ASSEMBLY BILL NO. 214–COMMITTEE ON COMMERCE AND LABOR

MARCH 1, 2011

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing certain disbursements of money from escrow accounts. (BDR 54-1016)

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

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

AN ACT relating to escrow accounts; requiring that certain disbursements of money from escrow accounts be payable in United States currency; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the disbursement of money held in escrow relating to certain transactions and prohibits disbursements from an escrow account on the same business day as the money is deposited unless the deposit is made in certain forms which allow for the immediate withdrawal of the money. (NRS 645A.171) This bill requires certain disbursements which are available on the same business day as that on which the money is deposited to be payable in United States currency.

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

Section 1. NRS 645A.171 is hereby amended to read as follows:

645A.171 1. No escrow officer or person who acts as an escrow agent may disburse money from an escrow account unless deposits which are at least equal in value to the proposed disbursements and which relate directly to the transaction for which the money is to be disbursed have been received.

2. No escrow officer or person who acts as an escrow agent may disburse money from an escrow account on the same business

day as the money is deposited unless the deposit is made in one of the following forms:

(a) Cash;

(b) Interbank electronic transfer such that the money deposited is available for immediate withdrawal without condition ~~[;]~~ ***and payable in United States currency;***

(c) Negotiable order of withdrawal, money order, cashier's check or certified check which is payable in this State and which is drawn from a financial institution located in this State;

(d) Any depository check, including any cashier's check or teller's check, that is governed by the Expedited Funds Availability Act, 12 U.S.C. §§ 4001 et seq.; or

(e) Any other form that permits conversion of the deposit to cash on the same day as the deposit is made.

3. ***An escrow officer or person who acts as an escrow agent who disburses money from an escrow account pursuant to this section shall comply with all applicable federal laws or regulations with respect to the disbursement of money that is deposited in an escrow account.***

4. As used in this section, "escrow officer" has the meaning ascribed to it in NRS 692A.028.