#### Amendment No. 204

Assembly Amendment to Assembly Bill No. 196	(BDR 18-557)					
Proposed by: Assembly Committee on Judiciary						
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No	Digest: Yes					

Adoption of this amendment will ADD a 2/3s majority vote requirement for final passage of A.B. 196 (§§ 9, 12).

ASSEMBLY	AC	ΓΙΟΝ	Initial and Date	SENATE ACTION	ON Initial and Date
Adopted		Lost		Adopted	Lost
Concurred In		Not		Concurred In	Not
Receded		Not	I	Receded	Not

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) red strikethrough is deleted language in the original bill; (4) purple double strikethrough is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold underlining is newly added transitory language.

SRT/HAC

A.B. No. 196—Revises provisions governing the collection of fines, administrative assessments, fees and restitution owed by certain convicted persons. (BDR 18-557)



Date: 4/18/2011

#### ASSEMBLY BILL NO. 196-COMMITTEE ON JUDICIARY

# (ON BEHALF OF THE ADVISORY COMMISSION ON THE ADMINISTRATION OF JUSTICE)

FEBRUARY 21, 2011

#### Referred to Committee on Judiciary

SUMMARY—Revises provisions governing the collection of fines, administrative assessments, fees and restitution owed by certain convicted

persons. (BDR <del>[18-557)]</del> **14-557**)

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 the State Controller; [requiring] authorizing a county treasurer to enter into a cooperative agreement with the Office of the State Controller [to collect] for the purpose of assigning the responsibility of collecting fines, administrative assessments, fees and restitution from [persons convicted of] certain criminal [offenses;] defendants; making various changes relating to the collection of fines, administrative assessments, fees and restitution from certain criminal defendants; making various changes relating to debt collection between this State and the Federal Government; and providing other matters properly relating thereto.

### Legislative Counsel's Digest:

Existing law provides that if a fine, administrative assessment, fee or restitution imposed upon a defendant is delinquent: (1) the defendant is liable for a collection fee; (2) the entity responsible for collecting the delinquent amount may report the delinquency to credit reporting agencies, may contract with a collection agency and may request that the court take appropriate action; and (3) the court may request that a prosecuting attorney undertake collection efforts, may order the suspension of the driver's license of the defendant amay, in the case of a delinquent fine or administrative assessment, order that the defendant be confined in the appropriate prison, jail or detention facility. (NRS 176.064)

[This bill provides that if a defendant is convicted of a felony or gross misdemeanor and ordered to pay a fine, administrative assessment, fee or restitution, the State Controller is responsible for: (1) collecting the fine, administrative assessment, fee or restitution, and (2) distributing the fine, administrative assessment, fee or restitution to the entity entitled to receive it. Sections 1 and 2 of this bill require: (1) each district court, the Chief of the Division of Parole and Probation of the Department of Public Safety and the Director of the Department of Corrections to provide, upon request and in the manner prescribed by the State Controller, necessary information to the State Controller regarding the amount of any fine, administrative assessment, fee or restitution owed by a person convicted of a felony or gross

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Corrections and any other state or local agency involved in the collection of fines administrative assessments, fees or restitution to collaborate with the State Controller. Sections 7 and 11 of this bill require the district court to forward to the county treasurer the necessary information for the collection of the debt of a criminal defendant. If a county is unable to collect the debt, sections 7, 11 and 14 of this bill authorize the county treasurer to enter into a cooperative agreement with the Office of the State Controller for the purpose of assigning to the Office of the State Controller the responsibility for collecting the debt.

Under existing law, a judgment entered by the court ordering a defendant to pay a fine, administrative assessment or restitution constitutes a lien. (NRS 176.275) Section 8 of this bill requires a district court judge to inform a defendant at the time of sentencing of the provisions of NRS 176.275, and that if the lien is not satisfied, collection efforts may be undertaken against the defendant.

Sections 9 and 12 of this bill require a defendant to pay costs and fees associated with the efforts to collect a debt.

