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Elizabeth A. Brown
Clerk of Supreme Court

1 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
DANIEL BRAVO, ESQ. (SBN 13078)
2 BRAVO SCHRAGER LLP
6675 South Tenaya Way, Suite 200
3 Las Vegas, Nevada 89113
Tele.: (702) 996-1724
4 Email: bradley@bravoschrager.com
Email: daniel@bravoschrager.com
5 Attorneys for Kate Feldman and
Intervenor-Defendant

6
7 **IN THE FIRST JUDICIAL DISTRICT COURT**
8 **OF THE STATE OF NEVADA IN AND FOR CARSON CITY**

9 NEVADANS FOR FINANCIAL CHOICE,
a Nevada Political Action Committee, and
10 CHRISTINA BAUER, an individual,

11 Plaintiffs,

12 vs.

13 KATE FELDMAN, an individual, STOP
PREDATORY LENDING NV, a Nevada
14 Nonprofit Corp., and FRANCISCO V.
AGUILAR, in his official capacity as
15 Nevada Secretary of State,

16 Defendants,

17
18 DAILYPAY, INC., a Delaware
Corporation,

19 Plaintiff,

20 vs.

21 FRANCISCO V. AGUILAR, in his official
22 capacity as NEVADA SECRETARY OF
STATE,

23 Defendant,

24 and

25 STOP PREDATORY LENDING NV, a
26 Nevada Nonprofit Corp., and
KATE FELDMAN, an individual,

27 Intervenor-Defendants.
28

Lead Case No.: 24 OC 00018 1B

Dept. No.: II

NOTICE OF APPEAL

Consolidated with

Case No.: 24 OC 00021 1B

Dept. No.: II

BRAVO SCHRAGER LLP

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PREFERRED CAPITAL FUNDING-
NEVADA, LLC, a Nevada limited liability
company, and ALLIANCE FOR
RESPONSIBLE CONSUMER LEGAL
FUNDING, an Illinois nonprofit
corporation,

Plaintiffs,

vs.

FRANCISCO V. AGUILAR, in his official
capacity as NEVADA SECRETARY OF
STATE, and KATE FELDMAN, an
individual,

Defendants,

and

STOP PREDATORY LENDING NV, a
Nevada Nonprofit Corp.,

Intervenor-Defendant.

Case No.: 24 OC 00023 1B

Dept. No.: I

ACTIVEHOURS, INC., a Delaware
corporation; STACY PRESS, an
individual,

Plaintiffs,

vs.

KATE FELDMAN, an individual; STOP
PREDATORY LENDING NV, a Nevada
Nonprofit Corp.; and FRANCISCO V.
AGUILAR, in his official capacity as
NEVADA SECRETARY OF STATE,

Defendants.

Case No.: 24 OC 00029 1B

Dept. No.: I

NOTICE OF APPEAL

Defendant KATE FELDMAN and Intervenor-Defendant STOP
PREDATORY LENDING NV, by and through their undersigned counsel, and
pursuant to NRS 41.670(4), hereby appeals to the Supreme Court of the State of
Nevada the district court's FINDINGS OF FACT, CONCLUSIONS OF LAW, AND

1 ORDER GRANTING PLAINTIFFS' LEGAL CHALLENGES TO INITIATIVE
2 PETITION S-01-2024 entered on April 15, 2024. A true and correct copy of the district
3 court's order is attached hereto as Exhibit A.

4 **AFFIRMATION**

5 The undersigned hereby affirm that the foregoing document does not contain
6 the social security number of any person.

7 DATED this 16th day of April, 2024.

8 **BRAVO SCHRAGER LLP**

9
10 By: 

11 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
12 DANIEL BRAVO, ESQ. (SBN 13078)
13 6675 South Tenaya Way, Suite 200
14 Las Vegas, Nevada 89113
15 Tele.: (702) 996-1724
16 Email: bradley@bravoschrager.com
17 Email: daniel@bravoschrager.com

18 *Attorneys for Kate Feldman and Intervenor-Defendant*

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this 16th day of April, 2024, I served the foregoing
3 **NOTICE OF APPEAL** via electronic mail, per the February 22, 2024, Stipulation
4 and Scheduling Order of the Court, as follows:

5 Laena St Jules, Esq.
6 **OFFICE OF THE ATTORNEY**
7 **GENERAL**
8 LStJules@ag.nv.gov
9 *Attorneys for Defendant,*
10 *Francisco V. Aguilar*


Todd L. Bice, Esq.
Jordan T. Smith, Esq.
Daniel R. Brady, Esq.
PISANELLI BICE PLLC
TLB@pisanellibice.com
JTS@pisanellibice.com
DRB@pisanellibice.com
Attorneys for Plaintiffs Nevadans for
Financial Choice and Christina Bauer

11 J. Malcolm DeVoy, Esq.
12 Matthew Morris, Esq.
13 **HOLLAND & HART LLP**
14 jmdevoy@hollandhart.com
15 mcmorris@hollandhart.com
16 *Counsel for Plaintiff DailyPay, Inc.*

Joshua H. Reisman, Esq.
Elizabeth M. Sorokac, Esq.
Michael R. Kalish, Esq.
REISMAN SOROKAC
jreisman@rsnvlaw.com
esorokac@rsnvlaw.com
mkalish@rsnvlaw.com
Attorneys for Plaintiffs Preferred Capital
Funding- Nevada, LLC, and Alliance
For Responsible Consumer Legal
Funding

17 Severin A. Carlson, Esq.
18 Sihomara L. Graves, Esq.
19 **KAEMPFER CROWELL**
20 scarlson@kcnvlaw.com
21 sgraves@kcnvlaw.com
22 *Attorneys for Plaintiffs Activehours, Inc.*
23 *and Stacy Press*

Billie Shadron
Judicial Assistant
First Judicial District Court, Dept. II
bshadron@carson.org

24
25
26
27
28
Bv: 
Dannielle Fresquez, an Employee of
BRAVO SCHRAGER LLP

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INDEX OF EXHIBITS

Exhibit No.	Document Title	No. of Pages
A	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFFS' LEGAL CHALLENGES TO INITIATIVE PETITION S-01-2024	10

EXHIBIT A

EXHIBIT A

REC'D & FILED

April 15, 2024
Date

WILLIAM SCOTT HOEN
CLERK

IN THE FIRST JUDICIAL DISTRICT COURT
OF THE STATE OF NEVADA IN AND FOR CARSON CITY
By [Signature] Deputy

1
2
3
4 NEVADANS FOR FINANCIAL CHOICE, a
5 Nevada Political Action Committee, and
6 CHRISTINA BAUER, an individual,

Plaintiffs,

7 vs.

8 KATE FELDMAN, an individual, STOP
9 PREDATORY LENDING NV, a Nevada
10 Nonprofit Corp., and FRANCISCO V.
11 AGUILAR, in his official capacity as Nevada
12 Secretary of State,

Defendants.

13 DAILYPAY, INC., a Delaware Corporation,

Plaintiff,

14 vs.

15 FRANCISCO V. AGUILAR, in his official
16 capacity as NEVADA SECRETARY OF
17 STATE,

Defendant,

18 and

19 STOP PREDATORY LENDING NV, a
20 Nevada Nonprofit Corp., and KATE
21 FELDMAN, an individual,

Intervenor-Defendants.

Lead Case No. 24-OC-00021B

Dept. No. II

Consolidated with

Case No.: 24 OC 00021 1B

Dept. No.: II

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

28

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1
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PREFERRED CAPITAL FUNDING
NEVADA, LLC, a Nevada limited liability
company, and ALLIANCE FOR
RESPONSIBLE CONSUMER LEGAL
FUNDING, an Illinois nonprofit corporation,

Plaintiffs,

vs.

FRANCISCO V. AGUILAR, in his official
capacity as NEVADA SECRETARY OF
STATE, and KATE FELDMAN, an
individual,

Defendants,

and

STOP PREDATORY LENDING NV, a
Nevada Nonprofit Corp.,

Intervenor-Defendant.

ACTIVEHOURS, INC., a Delaware
corporation; STACY PRESS, an
individual,

Plaintiffs,

vs.

KATE FELDMAN, an individual; STOP
PREDATORY LENDING NV, a Nevada
Nonprofit Corp.; and FRANCISCO V.
AGUILAR, in his official capacity as
NEVADA SECRETARY OF STATE,

Defendants.

Case No.: 24 OC 00023 1B & FILE
Dept. No.: I

2024 APR 16

WILLIAM

BY

FILED IN ERROR

Case No.: 24 OC 00029 1B
Dept. No.: I

**~~PROPOSED~~ FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER
GRANTING PLAINTIFFS' LEGAL
CHALLENGES TO INITIATIVE
PETITION S-01-2024**

21 This matter came before this Court following four complaints, filed by four different sets
22 of plaintiffs, challenging the legal sufficiency and procedural defects of Initiative Petition S-01-
23 2024 (the "Petition"), under NRS 295.061. Intervenor-Defendant Kate Feldman ("Ms. Feldman")
24 filed the Petition on January 5, 2024, with Defendant Nevada Secretary of State (the "Secretary").
25 On March 22, 2024, the Court held a hearing on the several challenges to the Petition. The Court,
26 having reviewed the papers and pleadings on file, having considered the oral arguments presented
27 by the parties, and being fully advised and good cause appearing, finds, concludes, and orders as
28 follows:

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

2 **A. FINDINGS OF FACT**

3 **1. Initiative Petition S-01-2024**

4 Ms. Feldman filed the Petition with the Secretary on January 5, 2024. The Petition proposes
5 to amend the Nevada Revised Statutes to include a new chapter 604D entitled the "Preventing
6 Predatory Payday and Other Loans Act." Ms. Feldman later filed a second Initiative Petition, S-03-
7 2024, on January 24, 2024, which proposes to enact the same "Preventing Predatory Payday and
8 Other Loans Act," but omits provisions included in the first Petition, S-01-2024. This Order
9 addresses only the first Petition.

10 The first Petition's Description of Effect, which is required under NRS 295.009(1)(b),
11 states as follows:

12 This measure addresses high-interest lending practices by establishing
13 maximum interest rates charged to consumers, and shields more of people's
14 savings and earnings from garnishment than under current law.

15 Currently, most consumer loans have no interest rate cap. The proposed
16 cap would set a maximum interest rate of 36% annually on the unpaid balance
17 of the amount financed, and would apply to consumer loans; deferred-deposit
18 transactions ("payday loans"); title loans; and other loan types dependent on
19 future earnings and income.

20 The initiative also prohibits evading the interest rate cap by structuring
21 transactions to mask their nature as loans covered by this measure, or partnering
22 with out-of-state lenders to violate the rate cap. The initiative voids transactions
23 that violate the cap, and establishes civil penalties.

24 Additionally, the initiative automatically protects \$5,000 of savings in a
25 personal bank account (up from \$400 now), and \$850 of wages in any workweek
26 (up from \$369), as well as a portion of disposable earnings above that amount,
27 from seizure for a debt. Those amounts would be indexed to increase
28 periodically with inflation.

29 The Petition consists of 18 Sections and nearly 18 pages of new text to be added to the
30 Nevada Revised Statutes, as well as proposed deletions of, and amendments to, existing statutes.
31 The existing statutes that the Petition proposes to amend or delete relate to numerous other
32 statutory chapters that address topics including deferred deposit loans, high-interest loans, retail
33 installment transactions, banking, writs of execution, garnishment, property exempt from

1 judgment collection, and other matters. Generally, the Petition's "loan"-related provisions and
2 related penalties against "payday lender[s] or other person[s]" are proposed in Sections 1 through
3 16. The wage garnishment provisions of the proposed "Preventing Predatory Payday and Other
4 Loans Act" are set forth in Sections 17 through 18.

