



California Corporate & Securities Law

Nevada Enacts Changes To Business Records and Notice Requirements

August 17, 2011



Apparently, the State of Nevada takes seriously Judge Gideon J. Tucker's observation that "no man's life, liberty, or property are safe while the legislature is in session." *quoted in Lucas v. Mercantile-Safe Deposit & Trust Co.*, 29 Md. App. 633, 644 (Md. App. 1975).

So seriously that the Nevada constitution strictly limits the the length of legislative sessions. Pursuant to Article 4, § 2(2), the [Nevada legislature](#) meets biennially in odd number years. The legislative session, moreover, must end not later than midnight Pacific Standard Time 120 calendar days following the commencement of a session. In other words, the legislature has 2,880 hours (that's 172,800 minutes) in which to complete its work.[\[1\]](#)

This being an odd-numbered year, the legislature duly convened on on February 7, 2011 at 11:01 a.m., and adjourned sine die on June 7, 2011, at 1:20 a.m. During this period the legislature enacted and [Governor Sandoval](#) approved [SB 405](#).

This bill, among other things, revises provisions governing corporate records and the manner in which business entities sign, deliver and receive notices and communications based on proposed changes to the Model Business Corporation Act, the Uniform Electronic Transactions Act and the federal Electronic Signatures in Global and National Commerce Act which relate to electronic records and notices. These changes take effect on October 1, 2011. NRS 218.530.

Please contact [Keith Paul Bishop](#) at Allen Matkins for more information kbishop@allenmatkins.com

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I plan to discuss other, unrelated changes made by SB 405 in future posts. These changes will also be covered in an update to *Bishop and Zucker on Nevada Corporations and Limited Liability Companies*.

[1] If this seem hyper-technical, consider that the Nevada Supreme Court was called upon not too long ago to decide whether two bills passed between midnight and 1:00 a.m. Pacific *Daylight (not Standard)* Time had met the constitutional deadline. In *Nevada Mining Ass'n v. Erdoes*, 117 Nev. 531, 26 P.3d 753 (2001), the court concluded that it had because midnight Pacific Standard Time is the equivalent to 1:00 a.m. Pacific Daylight Time.

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