

ASSEMBLY BILL NO. 195—ASSEMBLYMEN FLORES, NEAL;  
DALY, HAFEN, KRAMER AND TORRES

FEBRUARY 18, 2019

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing crimes against property. (BDR 15-130)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to crimes; making it unlawful to install or affix a scanning device within or upon a machine used for commercial transactions under certain circumstances; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law makes it a crime for a person to use a scanning device to access,  
2 read, obtain, memorize or store information encoded on the magnetic strip of a  
3 payment card: (1) without the permission of the authorized user of the card; and (2)  
4 with the intent to defraud the user or issuer of the card or any other person. (NRS  
5 205.605) Existing law also makes it a crime for a person to possess a scanning  
6 device with the intent to use it for an unlawful purpose. (NRS 205.606) **Section 1**  
7 of this bill makes it a crime for a person to install or affix a scanning device within  
8 or upon a machine used for commercial transactions with the intent to use the  
9 scanning device for an unlawful purpose. **Section 1** provides that a person who  
10 installs or affixes a scanning device in such an unlawful manner is guilty of a  
11 category C felony.

12 Existing law exempts certain persons from the provisions governing the  
13 unlawful use or possession of scanning devices. Existing law provides that a person  
14 is exempt from these provisions if he or she uses or possesses a scanning device  
15 without the intent to defraud or commit an unlawful act: (1) in the ordinary course  
16 of his or her business; or (2) with the consent of the authorized user of a payment  
17 card to complete a financial transaction using that card. (NRS 205.607) **Section 2**  
18 of this bill expands this exemption to include a person who installs or affixes a  
19 scanning device without the intent to commit an unlawful act in the ordinary course  
20 of his or her business.



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

1       **Section 1.** NRS 205.606 is hereby amended to read as follows:

2       205.606 1. A person shall not ~~possess~~ :

3       (a) *Install or affix, temporarily or permanently, a scanning*  
4 *device within or upon a machine with the intent to use the*  
5 *scanning device for an unlawful purpose; or*

6       (b) *Possess* a scanning device or reencoder with the intent to use  
7 the scanning device or reencoder for an unlawful purpose.

8       2. A person who violates any provision of this section is guilty  
9 of a category C felony and shall be punished as provided in  
10 NRS 193.130.

11       3. *As used in this section, "machine" means a machine used*  
12 *to conduct commercial transactions, including, without limitation,*  
13 *an automated teller or fuel pump. As used in this subsection,*  
14 *"automated teller" means an electronic device that dispenses cash*  
15 *in connection with an account maintained in a financial*  
16 *institution or with another business.*

17       **Sec. 2.** NRS 205.607 is hereby amended to read as follows:

18       205.607 The provisions of NRS 205.601 to 205.608, inclusive,  
19 do not apply to any person who, without the intent to defraud or  
20 commit an unlawful act, *installs, affixes,* possesses or uses a  
21 scanning device or reencoder:

22       1. In the ordinary course of his or her business or employment;  
23 or

24       2. Pursuant to a financial transaction entered into with an  
25 authorized user of a payment card who has given permission for the  
26 financial transaction.