5 The Petition's proposed Act, at Section 5(1)-(2), defines the term "Loan" to include a
6 variety of financial transactions involving money or credit provided to a consumer, as follows:

7 **Loan defined.**

8 **1. For purposes of this chapter, "loan" means and includes:**

9
10 **(a) Money or credit provided to a consumer in exchange for the**
11 **consumer's agreement to a certain set of terms, including, but not limited**
12 **to, provisions for direct or indirect repayment, interest, fees, charges or**
13 **other payments, or other conditions;**

14 **(b) Any deferred deposit transaction or payday loan, installment**
15 **loan, line of credit, retail installment sales contract, and motor vehicle**
16 **retail installment sales contract, and other closed-end or open-end credit;**
17 **and**

18 **(c) Any sale, assignment, order, or agreement for the payment of**
19 **unpaid wages, salary, commissions, compensation, or other income, or**
20 **any portion or amount thereof, whether earned, to be earned, or**
21 **contingent upon future earnings, that is made in consideration for goods**
22 **or services, credit, or the payment of money to or for the account of the**
23 **person earning or receiving, or potentially earning or receiving, the**
24 **wages, salary, commissions, compensation, or other income.**

25 **2. Any transaction that satisfies any definition in this section is a "loan"**
26 **for purposes of this chapter without regard to the means of collection, without**
27 **regard to whether the payday lender or other lender has legal recourse against**
28 **the borrower in the event of non-repayment, and without regard to whether the**
transaction carries required charges or payments.

The Petition, at Section 9, proposes a "maximum interest rate" of 36% per year to apply to
"any loan or other transaction subject to" the proposed Act. In Sections 10 through 13, the Petition
proposes various penalties for exceeding the proposed maximum rate or otherwise violating the
provisions of the proposed Act. The Petition, at Section 14, also would constitute a declaration for
the State of Nevada to "opt out" of the federal "Depository Institutions Deregulation and Monetary
Control Act of 1980," Pub. L. 96-221, or "DIDMCA." The Petition further proposes, at Section

1 15, a prospective application of Section 9’s maximum interest rate, purporting to apply the
2 maximum rate to “entities licensed...to provide earned wage access services,” as defined in Senate
3 Bill 290 (Nev. Leg. 2023), beginning on January 1, 2030.

4 In addition to its various “payday loan”-related provisions and civil penalties, the Petition’s
5 Section 17 proposes to eliminate NRS 21.105(1)(a)-(n), which exempts certain sources of income
6 of a judgment debtor from garnishment, up to \$2,000. This Section of the Petition also eliminates
7 existing statutory categories of sources of income that NRS 21.105(1)(a)-(n) protects from
8 garnishment, and instead proposes a single, greater amount of \$5,000 that is not subject to
9 execution. The Petition also revises and restricts existing provisions under NRS 21.105(6) that
10 afford immunity for financial institutions that make a commercially reasonable effort to determine
11 whether money in a judgment debtor’s account is exempt from execution.

12 Finally, Section 18 of the Petition proposes to amend NRS 21.090(1)(g), which exempts
13 from execution certain amounts of a judgment debtor’s disposable earnings for any workweek, on
14 a sliding scale depending on the amount the judgment debtor earns during that period. The Petition
15 eliminates NRS 21.090(1)(g)’s existing protections and replaces them with higher thresholds, such
16 that more of a judgment debtor’s disposable earnings would be exempt from garnishment. The
17 Petition also redefines NRS 21.090(1)(g)(2)’s definition of “earnings” to specify that
18 “[c]ompensation paid or payable for personal services is earnings regardless of whether the
19 judgment debtor is classified as an independent contractor or an employee.” Finally, the Petition
20 proposes to adjust its revised exemption amounts for inflation pursuant to the Consumer Price
21 Index, and directs the Nevada Department of Business and Industry to publish the annual
22 adjustment each year, “round[ing] up” each annual adjustment “to the next \$10.”

23 **2. Procedural History**

24 On January 26, 2024, Plaintiffs Nevadans For Financial Choice and Christina Bauer
25 (collectively, “Nevadans for Financial Choice” or “NFFC”) filed a Complaint for Declaratory and
26 Injunctive Relief challenging the legal sufficiency of Initiative Petition S-01-2024, pursuant to
27 NRS 295.061, and submitted a Brief in Support of the Complaint. Subsequently, on February 14,
28

1 NFFC filed a First Amended Complaint timely adding Initiative Petition S-03-2024 to their
2 challenge.

3 On January 29, 2024, Plaintiff DailyPay, Inc. (“DailyPay”) filed a Complaint for
4 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
5 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

6 On January 29, 2024, Plaintiffs Preferred Capital Funding - Nevada, LLC and Alliance For
7 Responsible Consumer Legal Funding (collectively, “Preferred Capital”) filed a Complaint for
8 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
9 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

10 On February 13, 2024, Plaintiffs ActiveHours, Inc. and Stacy Press (collectively,
11 “ActiveHours”) filed a Complaint for Declaratory and Injunctive Relief challenging the legal
12 sufficiency of Initiative Petition S-03-2024, pursuant to NRS 295.061.

13 On or about February 22, 2024, the parties stipulated to, and the Court ordered, that the
14 filed suits be consolidated into one action to make the matter more efficient in terms of judicial
15 economy, the intervention of Ms. Feldman and Stop Predatory Lending NV, a Nevada nonprofit
16 corporation, as appropriate, and a briefing schedule. Ms. Feldman and Stop Predatory Lending NV
17 are collectively referred to herein as the “Proponents.” After briefing, the Court held hearing on
18 the consolidated matters on March 22, 2024.

19 **B. CONCLUSIONS OF LAW**

20 **The Petition Violates Nevada’s Single-Subject Rule.**

21 NRS 295.009(1) provides that “[e]ach petition for initiative or referendum must...
22 [e]mbrace but one subject and matters necessarily connected therewith and pertaining thereto.”
23 NRS 295.009(2) further provides that an initiative “embraces but one subject and matters
24 necessarily connected therewith and pertaining thereto, if the parts of the proposed initiative... are
25 functionally related and germane to each other in a way that provides sufficient notice of the
26 general subject of, and of the interests likely to be affected by, the proposed initiative[.]” NRS
27 295.009(2). NRS 295.061 authorizes a challenge to a proposed initiative when it violates the
28 single-subject rule set forth in NRS 295.009(1)-(2). Specifically, “whether an initiative or

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WILLIAM SCOTT HOEN
CLERK

BY  DEPUTY

1 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
DANIEL BRAVO, ESQ. (SBN 13078)
2 BRAVO SCHRAGER LLP
6675 South Tenaya Way, Suite 200
3 Las Vegas, Nevada 89113
Tele.: (702) 996-1724
4 Email: bradley@bravoschrager.com
Email: daniel@bravoschrager.com
5 *Attorneys for Kate Feldman and
Intervenor-Defendant*

6
7 **IN THE FIRST JUDICIAL DISTRICT COURT**
8 **OF THE STATE OF NEVADA IN AND FOR CARSON CITY**

9 NEVADANS FOR FINANCIAL CHOICE,
a Nevada Political Action Committee, and
10 CHRISTINA BAUER, an individual,

Lead Case No.: 24 OC 00018 1B

Dept. No.: II

11 Plaintiffs,

CASE APPEAL STATEMENT

12 vs.

13 KATE FELDMAN, an individual, STOP
PREDATORY LENDING NV, a Nevada
14 Nonprofit Corp., and FRANCISCO V.
AGUILAR, in his official capacity as
15 Nevada Secretary of State,

Consolidated with

16 Defendants,

18 DAILYPAY, INC., a Delaware
Corporation,

Case No.: 24 OC 00021 1B

Dept. No.: II

19 Plaintiff,

20 vs.

21 FRANCISCO V. AGUILAR, in his official
22 capacity as NEVADA SECRETARY OF
STATE,

23 Defendant,

24 and

25 STOP PREDATORY LENDING NV, a
26 Nevada Nonprofit Corp., and
KATE FELDMAN, an individual,

27 Intervenor-Defendants.
28

BRAVO SCHRAGER LLP

1 PREFERRED CAPITAL FUNDING-
2 NEVADA, LLC, a Nevada limited liability
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4 RESPONSIBLE CONSUMER LEGAL
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6 corporation,

7 Plaintiffs,

8 vs.

9 FRANCISCO V. AGUILAR, in his official
10 capacity as NEVADA SECRETARY OF
11 STATE, and KATE FELDMAN, an
12 individual,

13 Defendants,

14 and

15 STOP PREDATORY LENDING NV, a
16 Nevada Nonprofit Corp.,

17 Intervenor-Defendant.

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19 corporation; STACY PRESS, an
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21 Plaintiffs,

22 vs.

23 KATE FELDMAN, an individual; STOP
24 PREDATORY LENDING NV, a Nevada
25 Nonprofit Corp.; and FRANCISCO V.
26 AGUILAR, in his official capacity as
27 NEVADA SECRETARY OF STATE,

28 Defendants.

Case No.: 24 OC 00023 1B

Dept. No.: I

Case No.: 24 OC 00029 1B

Dept. No.: I

CASE APPEAL STATEMENT

Defendant KATE FELDMAN and Intervenor-Defendant STOP PREDATORY LENDING NV, by and through their undersigned counsel, and pursuant to NRS 41.670(4), hereby appeals the FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFFS' LEGAL CHALLENGES TO INITIATIVE PETITION S-01-2024 that the Court entered on April 15, 2024.

1 COUNSEL OF RECORD:
2 J. Malcolm DeVoy (SBN 11950)
3 Matthew Morris (SBN 15068)
4 **HOLLAND & HART LLP**
5 5441 Kietzke Lane
6 Reno, Nevada 89511
7 jmdevoy@hollandhart.com
8 mcmorris@hollandhart.com

9 Respondent: *Preferred Capital Funding- Nevada, LLC, and Alliance For*
10 *Responsible Consumer Legal Funding*

11 COUNSEL OF RECORD:
12 Joshua H. Reisman, Esq. (SBN 7152)
13 Elizabeth M. Sorokac, Esq. (SBN 8270)
14 Michael R. Kalish, Esq. (SBN 12793)
15 **REISMAN SOROKAC**
16 8965 South Eastern Avenue
17 Suite 382
18 Las Vegas, Nevada 89123
19 jreisman@rsnvlaw.com
20 esorokac@rsnvlaw.com
21 mkalish@rsnvlaw.com

22 Respondent: *Activehours, Inc. and Stacy Press*

23 COUNSEL OF RECORD:
24 Severin A. Carlson, Esq. (SBN 9373)
25 Sihomara L. Graves, Esq. (SBN 13239)
26 **KAEMPFER CROWELL**
27 50 West Liberty Street, Suite 1100
28 Reno , Nevada 89501
scarlson@kcnvlaw.com
sgraves@kcnvlaw.com

5. Attorneys listed in sections 3 and 4 above are licensed to practice law in the State of Nevada.

6. Appellants were represented by counsel in the district court.

7. Appellants are represented by counsel on appeal.

8. No request has been made to proceed in forma pauperis.

9. The Complaints in the consolidated matter were originally filed as follows: 24 OC 00018 1B January 26, 2024; 24 OC 00021 1B January 29, 2024; 24 OC 00023 1B January 29, 2024; 24 OC 00029 1B February 13, 2024.

1 10. The operative complaint in the lead case of this matter challenges the
2 legal sufficiency of Initiative Petition S-01-2024 and Initiative Petition S-03-2024.

3 The operative complaint asks the district court to enjoin and prohibit the Secretary
4 of State from placing the Petitions on the 2024 general election ballot.

