

ASSEMBLY BILL NO. 406—COMMITTEE ON JUDICIARY

MARCH 25, 2021

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to the collection of child support. (BDR 3-138)

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 child support; providing for the withholding of gambling winnings of an obligor to apply to arrears in child support owed by the obligor; requiring the Division of Welfare and Supportive Services of the Department of Health and Human Services to adopt regulations to provide for such withholding of gambling winnings; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that money may be withheld for the support of a child from any money due to an obligor as the prize from any contest or lottery. (NRS 31A.150) This bill provides for the withholding by a licensed gaming establishment of money from the gambling winnings of an obligor to apply to arrears in child support owed by the obligor.

Section 1 of this bill: (1) requires the Division of Welfare and Supportive Services of the Department of Health and Human Services to establish and maintain a secure, electronically accessible registry to be used for the purpose of withholding money from the gambling winnings of an obligor; (2) requires the Division, after consultation with the Nevada Gaming Control Board, to adopt regulations to provide for such withholding of gambling winnings; and (3) sets forth the specific duties and responsibilities of a licensed gaming establishment and the Division in carrying out such withholding of gambling winnings.

Section 2 of this bill makes a conforming change to authorize the withholding of money from the gambling winnings of an obligor.



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

1 **Section 1.** Chapter 31A of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 ***1. The Division of Welfare and Supportive Services shall:***

4 ***(a) Establish and maintain a secure, electronically accessible***
5 ***registry to be used for the purpose of withholding money from the***
6 ***gambling winnings of an obligor pursuant to this section. The***
7 ***registry must include, without limitation, the following***
8 ***information regarding an obligor:***

9 ***(1) The name and address of the obligor.***

10 ***(2) The social security number of the obligor.***

11 ***(3) The amount of any arrears in the payment of child***
12 ***support.***

13 ***(4) A case identifier for the obligor.***

14 ***(5) Any other information the Division deems necessary to***
15 ***confirm the identity of the obligor.***

16 ***(b) After consultation with the Nevada Gaming Control Board,***
17 ***adopt regulations to carry out the provisions of this section.***

18 ***2. Before paying any portion of gambling winnings to a***
19 ***person, a licensed gaming establishment shall:***

20 ***(a) Access the registry to determine whether the person is an***
21 ***obligor listed in the registry; and***

22 ***(b) If the person is an obligor listed in the registry, withhold***
23 ***from the gambling winnings of the person the following amounts:***

24 ***(1) An administrative fee of \$25 for carrying out its duties***
25 ***pursuant to this section.***

26 ***(2) If, after deducting the administrative fee set forth in***
27 ***subparagraph (1), the amount of the remaining gambling***
28 ***winnings is equal to or less than the amount in arrears listed in***
29 ***the registry, 100 percent of the amount of the remaining gambling***
30 ***winnings.***

31 ***(3) If, after deducting the administrative fee set forth in***
32 ***subparagraph (1), the amount of the gambling winnings***
33 ***remaining is more than the amount in arrears listed in the***
34 ***registry, the amount in arrears listed in the registry.***

35 ***↪ A licensed gaming establishment that withholds money from***
36 ***gambling winnings pursuant to this subsection shall provide to the***
37 ***obligor a written receipt in the form prescribed by the regulations***
38 ***adopted by the Division.***

39 ***3. A licensed gaming establishment that withholds money***
40 ***from gambling winnings pursuant to subsection 2 shall, within 5***
41 ***business days after withholding such money and in the manner***
42 ***prescribed by the regulations adopted by the Division:***



(a) Remit the amount withheld to the Division; and
(b) Provide to the Division a written notice that includes the following information:

- (1) The name and address of the obligor.
- (2) The social security number of the obligor.
- (3) The case identifier of the obligor.
- (4) The amount withheld from the gambling winnings of the obligor and the date on which it was withheld.
- (5) The name, address and contact information of the licensed gaming establishment.

4. Upon receipt of the money remitted and the notice provided from the licensed gaming establishment pursuant to subsection 3, the Division shall send a notice, by first-class mail, to the obligor at the address the obligor provided to the licensed gaming establishment or, if the obligor failed to provide an address to the licensed gaming establishment, at the last known address of the obligor, that the Division intends to apply the amount of gambling winnings withheld by the licensed gaming establishment to the arrears in child support owed by the obligor.

