

SENATE BILL NO. 39—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE STATE TREASURER)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Government Affairs

SUMMARY—Provides for the acceptance of transfers of certain digital representations of United States dollars by certain governmental entities. (BDR 31-396)

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 governmental financial administration; authorizing the State Treasurer to enter into a contract to provide for the acceptance of transfers of certain digital representations of United States dollars by certain governmental entities that have been approved by the State Treasurer to participate in the contract; requiring the State Treasurer to adopt regulations establishing certain requirements for such a contract; authorizing a governmental entity that participates in such a contract to charge a convenience fee under certain circumstances; authorizing certain governmental entities to participate in such a contract; revising certain definitions of the term “electronic transfer of money” to exclude transfers of certain digital representations of United States dollars; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 Existing law authorizes certain governmental entities to enter into a contract for
- 2 the acceptance of credit cards, debit cards or electronic transfers of money by the
- 3 entity. (NRS 258.135, 353.1465, 354.770, 622.233) Existing law also authorizes the
- 4 Director of the Office of Finance in the Office of the Governor to enter into a
- 5 contract to provide for the acceptance of credit cards, debit cards or electronic
- 6 transfers of money by any state agency that chooses to participate in the contract.
- 7 (NRS 353.1466) **Section 3** of this bill similarly authorizes the State Treasurer, if he
- 8 or she makes certain determinations and obtains the approval of the State Board of



Finance, to enter into a contract to provide for the acceptance of transfers of digital tokens by certain governmental entities that have been approved by the State Treasurer to participate in the contract. **Section 3** of this bill defines the term “digital token” to mean a digital representation of United States dollars that: (1) is converted to and from United States dollars by a digital token payment system; and (2) may only be transferred, stored or traded electronically.

Section 3 requires the State Treasurer to adopt regulations establishing requirements for the contents of a contract that provides for the acceptance of transfers of digital tokens. Under **section 3**, such regulations must require such a contract to contain a provision requiring any digital token received by a governmental entity to be converted to United States dollars within 24 hours after it is received. Additionally, **section 3** authorizes a governmental entity to charge a convenience fee to a person who requests a transfer of digital tokens under certain circumstances. Finally, **section 3** provides that any transaction involving the transfer of digital tokens conducted by a governmental entity pursuant to a contract entered into by the State Treasurer is subject to all provisions of law applicable to the financial transactions of the governmental entity.

Sections 1, 2, 4 and 7 of this bill authorize certain governmental entities that are authorized under existing law to enter into contracts for the acceptance of credit cards, debit cards and electronic transfers of money to participate in a contract entered into by the State Treasurer for the acceptance of transfers of digital tokens, if approved by the State Treasurer.

Sections 5, 6 and 9 of this bill revise certain definitions of the term “electronic transfer of money” to specify that the term does not include a transfer of digital tokens.

Existing law requires that certain payments to the State Board of Landscape Architecture be paid in United States currency using certain methods of payment. (NRS 623A.240) **Section 8** of this bill revises this requirement to indicate that the State Board of Landscape Architecture is authorized to accept transfers of digital tokens if the Board participates in a contract entered into by the State Treasurer for the acceptance of transfers of digital tokens.

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

Section 1. NRS 353.1465 is hereby amended to read as follows:

353.1465 1. Upon approval of the State Board of Finance, a state agency may enter into contracts with issuers of credit cards or debit cards or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the agency:

(a) For the payment of money owed to the agency for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. Before a state agency may enter into a contract pursuant to subsection 1, the agency must submit the proposed contract to the State Treasurer for his or her review and transmittal to the State Board of Finance. The agency shall coordinate the administration of the contract with the State Treasurer to ensure that the State



1 Treasurer is able to track and reconcile payment information
2 pursuant to the contract.

3 3. Except as otherwise provided in subsection 4, if the issuer or
4 operator charges the state agency a fee for each use of a credit card
5 or debit card or for each electronic transfer of money, the state
6 agency may require the cardholder or the person requesting the
7 electronic transfer of money to pay a convenience fee when
8 appropriate and authorized. The total convenience fees charged by
9 the state agency in a fiscal year must not exceed the total amount of
10 fees charged to the state agency by the issuer or operator in that
11 fiscal year.

12 4. A state agency that is required to pay a fee charged by the
13 issuer or operator for the use of a credit card or debit card or for an
14 electronic transfer of money may, pursuant to NRS 353.148, file a
15 claim with the Director of the Office of Finance for reimbursement
16 of the fees paid to the issuer or operator during the immediately
17 preceding quarter.

18 5. *A state agency may, upon approval of the State Treasurer,*
19 *participate in a contract entered into by the State Treasurer*
20 *pursuant to section 3 of this act.*

21 6. The Director of the Office of Finance shall adopt regulations
22 providing for the submission of payments to state agencies pursuant
23 to contracts authorized by this section. The regulations must not
24 conflict with a regulation adopted pursuant to NRS 360.092 or
25 360A.020.