5 11. The case has not been subject of an appeal to or original writ proceeding
6 in the Supreme Court.

7 12. This appeal does not involve child custody or visitation.

8 13. This appeal does not involve the possibility of settlement.

9 **AFFIRMATION**

10 The undersigned hereby affirm that the foregoing document does not contain
11 the social security number of any person.

12 DATED this 16th day of April, 2024.

13 **BRAVO SCHRAGER LLP**

14
15 By: 
16 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
17 DANIEL BRAVO, ESQ. (SBN 13078)
18 6675 South Tenaya Way, Suite 200
19 Las Vegas, Nevada 89113
 Tele.: (702) 996-1724
 Email: bradley@bravoschrager.com
 Email: daniel@bravoschrager.com

20 *Attorneys for Kate Feldman and Intervenor-Defendant*

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this 16th day of April, 2024, I served the foregoing
3 **CASE APPEAL STATEMENT** via electronic mail, per the February 22, 2024,
4 Stipulation and Scheduling Order of the Court, as follows:

5 Laena St Jules, Esq.
6 **OFFICE OF THE ATTORNEY**
7 **GENERAL**
8 LStJules@ag.nv.gov
9 *Attorneys for Defendant,*
10 *Francisco V. Aguilar*

Todd L. Bice, Esq.
Jordan T. Smith, Esq.
Daniel R. Brady, Esq.
PISANELLI BICE PLLC
TLB@pisanellibice.com
JTS@pisanellibice.com
DRB@pisanellibice.com
Attorneys for Plaintiffs Nevadans for
Financial Choice and Christina Bauer

11 J. Malcolm DeVoy, Esq.
12 Matthew Morris, Esq.
13 **HOLLAND & HART LLP**
14 jmdevoy@hollandhart.com
15 mcmorris@hollandhart.com
16 *Counsel for Plaintiff DailyPay, Inc.*

Joshua H. Reisman, Esq.
Elizabeth M. Sorokac, Esq.
Michael R. Kalish, Esq.
REISMAN SOROKAC
jreisman@rsnvlaw.com
esorokac@rsnvlaw.com
mkalish@rsnvlaw.com
Attorneys for Plaintiffs Preferred Capital
Funding- Nevada, LLC, and Alliance
For Responsible Consumer Legal
Funding

17 Severin A. Carlson, Esq.
18 Sihomara L. Graves, Esq.
19 **KAEMPFER CROWELL**
20 scarlson@kcnvlaw.com
21 sgraves@kcnvlaw.com
22 *Attorneys for Plaintiffs Activehours, Inc.*
23 *and Stacy Press*

Billie Shadron
Judicial Assistant
First Judicial District Court, Dept. II
bshadron@carson.org

24
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28
Bv: 
Dannielle Fresquez, an Employee of
BRAVO SCHRAGER LLP

1 referendum embraces but one subject and matters necessarily connected therewith and pertaining
2 thereto...may be challenged by filing a complaint in the First Judicial District Court.” NRS
3 295.061(1).

4 Nevada’s single-subject requirement “facilitates the initiative process by preventing
5 petition drafters from circulating confusing petitions that address multiple subjects.” *Nevadans for*
6 *the Prot. of Prop. Rights, Inc. v. Heller*, 122 Nev. 894, 902, 141 P.3d 1235, 1240 (2006). Thus,
7 “the single-subject requirement helps both in promoting informed decisions and in preventing the
8 enactment of unpopular provisions by attaching them to more attractive proposals or concealing
9 them in lengthy, complex initiatives (i.e., logrolling).” *Las Vegas Taxpayer Accountability Comte.*
10 *v. City Council of City of Las Vegas*, 125 Nev. 165, 176-77, 208 P.3d 429, 436-37 (2009). After
11 all, unlike other “means of enacting law, the initiative process typically does not allow for unput
12 in drafting proposed laws.” *Id.*, 125 Nev. at 177 n. 6, 208 P.3d at 437 n.6 (citation omitted).

13 When considering a single-subject challenge, this Court must first determine the initiative’s
14 purpose or subject, “and then determine if each provision is functionally related and germane to
15 each other and the initiative’s purpose or subject.” *Helton v. Nev. Voters First PAC*, 138 Nev. Adv.
16 Op. 45, 512, P.3d 309, 314 (2022). “To determine the initiative’s purpose or subject, this court
17 looks to its textual language and the proponents’ arguments.” *Las Vegas Taxpayer*, 125 Nev. at
18 180, 208 P.3d at 439. Courts also will look at whether the description of effect articulates an
19 overarching purpose and explains how provisions relate to a single subject. *Id.* The proponents of
20 an initiative “may not circumvent the single-subject rule by phrasing the proposed law’s purpose
21 or object in terms of ‘excessive generality,’” nor “‘join[] disparate provisions which appear
22 germane only to topics of excessive generality[.]’” *Id.* (quoting *Harbor v. Deukmejian*, 240
23 Cal.Rptr. 569, 742 P.2d 1290, 1303 (1987)).

24 The Petition violates Nevada’s single-subject rule in several respects. First, by its own
25 description, the Petition embraces at least two disparate subjects in purporting to “establish[]
26 maximum interest rates charged to consumers, and shield[] more of people’s savings and earnings
27 from garnishment than under current law.” The Petition’s proposed changes to NRS Chapter 21,
28 which contains Nevada’s statutes on garnishment, execution, and exemptions from judgments,

1 have no nexus to the Petition's other putative purpose of imposing maximum interest rates on
2 "loans" and other transactions. Imposing a maximum interest rate on lenders and others is not
3 "functionally related and germane to" shielding a judgment debtor's savings and earnings from
4 garnishment. Nor is shielding a judgment debtor's savings from garnishment a matter that is
5 "necessarily connected" with and pertaining to "Preventing Predatory Payday and Other Loans."
6 The shielding of debtor assets in the collection of judgments applies beyond those arising out of
7 the proposed "Preventing Predatory Payday and Other Loans Act." By the Petition's own text, it
8 is clear that the Proponents have improperly joined multiple discrete and disparate subjects
9 together into a single Petition, in violation of NRS 295.009's single-subject rule.

10 Second, the Proponents' arguments in favor of the Petition demonstrate that the Petition
11 embraces more than a single subject, even when including matters necessarily connected therewith
12 and pertaining thereto. In their Omnibus Response Brief, Proponents argue that the common policy
13 goal behind the Petition "is to establish standards by which to regulate usurious behavior by lenders
14 and others in Nevada," noting "the common usage of 'usury' is the lending of money at
15 unconscionable or exorbitant rates of interest." Omnibus Resp., at 1. But the Petition's proposed
16 changes concerning garnishment, writs of execution, the definition of "earnings" for purposes of
17 independent contractors versus employees, and other proposed changes, have nothing to do with
18 "the lending of money at unconscionable or exorbitant rates of interest." A debtor may become a
19 judgment debtor for reasons unrelated to "Predatory Payday and Other Loans." A judgment debtor
20 may be subject to garnishment for any number of reasons, including for unpaid debts that may or
21 may not be subject to any interest rate at all, much less any purportedly "unconscionable" interest
22 rate. To the extent the Proponents claim the Petition's overarching purpose is to prevent "the
23 lending of money at unconscionable or exorbitant rates of interest," the Proponents' argument
24 demonstrates that the Petition embraces multiple subjects, contrary to NRS 295.009's single-
25 subject requirement.

26 Further, to the extent the Proponents argue the Petition's disparate components are meant
27 "to achieve a single goal: ensuring Nevadans have better debt protections," the Proponents have
28 articulated an excessively generalized subject matter that, if adopted, would effectively nullify the

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5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1 single-subject rule. *Las Vegas Taxpayer Accountability Committee*, 125 Nev. 165, 181, 208 P.3d
2 429, 440 (determining that “the purported single subject articulated in appellants’ opening brief,
3 ‘voter approval of use of taxpayer funds to finance large new development projects,’” was “an
4 excessively general subject that cannot meet NRS 295.009’s requirement”). While the policy goal
5 of ensuring Nevadans have better debt protections may be laudable, those protections are distinct
6 from proposed laws affecting the act of lending (as the Petition asserts to do). Additionally, the
7 general scope of that goal could plausibly relate to any proposal on some level. Were such an
8 excessively generalized subject permissible, there would be no need for the single-subject rule.
9 As statutes are not created to be superfluous, though, the single-subject rule within NRS 295.009
10 must be given effect. To satisfy the single-subject rule, NRS 295.009(2) more particularly requires
11 “the parts of the proposed initiative or referendum” to be “functionally related and germane *to*
12 each other in a way that provides sufficient notice of the general subject of, and of the interest
13 likely to be affected by, the proposed initiative or referendum.” (Emphasis added).

14 The Petition utterly fails to meet NRS 295.009’s defined standard. Accordingly, the Court
15 finds that the Petition violates NRS 295.009’s single-subject rule and cannot be circulated.¹

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26 ¹ The Court has also considered the remaining arguments raised by Plaintiffs, including challenges to the Petition’s
27 description of effect, the Petition’s purported fiscal impacts, and the Petition’s arguable referendum on Senate Bill
28 290’s earned wage access provisions. In light of this Court’s conclusion that the Petition violates the single-subject
rule, the Court need not reach the Plaintiffs’ remaining arguments. *Miller v. Burk*, 124 Nev. 579, 588-89 (2008) (the
Court need not address issues that are unnecessary to resolve the case at hand); *Nuleaf CLV Dispansary, LLC v. State
Dep’t of Health & Hum. Servs., Div. of Pub. & Behav. Health*, 134 Nev. 129, 136 n.2, 414 P.3d 305, 311 n.2 (2018).

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5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

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ORDER

Based on the foregoing findings of fact and conclusions of law:

1. **IT IS ORDERED** and declared that Initiative Petition S-01-2024 violates Nevada's single subject rule under NRS 295.009.
2. **IT IS FURTHER ORDERED** and declared that the Nevada Secretary of State is enjoined from permitting Initiative Petition S-1-2024 from being circulated for signatures.

Dated this 12th day of April, 2024.

William A. Maddox

District Court Judge

Respectfully Submitted by:

/s/ Matthew Morris
J. Malcolm DeVoy (11950)
Matthew Morris (15068)
5441 Kietzke Lane, 2nd Floor
Reno, NV 89511
jmdevoy@hollandhart.com
mcmorris@hollandhart.com
Attorneys for Plaintiffs DailyPay, Inc.