5. Within 20 calendar days after receipt of the notice provided to the obligor pursuant to subsection 4, the obligor may submit to the Division a request for a hearing concerning the withholding of the gambling winnings of the obligor. Not later than the date of the hearing, the obligor and a representative of the Division must meet and make a good faith effort to resolve the matter. For the purposes of this section, an obligor shall be deemed to have received notice 3 calendar days after the date on which the Division deposited the notice in the mail.

6. If the obligor timely requests a hearing as provided in subsection 5 and meets with a representative of the Division as required by subsection 5, the hearing must be held in accordance with the provisions of NRS 425.3832 within 20 calendar days after the date on which the Division received the request for a hearing.

7. The Division shall not apply the money withheld from the gambling winnings of an obligor to the arrears in child support of the obligor until:

(a) At least 23 calendar days after depositing in the mail the notice to the obligor pursuant to subsection 4; or

(b) The conclusion and disposition of any hearing timely requested pursuant to subsection 5,
↳ whichever is later.

8. Any information about an obligor obtained by a licensed gaming establishment pursuant to this section must be used only for the purpose of carrying out the provisions of this section. A licensed gaming establishment is immune from criminal or civil



1 *liability for any act or omission made in good faith to comply with*
2 *the requirements of this section, including, without limitation:*

3 *(a) Any disclosure of personal information to the Division;*
4 *and*

5 *(b) The withholding of any money from the obligor or*
6 *remittance of any money to the Division.*

7 *9. The withholding of money from the gambling winnings of*
8 *an obligor to apply to arrears in child support has priority over*
9 *any other secured or unsecured claim on the gambling winnings,*
10 *except claims for federal or state taxes that are required to be*
11 *withheld under federal or state law.*

12 *10. As used in this section:*

13 *(a) "Gambling winnings" means winnings at a licensed*
14 *gaming establishment that are required to be reported to the*
15 *Internal Revenue Service on Form W-2G.*

16 *(b) "Licensed gaming establishment" has the meaning*
17 *ascribed to it in NRS 463.0169.*

18 *(c) "Registry" means the registry established and maintained*
19 *by the Division pursuant to this section.*

20 **Sec. 2.** NRS 31A.150 is hereby amended to read as follows:

21 31A.150 1. Money may be withheld for the support of a child
22 pursuant to NRS 31A.025 to 31A.190, inclusive, *and section 1 of*
23 *this act*, from any money:

24 (a) Due to:

25 (1) The obligor as a pension, an annuity, unemployment
26 compensation, a benefit because of disability, retirement or other
27 cause or any other benefit;

28 (2) The obligor as a return of contributions and interest; or

29 (3) Some other person because of the death of the obligor,
30 ➤ from the State, a political subdivision of the State or an agency of
31 either, a public trust, corporation or board or a system for
32 retirement, disability or annuity established by any person or a
33 statute of this or any other state, whether the money is payable
34 periodically or in a lump sum; or

35 (b) Due to the obligor as a judgment, a settlement, ~~for~~ the prize
36 from any contest or lottery ~~or~~ *or gambling winnings*, from any
37 person or other entity, whether the money is payable periodically or
38 in a lump sum. *As used in this paragraph, "gambling winnings"*
39 *has the meaning ascribed to it in section 1 of this act.*

40 2. When a certified copy of a notice to withhold income is
41 delivered by certified mail, return receipt requested, to a person or
42 other entity described in subsection 1, the person or other entity
43 must comply with the request and pay to the enforcing authority the
44 amounts withheld as required in the notice to withhold income.



1 **Sec. 3.** Notwithstanding the provisions of NRS 218D.430 and
2 218D.435, a committee, other than the Assembly Standing
3 Committee on Ways and Means and the Senate Standing Committee
4 on Finance, may vote on this act before the expiration of the period
5 prescribed for the return of a fiscal note in NRS 218D.475. This
6 section applies retroactively from and after March 22, 2021.