Section 14 authorizes the Office of the State Controller to enter into a cooperative agreement with a governmental entity for the purpose of establishing the Office of the State Controller as the collection agent for the governmental entity.

Section 15 of this bill authorizes the State Controller or his or her designee to enter into a reciprocal agreement with the Federal Government for the collection and offset of indebtedness.

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

Section 1. Chapter 227 of NRS is hereby amended by adding thereto a new

The State Controller shall:

(a) Collect any fine, administrative assessment, fee or restitution imposed upon a defendant convicted of a felony or gross misdemeanor pursuant to ehapter 176 of NRS; and

(b) Distribute a fine, administrative assessment, fee or restitution collected pursuant to subsection 1 to the entity that is entitled to receive the fine, administrative assessment, fee or restitution.

2. To earry out the provisions of subsection 1, the State Controller shall:

(a) Collaborate with the appropriate district court, the Department of Public Safety, the Department of Corrections and any other state or local agency involved in the collection of fines, administrative assessments, fees or restitution; and

(b) Use any lawful means necessary to collect the fines, administrative assessments, fees and restitution, including, without limitation, taking any or all of the actions set forth in NRS 176.064.7 (Deleted by amendment.)

Sec. 2. [NRS 176.064 is hereby amended to read as follows:

1. If a fine, administrative assessment, fee or restitution is imupon a defendant pursuant to this chapter, whether or not the fine, administrat assessment, fee or restitution is in addition to any other punishment, and the fine, administrative assessment, fee or restitution or any part of it remains unpaid after the time established by the court for its payment, the defendant is liable for imposed by the court at the time it finds that the fine, administrative assessment, fee or restitution is delinquent, of:

(a) Not more than \$100, if the amount of the delinguency is less than \$2.000.

 (b) Not more than \$500, if the amount of the delinquency is \$2,000 or greater, but is less than \$5,000.

(e) Ten percent of the amount of the delinquency, if the amount of the delinquency is \$5,000 or greater.

2. [A] The State Controller or a state or local entity that is [responsible for collecting] involved in the collection of a delinquent fine, administrative assessment, fee or restitution may, in addition to attempting to collect the fine, administrative assessment, fee or restitution through any other lawful means, take any or all of the following actions:

(a) Report the delinquency to reporting agencies that assemble or evaluate information concerning credit.

(b) Request that the court take appropriate action pursuant to subsection 3.

— (c) Contract with a collection agency licensed pursuant to NRS 649.075 to collect the delinquent amount and the collection fee. The collection agency must be paid as compensation for its services an amount not greater than the amount of the collection fee imposed pursuant to subsection 1, in accordance with the provisions of the contract.

3. The court may, on its own motion or at the request of the State Controller or a state or local entity that is [responsible for collecting] involved in the collection of the delinquent fine, administrative assessment, fee or restitution, take any or all of the following actions, in the following order of priority if practicable:

— (a) Request that a prosecuting attorney undertake collection of the delinquency, including, without limitation, the original amount and the collection fee, by attachment or garnishment of the defendant's property, wages or other money receivable.

(b) Order the suspension of the driver's license of the defendant. If the defendant does not possess a driver's license, the court may prohibit the defendant from applying for a driver's license for a specified period. If the defendant is already the subject of a court order suspending or delaying the issuance of the defendant's driver's license, the court may order the additional suspension or delay, as appropriate, to apply consecutively with the previous order. At the time the court issues an order suspending the driver's license of a defendant pursuant to this paragraph, the court shall require the defendant to surrender to the court all driver's licenses then held by the defendant. The court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles the licenses, together with a copy of the order. At the time the court issues an order pursuant to this paragraph delaying the ability of a defendant to apply for a driver's license, the court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles a copy of the order. The Department of Motor Vehicles shall report a suspension pursuant to this paragraph to an insurance company or its agent inquiring about the defendant's driving record, but such a suspension must not be considered for the purpose of rating or underwriting.