Judge: LUIS, KRISTIN

Case No. 24 OC 00018 1B
Ticket No.
CTN:

NEVADANS FOR FINANCIAL CHOICE
et al

By:

AGUILAR, FRANCISCO DRSPND

-vs-

By:

Dob: Sex:
Lic: Sid:
FELDMAN, KATE DRSPND

By: SCHRAGER, BRADLEY S
3773 HOWARD HUGHES PKWY
3RD FLOOR SOUTH
LAS VEGAS, NV 89169

Dob: Sex:
Lic: Sid:
STOP PREDATORY LENDING NV DRSPND

By: SCHRAGER, BRADLEY S
3773 HOWARD HUGHES PKWY
3RD FLOOR SOUTH
LAS VEGAS, NV 89169

Dob: Sex:
Lic: Sid:

Plate#:
Make:
Year: Accident:
Type:
Venue:
Location:

BAUER, CHRISTINA PLNTPET
NEVADANS FOR FINANCIAL PLNTPET
CHOICE

Bond: Set:
Type: Posted:

Charges:

Ct. Offense Dt: Cvr:
Arrest Dt:
Comments:

Ct. Offense Dt: Cvr:
Arrest Dt:
Comments:

Ct. Offense Dt: Cvr:
Arrest Dt:
Comments:

Sentencing:

No.	Filed	Action	Operator	Fine/Cost	Due
1	04/17/24	APPEAL BOND DEPOSIT Receipt: 84455 Date: 04/17/2024	1BCCOOPER	500.00	0.00
2	04/17/24	RECEIPT	1BCCOOPER	0.00	0.00
3	04/17/24	CASE APPEAL STATEMENT	1BCCOOPER	0.00	0.00
4	04/17/24	NOTICE OF APPEAL Receipt: 84455 Date: 04/17/2024	1BCCOOPER	24.00	0.00
5	04/16/24	NOTICE OF ENTRY OF OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER (2)	1BDORTIZ	0.00	0.00
6	04/15/24	FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER GRANTING PLAINTIFFS' LEGAL CHALLENGE TO INITIATIVE PETITION S-01-2024	1BPETERSON	0.00	0.00
7	04/15/24	FINDINGS OF FACT AND CONCLUSIONS OF LAW AND ORDER DENYING PLAINTIFFS' LEGAL CHALLENGE TO INITIATIVE PETITION S-03-2024	1BDORTIZ	0.00	0.00
8	03/22/24	HEARING HELD: The following event: PETITION HEARING scheduled for 03/22/2024 at 9:00 am has been resulted as follows: Result: HEARING HELD Judge: LUIS, KRISTIN Location: DEPT II	1BSBARAJAS	0.00	0.00
9	03/21/24	NOTICE OF FILING OF AFFIDAVITS OF SERVICE	1BSBARAJAS	0.00	0.00
10	03/21/24	ACCEPTANCE OF SERVICE	1BSBARAJAS	0.00	0.00

No.	Filed	Action	Operator	Fine/Cost	Due
11	03/12/24	REPLY OF PREFERRED CAPITAL FUNDING - NEVADA, LLC AND CONSUMER LEGAL FUNDING IN SUPPORT OF COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF CHALLENGING INITIATIVE PETITIONS S-01-2024 AND S-03-2024	1BDORTIZ	0.00	0.00
12	03/11/24	REPLY BRIEF IN SUPPORT OF CHALLENGE TO STATEWIDE INITIATIVES S-01-2024 & S-03-2024	1BDORTIZ	0.00	0.00
13	03/08/24	ACTIVEHOURS, INC.'S AND STACY PRESS'S REPLY IN SUPPORT OF THEIR BRIEF IN SUPPORT OF COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF CHALLENGING INITIATIVE PETITION S- 03-2024	1BDORTIZ	0.00	0.00
14	03/08/24	PLAINTIFF DAILY PAY'S REPLY IN SUPPORT OF COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF	1BDORTIZ	0.00	0.00
15	03/01/24	DEFENDANTS/INTERVENORS KATE FELMAN'S AND STOP PREDATORY LENDING NV'S OMNIBUS RESPONSE	1BDORTIZ	0.00	0.00
16	02/28/24	ACCEPTANCE OF SERVICE - (2)	1BVANESSA	0.00	0.00
17	02/26/24	NOTICE OF ENTRY OF STIPULATION AND ORDER (4)	1BCCOOPER	0.00	0.00
18	02/26/24	ADDITIONAL DEFENDANT (STOP PREDATORY LENDING NV) Receipt: 83689 Date: 02/26/2024	1BCCOOPER	30.00	0.00
19	02/26/24	INITIAL APPEARANCE FEE DISCLOSURE Receipt: 83689 Date: 02/26/2024	1BCCOOPER	218.00	0.00
20	02/26/24	NOTICE OF ENTRY OF STIPULATION AND ORDER	1BCCOOPER	0.00	0.00
21	02/23/24	SECRETARY OF STATE'S LIMITED OMNIBUS RESPONSE	1BPETERSON	0.00	0.00
22	02/22/24	FILE RETURNED AFTER SUBMISSION - ORDER ENTERED	1BPETERSON	0.00	0.00
23	02/22/24	STIPULATION AND SCHEDULING ORDER OF THE COURT	1BPETERSON	0.00	0.00
24	02/14/24	BRIEF IN SUPPORT OF FIRST AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF CONCERNING STATE-WIDE BALLOT INITIATIVE	1BVANESSA	0.00	0.00
25	02/14/24	FIRST AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF CONCERNING STATEWIDE BALLOT INITIATIVES-S-01-2024 AND S-03-2024	1BVANESSA	0.00	0.00
26	02/14/24	ISSUING SUMMONS FIRST AMENDED COMPLAINT & ADDITIONAL SUMMONS (3)	1BDORTIZ	0.00	0.00
27	01/26/24	ISSUING SUMMONS AND ADDITIONAL SUMMONS	1BPETERSON	0.00	0.00
28	01/26/24	BRIEF IN SUPPORT OF COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF CONCERNING STATE-WIDE BALLOT INITIATIVE	1BPETERSON	0.00	0.00
29	01/26/24	ADDITIONAL PLAINTIFF Receipt: 83286 Date: 01/26/2024	1BPETERSON	30.00	0.00
30	01/26/24	COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELEIF CONCERNING STATEWIDE BALLOT INITIATIVE Receipt: 83286 Date: 01/26/2024	1BPETERSON	265.00	0.00
Total:				1,067.00	0.00
Totals By: COST				567.00	0.00
HOLDING				500.00	0.00
INFORMATION				0.00	0.00
*** End of Report ***					

REC'D & FILED

FILED 15, 2024
Date

WILLIAM SCOTT HOEN
CLERK

IN THE FIRST JUDICIAL DISTRICT COURT
By [Signature] Deputy
OF THE STATE OF NEVADA IN AND FOR CARSON CITY

240C000181B

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NEVADANS FOR FINANCIAL CHOICE, a
Nevada Political Action Committee, and
CHRISTINA BAUER, an individual,

Plaintiffs,

vs.

KATE FELDMAN, an individual, STOP
PREDATORY LENDING NV, a Nevada
Nonprofit Corp., and FRANCISCO V.
AGUILAR, in his official capacity as Nevada
Secretary of State,

Defendants.

DAILYPAY, INC., a Delaware Corporation,

Plaintiff,

vs.

FRANCISCO V. AGUILAR, in his official
capacity as NEVADA SECRETARY OF
STATE,

Defendant,

and

STOP PREDATORY LENDING NV, a
Nevada Nonprofit Corp., and KATE
FELDMAN, an individual,

Intervenor-Defendants.

Lead Case No. ~~24-OC-00021B~~
Dept. No. II

Consolidated with

Case No.: 24 OC 00021 1B
Dept. No.: II

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

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5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1 PREFERRED CAPITAL FUNDING
2 NEVADA, LLC, a Nevada limited liability
3 company, and ALLIANCE FOR
4 RESPONSIBLE CONSUMER LEGAL
5 FUNDING, an Illinois nonprofit corporation,

6 Plaintiffs,

7 vs.

8 FRANCISCO V. AGUILAR, in his official
9 capacity as NEVADA SECRETARY OF
10 STATE, and KATE FELDMAN, an
11 individual,

12 Defendants,

13 and

14 STOP PREDATORY LENDING NV, a
15 Nevada Nonprofit Corp.,

16 Intervenor-Defendant.

17 ACTIVEHOURS, INC., a Delaware
18 corporation; STACY PRESS, an
19 individual,

20 Plaintiffs,

21 vs.

22 KATE FELDMAN, an individual; STOP
23 PREDATORY LENDING NV, a Nevada
24 Nonprofit Corp.; and FRANCISCO V.
25 AGUILAR, in his official capacity as
26 NEVADA SECRETARY OF STATE,

27 Defendants.

Case No.: 24 OC 00023 1B & FILE
Dept. No.: I

2024 APR 12 11:11 AM

WILLIAM BOEN
CLERK

BY

FILED IN ERROR

Case No.: 24 OC 00029 1B
Dept. No.: I

**~~PROPOSED~~ FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER
GRANTING PLAINTIFFS' LEGAL
CHALLENGES TO INITIATIVE
PETITION S-01-2024**

28 This matter came before this Court following four complaints, filed by four different sets
of plaintiffs, challenging the legal sufficiency and procedural defects of Initiative Petition S-01-
2024 (the "Petition"), under NRS 295.061. Intervenor-Defendant Kate Feldman ("Ms. Feldman")
filed the Petition on January 5, 2024, with Defendant Nevada Secretary of State (the "Secretary").
On March 22, 2024, the Court held a hearing on the several challenges to the Petition. The Court,
having reviewed the papers and pleadings on file, having considered the oral arguments presented
by the parties, and being fully advised and good cause appearing, finds, concludes, and orders as
follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. FINDINGS OF FACT

1. Initiative Petition S-01-2024

Ms. Feldman filed the Petition with the Secretary on January 5, 2024. The Petition proposes to amend the Nevada Revised Statutes to include a new chapter 604D entitled the “Preventing Predatory Payday and Other Loans Act.” Ms. Feldman later filed a second Initiative Petition, S-03-2024, on January 24, 2024, which proposes to enact the same “Preventing Predatory Payday and Other Loans Act,” but omits provisions included in the first Petition, S-01-2024. This Order addresses only the first Petition.

The first Petition’s Description of Effect, which is required under NRS 295.009(1)(b), states as follows:

This measure addresses high-interest lending practices by establishing maximum interest rates charged to consumers, and shields more of people’s savings and earnings from garnishment than under current law.

Currently, most consumer loans have no interest rate cap. The proposed cap would set a maximum interest rate of 36% annually on the unpaid balance of the amount financed, and would apply to consumer loans; deferred-deposit transactions (“payday loans”); title loans; and other loan types dependent on future earnings and income.

The initiative also prohibits evading the interest rate cap by structuring transactions to mask their nature as loans covered by this measure, or partnering with out-of-state lenders to violate the rate cap. The initiative voids transactions that violate the cap, and establishes civil penalties.

Additionally, the initiative automatically protects \$5,000 of savings in a personal bank account (up from \$400 now), and \$850 of wages in any workweek (up from \$369), as well as a portion of disposable earnings above that amount, from seizure for a debt. Those amounts would be indexed to increase periodically with inflation.

The Petition consists of 18 Sections and nearly 18 pages of new text to be added to the Nevada Revised Statutes, as well as proposed deletions of, and amendments to, existing statutes. The existing statutes that the Petition proposes to amend or delete relate to numerous other statutory chapters that address topics including deferred deposit loans, high-interest loans, retail installment transactions, banking, writs of execution, garnishment, property exempt from

1 judgment collection, and other matters. Generally, the Petition’s “loan”-related provisions and
2 related penalties against “payday lender[s] or other person[s]” are proposed in Sections 1 through
3 16. The wage garnishment provisions of the proposed “Preventing Predatory Payday and Other
4 Loans Act” are set forth in Sections 17 through 18.

