
9 which it was rendered.



1 2. If the judgment debtor shows the court any ground upon
2 which enforcement of a judgment of any court of this state would be
3 stayed, including, without limitation, a showing that an appeal is
4 pending or will be taken, that a stay has been granted, requested or
5 will be requested, or that the time for taking an appeal has not yet
6 expired, the court shall stay enforcement of the foreign judgment for
7 an appropriate period, upon requiring the same security for
8 satisfaction of the judgment which is required in this state,
9 including, without limitation, security determined pursuant to NRS
10 20.035, *or section 2 of this act*, if applicable.

11 **Sec. 2.** Chapter 20 of NRS is hereby amended by adding
12 thereto a new section to read as follows:

13 *1. Notwithstanding any other provision of law or court rule,*
14 *and except as otherwise provided in this section and NRS 20.035,*
15 *if an appeal is taken of a judgment in a civil action in which an*
16 *appellant is required to give a bond in order to secure a stay of*
17 *execution of the judgment during the pendency of any or all such*
18 *appeals, the total cumulative sum of all the bonds required from*
19 *all the appellants involved in the civil action must not exceed the*
20 *lesser of \$50,000,000 or the amount of the judgment.*

21 *2. If an appellant is a small business concern, the amount of*
22 *the appellant's bond required pursuant to subsection 1 must not*
23 *exceed the lesser of \$1,000,000 or the amount of the judgment.*

24 *3. If the plaintiff proves by a preponderance of evidence that*
25 *an appellant who posted a bond pursuant to subsection 1 or 2 is*
26 *purposefully dissipating or diverting assets outside of the ordinary*
27 *course of its business to evade the ultimate payment of the*
28 *judgment, the court may, if the court determines that such an*
29 *order is necessary to prevent such dissipation or diversion, require*
30 *the appellant to post a bond in an amount that does not exceed the*
31 *full amount of the judgment.*

32 *4. The provisions of this section do not limit the discretion of*
33 *a court, for good cause shown, to set the bond on appeal in an*
34 *amount less than the amount otherwise required by law.*

35 *5. For the purposes of this section, "small business concern"*
36 *has the meaning ascribed to it in the Small Business Act, 15*
37 *U.S.C. §§ 631 et seq., and any regulations adopted pursuant*
38 *thereto.*

39 **Sec. 3.** This act applies to all actions pending or filed on or
40 after the effective date of this act.

41 **Sec. 4.** This act becomes effective upon passage and approval.