26 ~~16.1~~ 7. As used in this section:

27 (a) "Cardholder" means the person or organization named on the
28 face of a credit card or debit card to whom or for whose benefit the
29 credit card or debit card is issued by an issuer.

30 (b) "Convenience fee" means a fee paid by a cardholder or
31 person requesting the electronic transfer of money to a state agency
32 for the convenience of using the credit card or debit card or the
33 electronic transfer of money to make such payment.

34 (c) "Credit card" means any instrument or device, whether
35 known as a credit card or credit plate or by any other name, issued
36 with or without a fee by an issuer for the use of the cardholder in
37 obtaining money, property, goods, services or anything else of value
38 on credit.

39 (d) "Debit card" means any instrument or device, whether
40 known as a debit card or by any other name, issued with or without
41 a fee by an issuer for the use of the cardholder in depositing,
42 obtaining or transferring funds.

43 (e) "Electronic transfer of money" has the meaning ascribed to it
44 in NRS 463.01473.



(f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 2. NRS 354.770 is hereby amended to read as follows:

354.770 1. A local government may enter into contracts with issuers of credit cards or debit cards, or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the local government:

(a) For the payment of money owed to the local government for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. If the issuer or operator charges the local government a fee for each use of a credit card or debit card or for each electronic transfer of money, the local government may require the cardholder or the person requesting the electronic transfer of money to pay a convenience fee when appropriate and authorized. The total convenience fees charged by the local government in a fiscal year must not exceed the total amount of fees charged to the local government by the issuer or operator in that fiscal year.

3. *A local government may, upon approval of the State Treasurer, participate in a contract entered into by the State Treasurer pursuant to section 3 of this act.*

4. As used in this section:

(a) "Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) "Convenience fee" means a fee paid by a cardholder or person requesting the electronic transfer of money to a local government for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.

(c) "Credit card" means any instrument or device, whether known as a credit card or credit plate, or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(d) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(e) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

(f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.



(g) “Local government” has the meaning ascribed to it in NRS 354.474, except that the term does not include a court that has entered into a contract pursuant to NRS 1.113.

Sec. 3. Chapter 226 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If the State Treasurer determines it is in the best interest of the State and upon the approval of the State Board of Finance, the State Treasurer may enter into a contract with an operator of a digital token payment system to provide for the acceptance of transfers of digital tokens by a state agency, regulatory body, local government or constable that has been approved by the State Treasurer to participate in the contract:

(a) For payment of money owed to the contract participant for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. Before the State Treasurer may enter into a contract pursuant to subsection 1, the State Treasurer must submit the proposed contract to the State Board of Finance for approval. The State Treasurer shall coordinate the administration of the contract with each contract participant to ensure that the State Treasurer is able to track and reconcile payment information pursuant to the contract.

3. The State Treasurer shall adopt regulations establishing requirements for the contents of a contract entered into pursuant to subsection 1. Such regulations must require, without limitation, such a contract to contain a provision requiring that any digital token received by a contract participant be converted into United States dollars within 24 hours after it is received.

4. Except as otherwise provided in subsection 5, if the operator charges a contract participant a fee for each transfer of digital tokens, the contract participant may require the person requesting the transfer of digital tokens to pay a convenience fee when appropriate and authorized. The total convenience fees charged by the contract participant in a fiscal year must not exceed the total amount of fees charged to the contract participant by the operator in that fiscal year.

5. A state agency that is a contract participant and that is required to pay a fee charged by the operator for a transfer of digital tokens may, pursuant to NRS 353.148, file a claim with the Director of the Office of Finance for reimbursement of the fees paid to the operator during the immediately preceding quarter.

6. Any transaction involving the transfer of digital tokens that is conducted by a contract participant pursuant to a contract entered into pursuant to subsection 1 is subject to all provisions of



1 law applicable to the financial transactions of the contract
2 participant.

3 7. As used in this section:

4 (a) “Contract participant” means a state agency, regulatory
5 body, local government or constable that has been approved by the
6 State Treasurer to participate in a contract entered into pursuant
7 to subsection 1.

8 (b) “Convenience fee” means a fee paid by a person requesting
9 the transfer of digital tokens to a contract participant for the
10 convenience of using the transfer of digital tokens to make such
11 payment.

12 (c) “Credit card” has the meaning ascribed to it in
13 NRS 353.1465.

14 (d) “Debit card” has the meaning ascribed to it in
15 NRS 353.1465.

16 (e) “Digital token” means a digital representation of United
17 States dollars that:

18 (1) Is converted to and from United States dollars by a
19 digital token payment system; and

20 (2) May only be transferred, stored or traded electronically.