(e) For a delinquent fine or administrative assessment, order the confinement of the person in the appropriate prison, jail or detention facility, as provided in NRS 176.065 and 176.075.

4. Money collected from a collection fee imposed pursuant to subsection 1 must be distributed in the following manner:

— (a) Except as otherwise provided in paragraph (d), if the money is collected by or on behalf of a municipal court, the money must be deposited in a special fund in the appropriate city treasury. The city may use the money in the fund only to develop and implement a program for the collection of fines, administrative assessments, fees and restitution.

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- (b) Except as otherwise provided in paragraph (d), if the money is collected by or on behalf of a justice court or district court, the money must be deposited in a special fund in the appropriate county treasury. The county may use the money in the special fund only to develop and implement a program for the collection of fines, administrative assessments, fees and restitution.
- (e) Except as otherwise provided in paragraph (d), if the money is collected by [a state entity,] the State Controller, the money must be deposited in an account, which is hereby created in the State Treasury. The [Court Administrator] State Controller may use the money in the account only to develop and implement a program for the collection of fines, administrative assessments, fees and restitution <del>in this State.</del>
- (d) If the money is collected by a collection agency, after the collection agency has been paid its fee pursuant to the terms of the contract, any remaining money must be deposited in the state, city or county treasury, whichever is appropriate, to be used only for the purposes set forth in paragraph (a), (b) or (c). [of this subsection.]
- 5. To carry out the provisions of this section:
  (a) Each district court, the Chief of the Division and the Director of the Department of Corrections shall, upon the request of and in the manner prescribed by the State Controller, provide to the State Controller such information in their possession regarding the amount of any fine, administrative assessment, fee or restitution owed by a person convicted of a felony or gross misdemeanor as determined necessary by the State Controller.
- (b) Each district court, the Department of Public Safety, the Department of Corrections and any other state or local agency involved in the collection of fines, administrative assessments, fees or restitution shall collaborate with the State Controller. (Deleted by amendment.)
  - Sec. 3. [NRS 176.0916 is hereby amended to read as follows:
- 176.0916 1. If the Division is supervising a probationer or parolee pursuant to an interstate compact and the probationer or parolec is or has been convicted in another jurisdiction of violating a law that prohibits the same or similar conduct as an offense listed in subsection 4 of NRS 176.0913, the Division shall arrange for a biological specimen to be obtained from the probationer or parolee.
- 2. After a biological specimen is obtained from a probationer or parolee pursuant to this section, the Division shall:
- (a) Provide the biological specimen to the forensic laboratory that has been designated by the county in which the probationer or parolee is residing to conduct or oversee genetic marker testing for the county pursuant to NRS 176.0917; and
- (b) Submit the name, social security number, date of birth and any other information identifying the probationer or parolee to the Central Repository [.] for Nevada Records of Criminal History.
- 3. Except as otherwise authorized by federal law or by specific statute, a biological specimen obtained pursuant to this section, the results of a genetic marker analysis and any information identifying or matching a biological specimen with a person must not be shared with or disclosed to any person other than the authorized personnel who have possession and control of the biological specimen, results of a genetic marker analysis or information identifying or matching a biological specimen with a person, except pursuant to:
- (a) A court order; or
- (b) A request from a law enforcement agency during the course of investigation.
- 4. A person who violates any provision of subsection 3 is guilty misdemeanor.

5. A probationer or parolee, to the extent of his or her financial ability, shall pay the sum of \$150 to the [Division] State Controller as a fee for obtaining the biological specimen and for conducting the analysis to determine the genetic markers of the biological specimen. Except as otherwise provided in subsection 6, the fee required pursuant to this subsection must be collected from a probationer or parolee at the time the biological specimen is obtained from the probationer or parolee.

6. A probationer or parolee may arrange to make monthly payments of the fee required pursuant to subsection 5. If such arrangements are made, the [Division] State Controller shall provide a probationer or parolee with a monthly statement that specifies the date on which the next payment is due.