5 The Petition’s proposed Act, at Section 5(1)-(2), defines the term “Loan” to include a
6 variety of financial transactions involving money or credit provided to a consumer, as follows:

7 **Loan defined.**

8 ***1. For purposes of this chapter, “loan” means and includes:***

9
10 ***(a) Money or credit provided to a consumer in exchange for the
11 consumer’s agreement to a certain set of terms, including, but not limited
12 to, provisions for direct or indirect repayment, interest, fees, charges or
13 other payments, or other conditions;***

14 ***(b) Any deferred deposit transaction or payday loan, installment
15 loan, line of credit, retail installment sales contract, and motor vehicle
16 retail installment sales contract, and other closed-end or open-end credit;
17 and***

18 ***(c) Any sale, assignment, order, or agreement for the payment of
19 unpaid wages, salary, commissions, compensation, or other income, or
20 any portion or amount thereof, whether earned, to be earned, or
21 contingent upon future earnings, that is made in consideration for goods
22 or services, credit, or the payment of money to or for the account of the
23 person earning or receiving, or potentially earning or receiving, the
24 wages, salary, commissions, compensation, or other income.***

25 ***2. Any transaction that satisfies any definition in this section is a “loan”
26 for purposes of this chapter without regard to the means of collection, without
27 regard to whether the payday lender or other lender has legal recourse against
28 the borrower in the event of non-repayment, and without regard to whether the
transaction carries required charges or payments.***

The Petition, at Section 9, proposes a “maximum interest rate” of 36% per year to apply to
“any loan or other transaction subject to” the proposed Act. In Sections 10 through 13, the Petition
proposes various penalties for exceeding the proposed maximum rate or otherwise violating the
provisions of the proposed Act. The Petition, at Section 14, also would constitute a declaration for
the State of Nevada to “opt out” of the federal “Depository Institutions Deregulation and Monetary
Control Act of 1980,” Pub. L. 96-221, or “DIDMCA.” The Petition further proposes, at Section

1 15, a prospective application of Section 9’s maximum interest rate, purporting to apply the
2 maximum rate to “entities licensed...to provide earned wage access services,” as defined in Senate
3 Bill 290 (Nev. Leg. 2023), beginning on January 1, 2030.

4 In addition to its various “payday loan”-related provisions and civil penalties, the Petition’s
5 Section 17 proposes to eliminate NRS 21.105(1)(a)-(n), which exempts certain sources of income
6 of a judgment debtor from garnishment, up to \$2,000. This Section of the Petition also eliminates
7 existing statutory categories of sources of income that NRS 21.105(1)(a)-(n) protects from
8 garnishment, and instead proposes a single, greater amount of \$5,000 that is not subject to
9 execution. The Petition also revises and restricts existing provisions under NRS 21.105(6) that
10 afford immunity for financial institutions that make a commercially reasonable effort to determine
11 whether money in a judgment debtor’s account is exempt from execution.

12 Finally, Section 18 of the Petition proposes to amend NRS 21.090(1)(g), which exempts
13 from execution certain amounts of a judgment debtor’s disposable earnings for any workweek, on
14 a sliding scale depending on the amount the judgment debtor earns during that period. The Petition
15 eliminates NRS 21.090(1)(g)’s existing protections and replaces them with higher thresholds, such
16 that more of a judgment debtor’s disposable earnings would be exempt from garnishment. The
17 Petition also redefines NRS 21.090(1)(g)(2)’s definition of “earnings” to specify that
18 “[c]ompensation paid or payable for personal services is earnings regardless of whether the
19 judgment debtor is classified as an independent contractor or an employee.” Finally, the Petition
20 proposes to adjust its revised exemption amounts for inflation pursuant to the Consumer Price
21 Index, and directs the Nevada Department of Business and Industry to publish the annual
22 adjustment each year, “round[ing] up” each annual adjustment “to the next \$10.”

23 **2. Procedural History**

24 On January 26, 2024, Plaintiffs Nevadans For Financial Choice and Christina Bauer
25 (collectively, “Nevadans for Financial Choice” or “NFFC”) filed a Complaint for Declaratory and
26 Injunctive Relief challenging the legal sufficiency of Initiative Petition S-01-2024, pursuant to
27 NRS 295.061, and submitted a Brief in Support of the Complaint. Subsequently, on February 14,
28

1 NFFC filed a First Amended Complaint timely adding Initiative Petition S-03-2024 to their
2 challenge.

3 On January 29, 2024, Plaintiff DailyPay, Inc. (“DailyPay”) filed a Complaint for
4 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
5 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

6 On January 29, 2024, Plaintiffs Preferred Capital Funding - Nevada, LLC and Alliance For
7 Responsible Consumer Legal Funding (collectively, “Preferred Capital”) filed a Complaint for
8 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
9 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

10 On February 13, 2024, Plaintiffs ActiveHours, Inc. and Stacy Press (collectively,
11 “ActiveHours”) filed a Complaint for Declaratory and Injunctive Relief challenging the legal
12 sufficiency of Initiative Petition S-03-2024, pursuant to NRS 295.061.

13 On or about February 22, 2024, the parties stipulated to, and the Court ordered, that the
14 filed suits be consolidated into one action to make the matter more efficient in terms of judicial
15 economy, the intervention of Ms. Feldman and Stop Predatory Lending NV, a Nevada nonprofit
16 corporation, as appropriate, and a briefing schedule. Ms. Feldman and Stop Predatory Lending NV
17 are collectively referred to herein as the “Proponents.” After briefing, the Court held hearing on
18 the consolidated matters on March 22, 2024.

19 **B. CONCLUSIONS OF LAW**

20 **The Petition Violates Nevada’s Single-Subject Rule.**

21 NRS 295.009(1) provides that “[e]ach petition for initiative or referendum must...
22 [e]mbrace but one subject and matters necessarily connected therewith and pertaining thereto.”
23 NRS 295.009(2) further provides that an initiative “embraces but one subject and matters
24 necessarily connected therewith and pertaining thereto, if the parts of the proposed initiative... are
25 functionally related and germane to each other in a way that provides sufficient notice of the
26 general subject of, and of the interests likely to be affected by, the proposed initiative[.]” NRS
27 295.009(2). NRS 295.061 authorizes a challenge to a proposed initiative when it violates the
28 single-subject rule set forth in NRS 295.009(1)-(2). Specifically, “whether an initiative or

1 referendum embraces but one subject and matters necessarily connected therewith and pertaining
2 thereto...may be challenged by filing a complaint in the First Judicial District Court.” NRS
3 295.061(1).

4 Nevada’s single-subject requirement “facilitates the initiative process by preventing
5 petition drafters from circulating confusing petitions that address multiple subjects.” *Nevadans for*
6 *the Prot. of Prop. Rights, Inc. v. Heller*, 122 Nev. 894, 902, 141 P.3d 1235, 1240 (2006). Thus,
7 “the single-subject requirement helps both in promoting informed decisions and in preventing the
8 enactment of unpopular provisions by attaching them to more attractive proposals or concealing
9 them in lengthy, complex initiatives (*i.e.*, logrolling).” *Las Vegas Taxpayer Accountability Comte.*
10 *v. City Council of City of Las Vegas*, 125 Nev. 165, 176-77, 208 P.3d 429, 436-37 (2009). After
11 all, unlike other “means of enacting law, the initiative process typically does not allow for unput
12 in drafting proposed laws.” *Id.*, 125 Nev. at 177 n. 6, 208 P.3d at 437 n.6 (citation omitted).

13 When considering a single-subject challenge, this Court must first determine the initiative’s
14 purpose or subject, “and then determine if each provision is functionally related and germane to
15 each other and the initiative’s purpose or subject.” *Helton v. Nev. Voters First PAC*, 138 Nev. Adv.
16 Op. 45, 512, P.3d 309, 314 (2022). “To determine the initiative’s purpose or subject, this court
17 looks to its textual language and the proponents’ arguments.” *Las Vegas Taxpayer*, 125 Nev. at
18 180, 208 P.3d at 439. Courts also will look at whether the description of effect articulates an
19 overarching purpose and explains how provisions relate to a single subject. *Id.* The proponents of
20 an initiative “may not circumvent the single-subject rule by phrasing the proposed law’s purpose
21 or object in terms of ‘excessive generality,’” nor “‘join[] disparate provisions which appear
22 germane only to topics of excessive generality[.]’” *Id.* (quoting *Harbor v. Deukmejian*, 240
23 Cal.Rptr. 569, 742 P.2d 1290, 1303 (1987)).

24 The Petition violates Nevada’s single-subject rule in several respects. First, by its own
25 description, the Petition embraces at least two disparate subjects in purporting to “establish[]
26 maximum interest rates charged to consumers, and shield[] more of people’s savings and earnings
27 from garnishment than under current law.” The Petition’s proposed changes to NRS Chapter 21,
28 which contains Nevada’s statutes on garnishment, execution, and exemptions from judgments,

1 have no nexus to the Petition’s other putative purpose of imposing maximum interest rates on
2 “loans” and other transactions. Imposing a maximum interest rate on lenders and others is not
3 “functionally related and germane to” shielding a judgment debtor’s savings and earnings from
4 garnishment. Nor is shielding a judgment debtor’s savings from garnishment a matter that is
5 “necessarily connected” with and pertaining to “Preventing Predatory Payday and Other Loans.”
6 The shielding of debtor assets in the collection of judgments applies beyond those arising out of
7 the proposed “Preventing Predatory Payday and Other Loans Act.” By the Petition’s own text, it
8 is clear that the Proponents have improperly joined multiple discrete and disparate subjects
9 together into a single Petition, in violation of NRS 295.009’s single-subject rule.

10 Second, the Proponents’ arguments in favor of the Petition demonstrate that the Petition
11 embraces more than a single subject, even when including matters necessarily connected therewith
12 and pertaining thereto. In their Omnibus Response Brief, Proponents argue that the common policy
13 goal behind the Petition “is to establish standards by which to regulate usurious behavior by lenders
14 and others in Nevada,” noting “the common usage of ‘usury’ is the lending of money at
15 unconscionable or exorbitant rates of interest.” Omnibus Resp., at 1. But the Petition’s proposed
16 changes concerning garnishment, writs of execution, the definition of “earnings” for purposes of
17 independent contractors versus employees, and other proposed changes, have nothing to do with
18 “the lending of money at unconscionable or exorbitant rates of interest.” A debtor may become a
19 judgment debtor for reasons unrelated to “Predatory Payday and Other Loans.” A judgment debtor
20 may be subject to garnishment for any number of reasons, including for unpaid debts that may or
21 may not be subject to any interest rate at all, much less any purportedly “unconscionable” interest
22 rate. To the extent the Proponents claim the Petition’s overarching purpose is to prevent “the
23 lending of money at unconscionable or exorbitant rates of interest,” the Proponents’ argument
24 demonstrates that the Petition embraces multiple subjects, contrary to NRS 295.009’s single-
25 subject requirement.

26 Further, to the extent the Proponents argue the Petition’s disparate components are meant
27 “to achieve a single goal: ensuring Nevadans have better debt protections,” the Proponents have
28 articulated an excessively generalized subject matter that, if adopted, would effectively nullify the

1 single-subject rule. *Las Vegas Taxpayer Accountability Committee*, 125 Nev. 165, 181, 208 P.3d
2 429, 440 (determining that “the purported single subject articulated in appellants’ opening brief,
3 ‘voter approval of use of taxpayer funds to finance large new development projects,’” was “an
4 excessively general subject that cannot meet NRS 295.009’s requirement”). While the policy goal
5 of ensuring Nevadans have better debt protections may be laudable, those protections are distinct
6 from proposed laws affecting the act of lending (as the Petition asserts to do). Additionally, the
7 general scope of that goal could plausibly relate to any proposal on some level. Were such an
8 excessively generalized subject permissible, there would be no need for the single-subject rule.
9 As statutes are not created to be superfluous, though, the single-subject rule within NRS 295.009
10 must be given effect. To satisfy the single-subject rule, NRS 295.009(2) more particularly requires
11 “the parts of the proposed initiative or referendum” to be “functionally related and germane to
12 each other in a way that provides sufficient notice of the general subject of, and of the interest
13 likely to be affected by, the proposed initiative or referendum.” (Emphasis added).

