

SENATE BILL NO. 517—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 26, 2007

Referred to Committee on Government Affairs

SUMMARY—Requires that certain payments to the State of Nevada be made electronically. (BDR 31-633)

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 state financial administration; requiring that certain payments made to agencies of this State be made electronically; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill requires all payments of money owed to a state agency for taxes,
2 interest, penalties or any other obligations that, in the aggregate, amount to \$10,000
3 or more be made by electronic transfer. This requirement does not apply to such
4 payments by governmental entities, or to payments to the Secretary of State unless
5 the Secretary of State so requires.

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

1 **Section 1.** Chapter 353 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. Except as otherwise provided in subsection 2, all payments*
4 *of money owed to a state agency for taxes, interest, penalties or*
5 *any other obligations that, in the aggregate, amount to \$10,000 or*
6 *more must be made by electronic transfer of money.*

7 *2. The provisions of subsection 1:*

8 *(a) Apply to a person who has entered into an agreement with*
9 *one or more employers who are required to pay contributions*
10 *pursuant to NRS 612.535, if:*



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(1) Pursuant to such agreement, the person is required to submit the contributions to the Employment Security Division of the Department of Employment, Training and Rehabilitation on behalf of the employers; and

(2) The amount of such contributions from employers, in the aggregate, is \$10,000 or more.

(b) Do not apply to:

(1) The payment of money owed to the Secretary of State, unless the Secretary of State requires the payment of money owed to his office for taxes, interest, penalties or any other obligations that, in the aggregate, amount to \$10,000 or more be made by electronic transfer of money.

(2) The payment of money owed to a state agency by a governmental entity.

3. If the payment of money owed to a state agency is required pursuant to this section to be made electronically, the state agency must, except as otherwise provided in this subsection, be able to access the electronic funds on or before the date that such payment is due. An employer who is required to pay a contribution pursuant to NRS 612.535 must initiate the payment of the contribution on or before the date that such payment is due.

4. As used in this section:

(a) "Electronic transfer of money" means any transfer of money, other than a transaction initiated by a check or other similar instrument, that is initiated through an automated clearinghouse transaction, an electronic check transaction or a wire transfer for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account.

(b) "Employer" has the meaning ascribed to it in NRS 612.055.

(c) "Governmental entity" means:

(1) The government of this State;

(2) An agency of the government of this State;

(3) A political subdivision of this State; and

(4) An agency of a political subdivision of this State.

Sec. 2. NRS 353.146 is hereby amended to read as follows:

353.146 As used in NRS 353.146 to 353.148, inclusive, **and section 1 of this act**, "state agency" means an agency, bureau, board, commission, department, division or any other unit of the Executive Department of the State Government.

Sec. 3. NRS 31A.090 is hereby amended to read as follows:

31A.090 1. A notice to withhold income is binding upon any employer of an obligor to whom it is mailed. To reimburse the employer for his costs in making the withholding, he may deduct \$3 from the amount paid the obligor each time he makes a withholding.



2. ~~HH~~ *Except as otherwise provided in subsection 3, if* an employer receives notices to withhold income for more than one employee, he may consolidate the amounts of money that are payable to:

(a) The enforcing authority and pay those amounts with one check; and

(b) The State Treasurer and pay those amounts with one check, but the employer shall attach to each check a statement identifying by name and social security number each obligor for whom payment is made and the amount transmitted for that obligor.

3. *If the provisions of section 1 of this act apply, the employer shall make payment to the enforcing authority or the State Treasurer, as applicable, by way of electronic transfer of money. If an employer makes such payment by way of electronic transfer of money, the employer shall transmit separately the name and social security number of each obligor for whom payment is made and the amount transmitted for that obligor.*

4. An employer shall cooperate with and provide relevant information to an enforcing authority as necessary to enable it to enforce an obligation of support. A disclosure made in good faith pursuant to this subsection does not give rise to any action for damages resulting from the disclosure.

5. *As used in this section, "electronic transfer of money" has the meaning ascribed to it in section 1 of this act.*

Sec. 4. NRS 108.650 is hereby amended to read as follows:

108.650 1. Any person or his insurer who, after the receipt of a certified copy of the notice of lien pursuant to NRS 108.610, makes any payment to the injured person, his heirs, personal representatives or the attorney for any of them, as compensation for the injury suffered, without paying the hospital the reasonable value of hospitalization rendered to the injured person and claimed in its notice of lien or so much thereof as can be satisfied out of the money due under any final judgment, settlement or compromise, after paying the attorney's fees, costs and expenses incurred in connection therewith and any prior liens, is, for a period of 180 days after the date of that payment, liable to the hospital for the amount or part thereof which the hospital was entitled to receive. The hospital has, within that period, a cause of action or other claim for relief against the person or insurer making the payment, which may be prosecuted and maintained in any county wherein the notice of lien was filed.

2. ~~HH~~ *Except as otherwise provided in this subsection, if* the hospital is publicly owned or not for profit, the person or his insurer shall make the payment to the hospital by issuing to the hospital a separate check or other negotiable instrument. *If the provisions of*



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1 *section 1 of this act apply, the person or his insurer shall make the*
2 *payment to the hospital by way of electronic transfer of money.*

3 *3. As used in this section, “electronic transfer of money” has*
4 *the meaning ascribed to it in section 1 of this act.*

5 **Sec. 5.** The Legislative Counsel shall, where applicable:

6 1. In preparing the reprint and supplements to the Nevada
7 Revised Statutes, with respect to any section that is not amended by
8 this act or is further amended by another act, appropriately change
9 any reference to a “check” or “negotiable instrument” to an
10 “electronic transfer of money.”

11 2. In preparing supplements to the Nevada Administrative
12 Code, appropriately change any reference to a “check” or
13 “negotiable instrument” to an “electronic transfer of money.”

14 **Sec. 6.** This act becomes effective on July 1, 2008.