7. Any unpaid balance for a fee required pursuant to subsection 5 is a charge against the [Division.] State Controller.

8. The [Division] State Controller shall deposit money that is collected pursuant to this section in the Fund for Genetic Marker Testing, which is hereby created in the State General Fund. The money deposited in the Fund for Genetic Marker Testing must be used to pay for the actual amount charged to the Division for obtaining biological specimens from probationers and parolees, and for conducting an analysis to determine the genetic markers of the specimens.] (Deleted by amendment.)

Sec. 4. [NRS 176A.430 is hereby amended to read as follows:

— 176A.430 1. The court shall order as a condition of probation or suspension of sentence, in appropriate circumstances, that the defendant make full or partial restitution to the person or persons named in the order, at the times and in the amounts specified in the order unless the court finds that restitution is impracticable. Such an order may require payment for medical or psychological treatment of any person whom the defendant has injured. In appropriate circumstances, the court shall include as a condition of probation or suspension of sentence that the defendant execute an assignment of wages carned while on probation or subject to the conditions of suspension of sentence to the [Division] State Controller for restitution.

- 2. All money received by the [Division] State Controller for restitution for:
- (a) One victim may; and
- 34 (b) More than one victim must,
  - → be deposited with the State Treasurer for credit to the Restitution Trust Fund. All payments from the Fund must be paid as other claims against the State are paid.
  - 3. If restitution is not required, the court shall set forth the circumstances upon which it finds restitution impracticable in its order of probation or suspension of sentence.
  - 4. Failure to comply with the terms of an order for restitution is a violation of a condition of probation or suspension of sentence unless the defendant's failure has been caused by economic hardship resulting in the defendant's inability to pay the amount due. The defendant is entitled to a hearing to show the existence of such a hardship.
  - 5. If, within 3 years after the defendant has been discharged from probation, the [Division] State Controller has not located the person to whom the restitution was ordered, the money paid by the defendant must be deposited with the State Treasurer for credit to the Fund for the Compensation of Victims of Crime.] (Deleted by amendment.)

Sec. 5. [NRS 213.126 is hereby amended to read as follows:

213.126 1. Unless complete restitution was made while the parolec was incarcerated, the Board shall impose as a condition of parole, in appropriate circumstances, a requirement that the parolec make restitution to the person or

persons named in the statement of parole conditions, including restitution to a governmental entity for expenses related to extradition, at the times specified in the statement unless the Board finds that restitution is impracticable. The amount of restitution must be the amount set by the court pursuant to NRS 176.033. In appropriate circumstances, the Board shall include as a condition of parole that the parolee execute an assignment of wages earned by the parolee while on parole to the [Division] State Controller for restitution.