14 The Petition utterly fails to meet NRS 295.009’s defined standard. Accordingly, the Court
15 finds that the Petition violates NRS 295.009’s single-subject rule and cannot be circulated.¹

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25
26 ¹ The Court has also considered the remaining arguments raised by Plaintiffs, including challenges to the Petition’s
27 description of effect, the Petition’s purported fiscal impacts, and the Petition’s arguable referendum on Senate Bill
28 290’s earned wage access provisions. In light of this Court’s conclusion that the Petition violates the single-subject
rule, the Court need not reach the Plaintiffs’ remaining arguments. *Miller v. Burk*, 124 Nev. 579, 588-89 (2008) (the
Court need not address issues that are unnecessary to resolve the case at hand); *Nuleaf CLV Dispensary, LLC v. State
Dep’t of Health & Hum. Servs., Div. of Pub. & Behav. Health*, 134 Nev. 129, 136 n.2, 414 P.3d 305, 311 n.2 (2018).

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

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ORDER

Based on the foregoing findings of fact and conclusions of law:

1. **IT IS ORDERED** and declared that Initiative Petition S-01-2024 violates Nevada’s single subject rule under NRS 295.009.

2. **IT IS FURTHER ORDERED** and declared that the Nevada Secretary of State is enjoined from permitting Initiative Petition S-1-2024 from being circulated for signatures.

Dated this 12th day of April, 2024.

William A. Maddox

District Court Judge

Respectfully Submitted by:

/s/ Matthew Morris
J. Malcolm DeVoy (11950)
Matthew Morris (15068)
5441 Kietzke Lane, 2nd Floor
Reno, NV 89511
jmdevoy@hollandhart.com
mcmorris@hollandhart.com
Attorneys for Plaintiffs DailyPay, Inc.

ORIGINAL

REC'D & FILED
2024 APR 15 AM 11:26
WILLIAM SCOTT HOEN
CLERK
BY [Signature]
DEPUTY

1 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
2 DANIEL BRAVO, ESQ. (SBN 13078)
3 BRAVO SCHRAGER LLP
4 6675 South Tenaya Way, Suite 200
5 Las Vegas, Nevada 89113
6 Tele.: (702) 996-1724
7 Email: bradley@bravoschrager.com
8 Email: daniel@bravoschrager.com
9 Attorneys for Kate Feldman and
10 Intervenor-Defendant

11 **IN THE FIRST JUDICIAL DISTRICT COURT**
12 **OF THE STATE OF NEVADA IN AND FOR CARSON CITY**

13 NEVADANS FOR FINANCIAL CHOICE,
14 a Nevada Political Action Committee, and
15 CHRISTINA BAUER, an individual,

Lead Case No.: 24 OC 00018 1B
Dept. No.: II

16 Plaintiffs,

17 vs.

18 KATE FELDMAN, an individual, STOP
19 PREDATORY LENDING NV, a Nevada
20 Nonprofit Corp., and FRANCISCO V.
21 AGUILAR, in his official capacity as
22 Nevada Secretary of State,

Consolidated with

23 Defendants,

24 DAILYPAY, INC., a Delaware
25 Corporation,

Case No.: 24 OC 00021 1B

26 Plaintiff,

Dept. No.: II

27 vs.

28 FRANCISCO V. AGUILAR, in his official
capacity as NEVADA SECRETARY OF
STATE,

Defendant,

and

STOP PREDATORY LENDING NV, a
Nevada Nonprofit Corp., and
KATE FELDMAN, an individual,

Intervenor-Defendants.

BRAVO SCHRAGER LLP

1 PREFERRED CAPITAL FUNDING-
2 NEVADA, LLC, a Nevada limited liability
3 company, and ALLIANCE FOR
4 RESPONSIBLE CONSUMER LEGAL
5 FUNDING, an Illinois nonprofit
6 corporation,

7 Plaintiffs,

8 vs.

9 FRANCISCO V. AGUILAR, in his official
10 capacity as NEVADA SECRETARY OF
11 STATE, and KATE FELDMAN, an
12 individual,

13 Defendants,

14 and

15 STOP PREDATORY LENDING NV, a
16 Nevada Nonprofit Corp.,

17 Intervenor-Defendant.

18 ACTIVEHOURS, INC., a Delaware
19 corporation; STACY PRESS, an
20 individual,

21 Plaintiffs,

22 vs.

23 KATE FELDMAN, an individual; STOP
24 PREDATORY LENDING NV, a Nevada
25 Nonprofit Corp.; and FRANCISCO V.
26 AGUILAR, in his official capacity as
27 NEVADA SECRETARY OF STATE,

28 Defendants.

Case No.: 24 OC 00023 1B

Dept. No.: I

Case No.: 24 OC 00029 1B

Dept. No.: I

NOTICE OF ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF LAW,

AND ORDER

NOTICE IS HEREBY GIVEN that the FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFFS' LEGAL
CHALLENGES TO INITIATIVE PETITION S-01-2024 was entered in the above-


1 captioned matter on the 15th of April, 2024. A true and correct copy is attached
2 hereto as Exhibit 1.

3 **AFFIRMATION**

4 The undersigned hereby affirm that the foregoing document does not contain
5 the social security number of any person.

6 DATED this 15th day of February, 2024.

7 **BRAVO SCHRAGER LLP**

8
9 By: 
10 _____
11 BRADLEY S. SCHRAGER, ESQ. (SBN 10217)
12 DANIEL BRAVO, ESQ. (SBN 13078)
13 6675 South Tenaya Way, Suite 200
14 Las Vegas, Nevada 89113
15 Tele.: (702) 996-1724
16 Email: bradley@bravoschrager.com
17 Email: daniel@bravoschrager.com

18 *Attorneys for Kate Feldman and Intervenor-Defendant*

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this 15th day of February, 2024, I served the foregoing
3 **NOTICE OF ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF LAW, AND**
4 **ORDER** via electronic mail, per the February 22, 2024, Stipulation and Scheduling
5 Order of the Court, as follows:

6 Laena St Jules, Esq.
7 **OFFICE OF THE ATTORNEY**
8 **GENERAL**
9 LStJules@ag.nv.gov
10 *Attorneys for Defendant,*
11 *Francisco V. Aguilar*

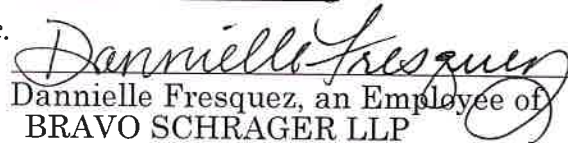
Todd L. Bice, Esq.
Jordan T. Smith, Esq.
Daniel R. Brady, Esq.
PISANELLI BICE PLLC
TLB@pisanellibice.com
JTS@pisanellibice.com
DRB@pisanellibice.com
Attorneys for Plaintiffs Nevadans for
Financial Choice and Christina Bauer

11 J. Malcolm DeVoy, Esq.
12 Matthew Morris, Esq.
13 **HOLLAND & HART LLP**
14 jmdevoy@hollandhart.com
mcmorris@hollandhart.com
Counsel for Plaintiff DailyPay, Inc.

Joshua H. Reisman, Esq.
Elizabeth M. Sorokac, Esq.
Michael R. Kalish, Esq.
REISMAN SOROKAC
jreisman@rsnvlaw.com
esorokac@rsnvlaw.com
mkalish@rsnvlaw.com
Attorneys for Plaintiffs Preferred Capital
Funding- Nevada, LLC, and Alliance
For Responsible Consumer Legal
Funding

18 Severin A. Carlson, Esq.
19 Sihomara L. Graves, Esq.
KAEMPFER CROWELL
20 scarlson@kcnvlaw.com
sgraves@kcnvlaw.com
21 *Attorneys for Plaintiffs Activehours, Inc.*
and Stacv Press

Billie Shadron
Judicial Assistant
First Judicial District Court, Dept. II
bshadron@carson.org

22 
Dannielle Fresquez, an Employee of
BRAVO SCHRAGER LLP

23 **INDEX OF EXHIBITS**

24

Exhibit No.	Document Title	No. of Pages
1	Findings of Fact, Conclusions of Law, and Order Granting Plaintiffs' Legal Challenge to Initiative Petition S-01-2024	10

28

EXHIBIT 1

EXHIBIT 1

REC'D & FILED

April 15, 2024

Date

WILLIAM SCOTT HOEN
CLERK

IN THE FIRST JUDICIAL DISTRICT COURT
By [Signature] Deputy
OF THE STATE OF NEVADA IN AND FOR CARSON CITY

NEVADANS FOR FINANCIAL CHOICE, a
Nevada Political Action Committee, and
CHRISTINA BAUER, an individual,

Lead Case No. 24-OC-00021B

Dept. No. II

Plaintiffs,

vs.

KATE FELDMAN, an individual, STOP
PREDATORY LENDING NV, a Nevada
Nonprofit Corp., and FRANCISCO V.
AGUILAR, in his official capacity as Nevada
Secretary of State,

Consolidated with

Defendants.

DAILYPAY, INC., a Delaware Corporation,

Case No.: 24 OC 00021 1B

Dept. No.: II

Plaintiff,

vs.

FRANCISCO V. AGUILAR, in his official
capacity as NEVADA SECRETARY OF
STATE,

Defendant,

and

STOP PREDATORY LENDING NV, a
Nevada Nonprofit Corp., and KATE
FELDMAN, an individual,

Intervenor-Defendants.

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1 PREFERRED CAPITAL FUNDING
2 NEVADA, LLC, a Nevada limited liability
3 company, and ALLIANCE FOR
4 RESPONSIBLE CONSUMER LEGAL
5 FUNDING, an Illinois nonprofit corporation,
6
7 Plaintiffs,
8
9 vs.
10 FRANCISCO V. AGUILAR, in his official
11 capacity as NEVADA SECRETARY OF
12 STATE, and KATE FELDMAN, an
13 individual,
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15 Defendants,
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17 and
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19 Nevada Nonprofit Corp.,
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21 Intervenor-Defendant.

22 ACTIVEHOURS, INC., a Delaware
23 corporation; STACY PRESS, an
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29 KATE FELDMAN, an individual; STOP
30 PREDATORY LENDING NV, a Nevada
31 Nonprofit Corp.; and FRANCISCO V.
32 AGUILAR, in his official capacity as
33 NEVADA SECRETARY OF STATE,
34
35 Defendants.

Case No.: 24 OC 00023 1B & FILED
Dept. No.: I

FILED IN ERROR
2024 APR 15
WILLIAM H. HENNING
CLERK
BY

Case No.: 24 OC 00029 1B
Dept. No.: I

~~PROPOSED~~ FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER
GRANTING PLAINTIFFS' LEGAL
CHALLENGES TO INITIATIVE
PETITION S-01-2024

21 This matter came before this Court following four complaints, filed by four different sets
22 of plaintiffs, challenging the legal sufficiency and procedural defects of Initiative Petition S-01-
23 2024 (the "Petition"), under NRS 295.061. Intervenor-Defendant Kate Feldman ("Ms. Feldman")
24 filed the Petition on January 5, 2024, with Defendant Nevada Secretary of State (the "Secretary").
25 On March 22, 2024, the Court held a hearing on the several challenges to the Petition. The Court,
26 having reviewed the papers and pleadings on file, having considered the oral arguments presented
27 by the parties, and being fully advised and good cause appearing, finds, concludes, and orders as
28 follows:

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

1 FINDINGS OF FACT AND CONCLUSIONS OF LAW

2 **A. FINDINGS OF FACT**

3 **1. Initiative Petition S-01-2024**

4 Ms. Feldman filed the Petition with the Secretary on January 5, 2024. The Petition proposes
5 to amend the Nevada Revised Statutes to include a new chapter 604D entitled the “Preventing
6 Predatory Payday and Other Loans Act.” Ms. Feldman later filed a second Initiative Petition, S-03-
7 2024, on January 24, 2024, which proposes to enact the same “Preventing Predatory Payday and
8 Other Loans Act,” but omits provisions included in the first Petition, S-01-2024. This Order
9 addresses only the first Petition.