- 2. All money received by the [Division] State Controller for restitution for:
- (a) One victim may; and
  - (b) More than one victim must.
  - --- be deposited in the State Treasury for credit to the Restitution Trust Fund which is hereby created.
  - 3. The [Division] State Controller shall make pro rata payments from the money received from the parolee to each person to whom the restitution was ordered pursuant to NRS 176.033. Such a payment must be made:
  - (a) If the money received from the parolee in a single payment is \$200 or more or if the total accumulated amount received from the parolee is \$200 or more, whenever money is received from the parolee.
  - (b) If the money received from the parolee in a single payment is less than \$200 or if the total accumulated amount received from the parolee is less than \$200, at the end of each year until the parolee has paid the entire restitution owed.
  - Any money received from the parolec that is remaining at the end of each year must be paid at that time in pro rata payments to each person to whom the restitution was ordered. A final pro rata payment must be made to such persons when the parolec pays the entire restitution owed.
  - 4. A person to whom restitution was ordered pursuant to NRS 176.033 may at any time file an application with the [Division] State Controller requesting the [Division] State Controller to make a pro rata payment from the money received from the parolee. If the [Division] State Controller finds that the applicant is suffering a serious financial hardship and is in need of financial assistance, the [Division] State Controller shall pay to the applicant his or her pro rata share of the money received from the parolee.
  - 5. All payments from the Fund must be paid as other claims against the State are paid.
    - 6. If restitution is not required, the Board shall set forth the circumstances upon which it finds restitution impracticable in its statement of parole conditions.
  - 7. Failure to comply with a restitution requirement imposed by the Board is a violation of a condition of parole unless the parolee's failure was caused by conomic hardship resulting in his or her inability to pay the amount due. The defendant is entitled to a hearing to show the existence of that hardship.
  - 8. If, within 3 years after the parolee is discharged from parole, the [Division] State Controller has not located the person to whom the restitution was ordered, the money paid to the [Division] State Controller by the parolee must be deposited in the Fund for the Compensation of Victims of Crime.] (Deleted by amendment.)
  - Sec. 6. Chapter 176 of NRS is hereby amended by adding thereto the provisions set forth as sections 7, 8 and 9 of this act.
  - Sec. 7. 1. If a fine, administrative assessment, fee or restitution is imposed pursuant to this chapter upon a defendant who pleads guilty or guilty but mentally ill or is found guilty or guilty but mentally ill of a felony or gross misdemeanor, the district court entering the judgment of conviction shall forward to the county treasurer or other office assigned by the county to make collections the information necessary to collect the fine, administrative assessment, fee or restitution. The county treasurer or other office assigned by the county to make

collections is responsible for such collection efforts and has the authority to collect the fine, administrative assessment, fee or restitution.

2. If the county treasurer or other office assigned by the county to make collections is unable to collect the fine, administrative assessment, fee or restitution after 60 days, the county treasurer may assign to the Office of the State Controller the responsibility for collection of the fine, administrative assessment, fee or restitution through a cooperative agreement pursuant to section 14 of this act, so long as the Office of the State Controller is willing and

able to make such collection efforts.

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3. If the county treasurer and the Office of the State Controller enter into a cooperative agreement pursuant to section 14 of this act, the county treasurer or other county office assigned by the county to make collections shall forward to the Office of the State Controller the necessary information. For the purposes of this section, the information necessary to collect the fine, administrative assessment, fee or restitution shall be considered and limited to:

(a) The name of the defendant;

(b) The date of birth of the defendant;

(c) The social security number of the defendant; (d) The last known address of the defendant; and

(e) The nature and the amount of money owed by the defendant.

If the Office of the State Controller is successful in collecting the fine, administrative assessment, fee or restitution, the money collected must be returned to the originating county, minus the costs and fees actually incurred in collecting the fine, administrative assessment, fee or restitution pursuant to section 9 of this act.

5. Any money collected pursuant to subsection 4 must be deposited in the

State Treasury, pursuant to NRS 176.265.

Any record created pursuant to subsection 3 that contains personal identifying information shall not be considered a public record pursuant to NRS 239.010 and must be treated pursuant to NRS 239.0105.

Unless otherwise prohibited by law, the entity responsible for collecting the fine, administrative assessment, fee or restitution pursuant to this section, has the authority to compromise the amount to be collected for the purpose of satisfying the judgment.

Sec. 8. If a district court imposes a fine, administrative assessment, fee or restitution upon a defendant who pleads guilty or guilty but mentally ill or is found guilty or guilty but mentally ill of a felony or gross misdemeanor, the district court judge shall advise the defendant at the time of sentencing that:

The judgment constitutes a lien, pursuant to NRS 176.275; and

If the defendant does not satisfy the lien, collection efforts may be

undertaken against the defendant pursuant to the laws of this State.

1. A defendant who pleads guilty or guilty but mentally ill or is found guilty or guilty but mentally ill who owes a fine, administrative assessment, fee or restitution, pursuant to section 7 of this act, must be assessed by and pay to the county treasurer or other office assigned by the county to make collections the following costs and fees if the county treasurer or other office assigned by the county to make collections is successful in collecting the fine, administrative assessment, fee or restitution:

(a) The costs and fees actually incurred in collecting the fine, administrative

50 assessment, fee or restitution; and 51

(b) A fee payable to the county treasurer in the amount of 2 percent of the amount of the fine, administrative assessment, fee or restitution assigned to the county treasurer or other office assigned by the county to make collections.

2. The total amount of the costs and fees required to be collected pursuant to subsection 1 must not exceed 35 percent of the amount of the fine, administrative assessment, fee or restitution or \$50,000, whichever is less.

Sec. 10. Chapter 178 of NRS is hereby amended by adding thereto the

provisions set forth as sections 11 and 12 of this act.

- Sec. 11. 1. If a district court orders a defendant to pay for expenses incurred by the county or State in providing the defendant with an attorney pursuant to NRS 178.3975 or makes an execution on the property of the defendant pursuant to NRS 178.398, the district court entering the judgment shall forward to the county treasurer or other office assigned by the county to make collections the information necessary to collect the fee. The county treasurer or other office assigned by the county to make collections is responsible for such collection efforts and has the authority to collect the fee.
- 2. If the county treasurer or other office assigned by the county to make collections is unable to collect the fee after 60 days, the county treasurer may assign to the Office of the State Controller the responsibility for collection of the fee through a cooperative agreement pursuant to section 14 of this act, so long as the Office of the State Controller is willing and able to make such collection efforts.
- 3. If the county treasurer and the Office of the State Controller enter into a cooperative agreement pursuant to section 14 of this act, the county treasurer or other county office assigned by the county to make collections shall forward to the Office of the State Controller the necessary information. For purposes of this section, the information necessary to collect the fee shall be considered and limited to:
  - (a) The name of the defendant;
- (b) The date of birth of the defendant;
  - (c) The social security number of the defendant;
  - (d) The last known address of the defendant; and
  - (e) The nature and the amount of money owed by the defendant.
- 4. If the Office of the State Controller is successful in collecting the fee, the money collected must be returned to the originating county, minus the costs and fees actually incurred in collecting the fee.
- 5. Any money collected must be paid to the county or state public defender's office which bore the expense and which was not reimbursed by another governmental agency, pursuant to NRS 178.3975.
- 6. Any record created pursuant to subsection 3 that contains personal identifying information shall not be considered a public record pursuant to NRS 239.010 and must be treated pursuant to NRS 239.0105.
- 7. Unless otherwise prohibited by law, the entity responsible for collecting the fee pursuant to this section, has the authority to compromise the amount to be collected for the purpose of satisfying the judgment.
- Sec. 12. 1. A defendant who owes a fee pursuant to section 11 of this act, must be assessed by and pay to the county treasurer or other office assigned by the county to make collections, the following costs and fees if the county treasurer or other office assigned by the county to make collections is successful in collecting the fee:
  - (a) The costs and fees actually incurred in collecting the fee; and
- (b) A fee payable to the county treasurer in the amount of 2 percent of the amount of the fee assigned to the county treasurer or other office assigned by the county to make collections.

- 2. The total amount of the costs and fees required to be collected pursuant to subsection 1 must not exceed 35 percent of the amount of the fee or \$50,000, whichever is less.
- Sec. 13. Chapter 353 of NRS is hereby amended by adding thereto the provisions set forth as sections 14 and 15 of this act.
- Sec. 14. The Office of the State Controller may act as the collection agent for any governmental entity pursuant to a cooperative agreement entered into between the Office of the State Controller and the governmental entity.
- Sec. 15. The State Controller or his or her designee may enter into a reciprocal agreement with the Federal Government for the collection and offset of indebtedness, pursuant to which the State will offset from state tax refunds and from payments otherwise due to vendors and contractors providing goods or services to the departments, agencies or institutions of this State, non tax related debt owed to the Federal Government, and the Federal Government will offset from federal payments to vendors and taxpayers debt owed to the State of Nevada.

[Sec. 6.] Sec. 16. This act becomes effective on July 1, 2011.