10 The first Petition’s Description of Effect, which is required under NRS 295.009(1)(b),
11 states as follows:

12 This measure addresses high-interest lending practices by establishing
13 maximum interest rates charged to consumers, and shields more of people’s
14 savings and earnings from garnishment than under current law.

15 Currently, most consumer loans have no interest rate cap. The proposed
16 cap would set a maximum interest rate of 36% annually on the unpaid balance
17 of the amount financed, and would apply to consumer loans; deferred-deposit
18 transactions (“payday loans”); title loans; and other loan types dependent on
19 future earnings and income.

20 The initiative also prohibits evading the interest rate cap by structuring
21 transactions to mask their nature as loans covered by this measure, or partnering
22 with out-of-state lenders to violate the rate cap. The initiative voids transactions
23 that violate the cap, and establishes civil penalties.

24 Additionally, the initiative automatically protects \$5,000 of savings in a
25 personal bank account (up from \$400 now), and \$850 of wages in any workweek
26 (up from \$369), as well as a portion of disposable earnings above that amount,
27 from seizure for a debt. Those amounts would be indexed to increase
28 periodically with inflation.

The Petition consists of 18 Sections and nearly 18 pages of new text to be added to the
Nevada Revised Statutes, as well as proposed deletions of, and amendments to, existing statutes.
The existing statutes that the Petition proposes to amend or delete relate to numerous other
statutory chapters that address topics including deferred deposit loans, high-interest loans, retail
installment transactions, banking, writs of execution, garnishment, property exempt from

1 judgment collection, and other matters. Generally, the Petition's "loan"-related provisions and
2 related penalties against "payday lender[s] or other person[s]" are proposed in Sections 1 through
3 16. The wage garnishment provisions of the proposed "Preventing Predatory Payday and Other
4 Loans Act" are set forth in Sections 17 through 18.

5 The Petition's proposed Act, at Section 5(1)-(2), defines the term "Loan" to include a
6 variety of financial transactions involving money or credit provided to a consumer, as follows:

7 **Loan defined.**

8 **1. For purposes of this chapter, "loan" means and includes:**

9
10 **(a) Money or credit provided to a consumer in exchange for the**
11 **consumer's agreement to a certain set of terms, including, but not limited**
12 **to, provisions for direct or indirect repayment, interest, fees, charges or**
13 **other payments, or other conditions;**

14 **(b) Any deferred deposit transaction or payday loan, installment**
15 **loan, line of credit, retail installment sales contract, and motor vehicle**
16 **retail installment sales contract, and other closed-end or open-end credit;**
17 **and**

18 **(c) Any sale, assignment, order, or agreement for the payment of**
19 **unpaid wages, salary, commissions, compensation, or other income, or**
20 **any portion or amount thereof, whether earned, to be earned, or**
21 **contingent upon future earnings, that is made in consideration for goods**
22 **or services, credit, or the payment of money to or for the account of the**
23 **person earning or receiving, or potentially earning or receiving, the**
24 **wages, salary, commissions, compensation, or other income.**

25 **2. Any transaction that satisfies any definition in this section is a "loan"**
26 **for purposes of this chapter without regard to the means of collection, without**
27 **regard to whether the payday lender or other lender has legal recourse against**
28 **the borrower in the event of non-repayment, and without regard to whether the**
transaction carries required charges or payments.

The Petition, at Section 9, proposes a "maximum interest rate" of 36% per year to apply to
"any loan or other transaction subject to" the proposed Act. In Sections 10 through 13, the Petition
proposes various penalties for exceeding the proposed maximum rate or otherwise violating the
provisions of the proposed Act. The Petition, at Section 14, also would constitute a declaration for
the State of Nevada to "opt out" of the federal "Depository Institutions Deregulation and Monetary
Control Act of 1980," Pub. L. 96-221, or "DIDMCA." The Petition further proposes, at Section

1 15, a prospective application of Section 9’s maximum interest rate, purporting to apply the
2 maximum rate to “entities licensed...to provide earned wage access services,” as defined in Senate
3 Bill 290 (Nev. Leg. 2023), beginning on January 1, 2030.

4 In addition to its various “payday loan”-related provisions and civil penalties, the Petition’s
5 Section 17 proposes to eliminate NRS 21.105(1)(a)-(n), which exempts certain sources of income
6 of a judgment debtor from garnishment, up to \$2,000. This Section of the Petition also eliminates
7 existing statutory categories of sources of income that NRS 21.105(1)(a)-(n) protects from
8 garnishment, and instead proposes a single, greater amount of \$5,000 that is not subject to
9 execution. The Petition also revises and restricts existing provisions under NRS 21.105(6) that
10 afford immunity for financial institutions that make a commercially reasonable effort to determine
11 whether money in a judgment debtor’s account is exempt from execution.

12 Finally, Section 18 of the Petition proposes to amend NRS 21.090(1)(g), which exempts
13 from execution certain amounts of a judgment debtor’s disposable earnings for any workweek, on
14 a sliding scale depending on the amount the judgment debtor earns during that period. The Petition
15 eliminates NRS 21.090(1)(g)’s existing protections and replaces them with higher thresholds, such
16 that more of a judgment debtor’s disposable earnings would be exempt from garnishment. The
17 Petition also redefines NRS 21.090(1)(g)(2)’s definition of “earnings” to specify that
18 “[c]ompensation paid or payable for personal services is earnings regardless of whether the
19 judgment debtor is classified as an independent contractor or an employee.” Finally, the Petition
20 proposes to adjust its revised exemption amounts for inflation pursuant to the Consumer Price
21 Index, and directs the Nevada Department of Business and Industry to publish the annual
22 adjustment each year, “round[ing] up” each annual adjustment “to the next \$10.”

23 **2. Procedural History**

24 On January 26, 2024, Plaintiffs Nevadans For Financial Choice and Christina Bauer
25 (collectively, “Nevadans for Financial Choice” or “NFFC”) filed a Complaint for Declaratory and
26 Injunctive Relief challenging the legal sufficiency of Initiative Petition S-01-2024, pursuant to
27 NRS 295.061, and submitted a Brief in Support of the Complaint. Subsequently, on February 14,
28

1 NFFC filed a First Amended Complaint timely adding Initiative Petition S-03-2024 to their
2 challenge.

3 On January 29, 2024, Plaintiff DailyPay, Inc. (“DailyPay”) filed a Complaint for
4 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
5 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

6 On January 29, 2024, Plaintiffs Preferred Capital Funding - Nevada, LLC and Alliance For
7 Responsible Consumer Legal Funding (collectively, “Preferred Capital”) filed a Complaint for
8 Declaratory and Injunctive Relief challenging the legal sufficiency of both Initiative Petition S-
9 01-2024 and Initiative Petition S-03-2024, pursuant to NRS 295.061.

10 On February 13, 2024, Plaintiffs ActiveHours, Inc. and Stacy Press (collectively,
11 “ActiveHours”) filed a Complaint for Declaratory and Injunctive Relief challenging the legal
12 sufficiency of Initiative Petition S-03-2024, pursuant to NRS 295.061.

13 On or about February 22, 2024, the parties stipulated to, and the Court ordered, that the
14 filed suits be consolidated into one action to make the matter more efficient in terms of judicial
15 economy, the intervention of Ms. Feldman and Stop Predatory Lending NV, a Nevada nonprofit
16 corporation, as appropriate, and a briefing schedule. Ms. Feldman and Stop Predatory Lending NV
17 are collectively referred to herein as the “Proponents.” After briefing, the Court held hearing on
18 the consolidated matters on March 22, 2024.

19 **B. CONCLUSIONS OF LAW**

20 **The Petition Violates Nevada’s Single-Subject Rule.**

21 NRS 295.009(1) provides that “[e]ach petition for initiative or referendum must...
22 [e]mbrace but one subject and matters necessarily connected therewith and pertaining thereto.”
23 NRS 295.009(2) further provides that an initiative “embraces but one subject and matters
24 necessarily connected therewith and pertaining thereto, if the parts of the proposed initiative... are
25 functionally related and germane to each other in a way that provides sufficient notice of the
26 general subject of, and of the interests likely to be affected by, the proposed initiative[.]” NRS
27 295.009(2). NRS 295.061 authorizes a challenge to a proposed initiative when it violates the
28 single-subject rule set forth in NRS 295.009(1)-(2). Specifically, “whether an initiative or

1 referendum embraces but one subject and matters necessarily connected therewith and pertaining
2 thereto...may be challenged by filing a complaint in the First Judicial District Court.” NRS
3 295.061(1).

4 Nevada’s single-subject requirement “facilitates the initiative process by preventing
5 petition drafters from circulating confusing petitions that address multiple subjects.” *Nevadans for*
6 *the Prot. of Prop. Rights, Inc. v. Heller*, 122 Nev. 894, 902, 141 P.3d 1235, 1240 (2006). Thus,
7 “the single-subject requirement helps both in promoting informed decisions and in preventing the
8 enactment of unpopular provisions by attaching them to more attractive proposals or concealing
9 them in lengthy, complex initiatives (*i.e.*, logrolling).” *Las Vegas Taxpayer Accountability Comte.*
10 *v. City Council of City of Las Vegas*, 125 Nev. 165, 176-77, 208 P.3d 429, 436-37 (2009). After
11 all, unlike other “means of enacting law, the initiative process typically does not allow for unput
12 in drafting proposed laws.” *Id.*, 125 Nev. at 177 n. 6, 208 P.3d at 437 n.6 (citation omitted).

13 When considering a single-subject challenge, this Court must first determine the initiative’s
14 purpose or subject, “and then determine if each provision is functionally related and germane to
15 each other and the initiative’s purpose or subject.” *Helton v. Nev. Voters First PAC*, 138 Nev. Adv.
16 Op. 45, 512, P.3d 309, 314 (2022). “To determine the initiative’s purpose or subject, this court
17 looks to its textual language and the proponents’ arguments.” *Las Vegas Taxpayer*, 125 Nev. at
18 180, 208 P.3d at 439. Courts also will look at whether the description of effect articulates an
19 overarching purpose and explains how provisions relate to a single subject. *Id.* The proponents of
20 an initiative “may not circumvent the single-subject rule by phrasing the proposed law’s purpose
21 or object in terms of ‘excessive generality,’” nor “[] disparate provisions which appear
22 germane only to topics of excessive generality[.]” *Id.* (quoting *Harbor v. Deukmejian*, 240
23 Cal.Rptr. 569, 742 P.2d 1290, 1303 (1987)).

24 The Petition violates Nevada’s single-subject rule in several respects. First, by its own
25 description, the Petition embraces at least two disparate subjects in purporting to “establish[]
26 maximum interest rates charged to consumers, and shield[] more of people’s savings and earnings
27 from garnishment than under current law.” The Petition’s proposed changes to NRS Chapter 21,
28 which contains Nevada’s statutes on garnishment, execution, and exemptions from judgments,

1 have no nexus to the Petition’s other putative purpose of imposing maximum interest rates on
2 “loans” and other transactions. Imposing a maximum interest rate on lenders and others is not
3 “functionally related and germane to” shielding a judgment debtor’s savings and earnings from
4 garnishment. Nor is shielding a judgment debtor’s savings from garnishment a matter that is
5 “necessarily connected” with and pertaining to “Preventing Predatory Payday and Other Loans.”
6 The shielding of debtor assets in the collection of judgments applies beyond those arising out of
7 the proposed “Preventing Predatory Payday and Other Loans Act.” By the Petition’s own text, it
8 is clear that the Proponents have improperly joined multiple discrete and disparate subjects
9 together into a single Petition, in violation of NRS 295.009’s single-subject rule.

10 Second, the Proponents’ arguments in favor of the Petition demonstrate that the Petition
11 embraces more than a single subject, even when including matters necessarily connected therewith
12 and pertaining thereto. In their Omnibus Response Brief, Proponents argue that the common policy
13 goal behind the Petition “is to establish standards by which to regulate usurious behavior by lenders
14 and others in Nevada,” noting “the common usage of ‘usury’ is the lending of money at
15 unconscionable or exorbitant rates of interest.” Omnibus Resp., at 1. But the Petition’s proposed
16 changes concerning garnishment, writs of execution, the definition of “earnings” for purposes of
17 independent contractors versus employees, and other proposed changes, have nothing to do with
18 “the lending of money at unconscionable or exorbitant rates of interest.” A debtor may become a
19 judgment debtor for reasons unrelated to “Predatory Payday and Other Loans.” A judgment debtor
20 may be subject to garnishment for any number of reasons, including for unpaid debts that may or
21 may not be subject to any interest rate at all, much less any purportedly “unconscionable” interest
22 rate. To the extent the Proponents claim the Petition’s overarching purpose is to prevent “the
23 lending of money at unconscionable or exorbitant rates of interest,” the Proponents’ argument
24 demonstrates that the Petition embraces multiple subjects, contrary to NRS 295.009’s single-
25 subject requirement.

26 Further, to the extent the Proponents argue the Petition’s disparate components are meant
27 “to achieve a single goal: ensuring Nevadans have better debt protections,” the Proponents have
28 articulated an excessively generalized subject matter that, if adopted, would effectively nullify the

1 single-subject rule. *Las Vegas Taxpayer Accountability Committee*, 125 Nev. 165, 181, 208 P.3d
2 429, 440 (determining that “the purported single subject articulated in appellants’ opening brief,
3 ‘voter approval of use of taxpayer funds to finance large new development projects,’” was “an
4 excessively general subject that cannot meet NRS 295.009’s requirement”). While the policy goal
5 of ensuring Nevadans have better debt protections may be laudable, those protections are distinct
6 from proposed laws affecting the act of lending (as the Petition asserts to do). Additionally, the
7 general scope of that goal could plausibly relate to any proposal on some level. Were such an
8 excessively generalized subject permissible, there would be no need for the single-subject rule.
9 As statutes are not created to be superfluous, though, the single-subject rule within NRS 295.009
10 must be given effect. To satisfy the single-subject rule, NRS 295.009(2) more particularly requires
11 “the parts of the proposed initiative or referendum” to be “functionally related and germane to
12 each other in a way that provides sufficient notice of the general subject of, and of the interest
13 likely to be affected by, the proposed initiative or referendum.” (Emphasis added).

14 The Petition utterly fails to meet NRS 295.009’s defined standard. Accordingly, the Court
15 finds that the Petition violates NRS 295.009’s single-subject rule and cannot be circulated.¹

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26 ¹ The Court has also considered the remaining arguments raised by Plaintiffs, including challenges to the Petition’s
27 description of effect, the Petition’s purported fiscal impacts, and the Petition’s arguable referendum on Senate Bill
28 290’s earned wage access provisions. In light of this Court’s conclusion that the Petition violates the single-subject
rule, the Court need not reach the Plaintiffs’ remaining arguments. *Miller v. Burk*, 124 Nev. 579, 588-89 (2008) (the
Court need not address issues that are unnecessary to resolve the case at hand); *Nuleaf CLV Dispensary, LLC v. State
Dep’t of Health & Hum. Servs., Div. of Pub. & Behav. Health*, 134 Nev. 129, 136 n.2, 414 P.3d 305, 311 n.2 (2018).

HOLLAND & HART LLP
5441 KIETZKE LANE
SECOND FLOOR
RENO, NV 89511

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ORDER

Based on the foregoing findings of fact and conclusions of law:

1. **IT IS ORDERED** and declared that Initiative Petition S-01-2024 violates Nevada's single subject rule under NRS 295.009.

2. **IT IS FURTHER ORDERED** and declared that the Nevada Secretary of State is enjoined from permitting Initiative Petition S-1-2024 from being circulated for signatures.

Dated this 12th day of April, 2024.

William A. Maddox

District Court Judge

Respectfully Submitted by:

/s/ Matthew Morris
J. Malcolm DeVoy (11950)
Matthew Morris (15068)
5441 Kietzke Lane, 2nd Floor
Reno, NV 89511
jmdevoy@hollandhart.com
mcmorris@hollandhart.com
Attorneys for Plaintiffs DailyPay, Inc.

FIRST JUDICIAL DISTRICT COURT MINUTES

CASE NO. <u>24 OC 00023 1B</u>	TITLE: <u>PREFERRED CAPITAL FUNDING-NEVADA, LLC; ALLIANCE FOR RESPONSIBLE CONSUMER LEGAL FUNDING VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>
CASE NO. <u>24 OC 00018 1B</u>	TITLE: <u>NEVADANS FOR FINANCIAL CHOICE; CHRISTINA BAUER VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>
CASE NO. <u>24 OC 00021 1B</u>	TITLE: <u>DAILYPAY VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>
CASE NO. <u>24 OC 00029 1B</u>	TITLE: <u>ACTIVEHOURSE, INC; STACY PRESS VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>

03/22/24 – DEPT. II – HONORABLE WILLIAM A. MADDOX
S. Barajas, Clerk – Not Reported

PETITION HEARING

Present: Via Zoom, Todd Bice & Daniel Brady, counsel for Nevadans for Financial Choice, Plaintiff; J. Malcolm DeVoy & Matthew Morris, counsel for Dailypay, Plaintiff; Joshua Reisman & Elizabeth Sorokac, via Zoom, counsel for Preferred Capital Funding, LLC. Plaintiff; Severin Carlson & Sihomara Graves, counsel for ActiveHours, Inc, Plaintiff; Bradley Schragger & Daniel Bravo, via Zoom, counsel for Stop Predatory Lending NV, Defendant; Leana St-Jules, District Attorney General, counsel for Francisco V. Aguilar, Defendant.

Statements were made by Court.

Counsel gave opening arguments.

Court took recess.

Matter resumed.

Statements were made by Court.

Further arguments were made by counsel.

Court stated its findings of fact and conclusion of law.

CASE NO. <u>24 OC 00023 1B</u>	TITLE: <u>PREFERRED CAPITAL FUNDING-NEVADA, LLC; ALLIANCE FOR RESPONSIBLE CONSUMER LEGAL FUNDING VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>
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CASE NO. <u>24 OC 00029 1B</u>	TITLE: <u>ACTIVEHOURSE, INC; STACY PRESS VS FRANCISCO V. AGUILAR; KATE FELDMA; STOP PREDATORY LENDING NV</u>

Cont'd.

COURT ORDERED: Plaintiff side to write a decision for the Court, defendant side to do the same.

Court stated its findings of fact and conclusion of law.

COURT ORDERED: S-O1-2024, the section 17 and 18 It will enjoin with the Secretary of State from placing SO1-2024 on the ballot.

Court stated its findings of fact and conclusion of law.

COURT ORDERED: Schragger to write an opinion allowing SO32024 on the ballot, Plaintiff can decide who will write the decision on rejecting SO32024 on the ballot.

Statements were made by Schragger regarding timeline to submit the opinions.

Upon inquiry by the Court, parties agreed to 7 days for submission.

COURT ORDED: Parties to submit proposed order within 14 days.

The Court minutes as stated above are a summary of the proceeding and are not a verbatim record. The hearing held on the above date was recorded on the Court's recording system.

ORIGINAL
 DISTRICT COURT CIVIL COVER SHEET

Carson City County, Nevada
 Case No. 24 OC DOD 18 1B
 (Assigned by Clerk's Office)

FILED

I. Party Information (provide both home and mailing addresses if different)

Plaintiff(s) (name/address/phone): NEVADANS FOR FINANCIAL CHOICE, a Nevada Political Action Committee; and CHRISTINA BAUER Attorney (name/address/phone): Todd L. Bice, Esq., Pisanelli Bice PLLC 400 South 7th Street, Suite 300, Las Vegas, NV 89101 702.214.2100	Defendant(s) (name/address/phone): <p align="center" style="font-size: 1.2em; font-weight: bold;">2024 JAN 26 PM 12:05</p> KATE FELDMAN, an individual; and FRANCISCO AGUILAR, in his Official Capacity as Nevada Secretary of State Attorney (name/address/phone):
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II. Nature of Controversy (please select the one most applicable filing type below)

<p align="center">Real Property</p> <p>Landlord/Tenant</p> <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Other Landlord/Tenant <p>Title to Property</p> <input type="checkbox"/> Judicial Foreclosure <input type="checkbox"/> Foreclosure Mediation Assistance <input type="checkbox"/> Other Title to Property <p>Other Real Property</p> <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property	<p align="center">Negligence</p> <input type="checkbox"/> Auto <input type="checkbox"/> Premises Liability <input type="checkbox"/> Other Negligence <p align="center">Malpractice</p> <input type="checkbox"/> Medical/Dental <input type="checkbox"/> Legal <input type="checkbox"/> Accounting <input type="checkbox"/> Other Malpractice	<p align="center">Torts</p> <p>Other Torts</p> <input type="checkbox"/> Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Employment Tort <input type="checkbox"/> Insurance Tort <input type="checkbox"/> Other Tort
<p align="center">Probate</p> <p>Probate (select case type and estate value)</p> <input type="checkbox"/> Summary Administration <input type="checkbox"/> General Administration <input type="checkbox"/> Special Administration <input type="checkbox"/> Set Aside <input type="checkbox"/> Surviving Spouse <input type="checkbox"/> Trust/Conservatorship <input type="checkbox"/> Other Probate <p>Estate Value</p> <input type="checkbox"/> Greater than \$300,000 <input type="checkbox"/> \$200,000-\$300,000 <input type="checkbox"/> \$100,001-\$199,999 <input type="checkbox"/> \$25,001-\$100,000 <input type="checkbox"/> \$20,001-\$25,000 <input type="checkbox"/> \$2,501-20,000 <input type="checkbox"/> \$2,500 or less	<p align="center">Construction Defect & Contract</p> <p>Construction Defect</p> <input type="checkbox"/> Chapter 40 <input type="checkbox"/> Other Construction Defect <p>Contract Case</p> <input type="checkbox"/> Uniform Commercial Code <input type="checkbox"/> Building and Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Collection of Accounts <input type="checkbox"/> Employment Contract <input type="checkbox"/> Other Contract	<p align="center">Judicial Review/Appeal</p> <p>Judicial Review</p> <input type="checkbox"/> Petition to Seal Records <input type="checkbox"/> Mental Competency <p>Nevada State Agency Appeal</p> <input type="checkbox"/> Department of Motor Vehicle <input type="checkbox"/> Worker's Compensation <input type="checkbox"/> Other Nevada State Agency <p>Appeal Other</p> <input type="checkbox"/> Appeal from Lower Court <input type="checkbox"/> Other Judicial Review/Appeal
<p align="center">Civil Writ</p> <p>Civil Writ</p> <input type="checkbox"/> Writ of Habeas Corpus <input type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrant <input type="checkbox"/> Writ of Prohibition <input type="checkbox"/> Other Civil Writ		<p align="center">Other Civil Filing</p> <p>Other Civil Filing</p> <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Foreign Judgment <input checked="" type="checkbox"/> Other Civil Matters

Business Court filings should be filed using the Business Court civil coversheet.

January 26, 2024

Date


 Signature of initiating party or representative

See other side for family-related case filings.