21 (f) “Digital token payment system” means an Internet website,
22 online service or mobile application that:

23 (1) Requires a user to maintain an account which is
24 connected to a credit card, debit card or account in a financial
25 institution;

26 (2) Converts United States dollars to digital tokens and vice
27 versa; and

28 (3) Enables a user to engage in the transfer of digital
29 tokens to another user.

30 (g) “Local government” has the meaning ascribed to it in
31 NRS 354.770.

32 (h) “Regulatory body” has the meaning ascribed to it in
33 NRS 622.060.

34 (i) “State agency” has the meaning ascribed to it in
35 NRS 353.146.

36 (j) “Transfer of digital tokens” means any transfer of a digital
37 token that is initiated through a digital token payment system for
38 the purpose of ordering, instructing or authorizing the operator of
39 a digital token payment system to debit or credit the account of a
40 user.

41 (k) “User” means a person or governmental entity that is
42 registered to use a digital token payment system to engage in the
43 transfer of digital tokens to another user.



Sec. 4. NRS 258.135 is hereby amended to read as follows:

258.135 1. A constable may enter into contracts with issuers of credit cards or debit cards or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the constable for the payment of fees to which the constable is entitled.

2. If the issuer or operator charges the constable a fee for each use of a credit card or debit card or for each electronic transfer of money, the constable may require the cardholder or the person requesting the electronic transfer of money to pay a convenience fee. The total convenience fees charged by the constable in a fiscal year must not exceed the total amount of fees charged to the constable by the issuer or operator in that fiscal year.

3. *A constable may, upon approval of the State Treasurer, participate in a contract entered into by the State Treasurer pursuant to section 3 of this act.*

4. As used in this section:

(a) "Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) "Convenience fee" means a fee paid by a cardholder or person requesting the electronic transfer of money to a constable for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.

(c) "Credit card" means any instrument or device, whether known as a credit card or credit plate or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(d) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(e) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

(f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 5. NRS 463.01473 is hereby amended to read as follows:

463.01473 1. "Electronic transfer of money" means any transfer of money, other than a transaction initiated by a check, draft or other similar instrument, that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution or person



1 holding an account on behalf of another to debit or credit an
2 account.

3 ***2. The term does not include a transfer of digital tokens, as***
4 ***that term is defined in section 3 of this act.***

5 **Sec. 6.** NRS 604A.060 is hereby amended to read as follows:

6 604A.060 **1.** “Electronic transfer of money” means any
7 transfer of money, other than a transaction initiated by a check or
8 other similar instrument, that is initiated through an electronic
9 terminal, telephone, computer or magnetic tape for the purpose of
10 ordering, instructing or authorizing a financial institution to debit or
11 credit an account.

12 ***2. The term does not include a transfer of digital tokens, as***
13 ***that term is defined in section 3 of this act.***

14 **Sec. 7.** NRS 622.233 is hereby amended to read as follows:

15 622.233 **1.** A regulatory body may:

16 (a) Enter into a contract with an issuer of credit cards or debit
17 cards or an operator of a system that provides for the electronic
18 transfer of money to provide for the acceptance of credit cards, debit
19 cards or electronic transfers of money by the regulatory body for the
20 payment of money owed to the regulatory body for a fee, fine or
21 other assessment authorized by law; or

22 (b) Upon approval of the Director of the Office of Finance,
23 participate in a contract entered into by the Director pursuant to
24 NRS 353.1466.

25 **2.** If the issuer or operator charges the regulatory body a fee for
26 each use of a credit card or debit card or for each electronic transfer
27 of money, the regulatory body may require the cardholder or the
28 person requesting the electronic transfer of money to pay a
29 convenience fee. The total convenience fees charged by the
30 regulatory body in a fiscal year must not exceed the total amount of
31 fees charged to the regulatory body by the issuer or operator in that
32 fiscal year.

33 ***3. A regulatory body may, upon approval of the State***
34 ***Treasurer, participate in a contract entered into by the State***
35 ***Treasurer pursuant to section 3 of this act.***

36 **4.** As used in this section:

37 (a) “Cardholder” means the person or organization named on the
38 face of a credit card or debit card to whom or for whose benefit the
39 credit card or debit card is issued by an issuer.

40 (b) “Convenience fee” means a fee paid by a cardholder or
41 person requesting the electronic transfer of money to a regulatory
42 body for the convenience of using the credit card or debit card or the
43 electronic transfer of money to make such payment.

44 (c) “Credit card” means any instrument or device, whether
45 known as a credit card or credit plate or by any other name, issued



with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(d) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(e) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

(f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 8. NRS 623A.240 is hereby amended to read as follows:

623A.240 1. The following fees must be prescribed by the Board and must not exceed the following amounts:

Application fee for a certificate of registration	\$300.00
Application fee for a certificate to practice as a landscape architect intern	50.00
Examination fee.....	100.00,
..... plus the actual	
.....cost of the	
.....examination	
Certificate of registration.....	50.00
Certificate to practice as a landscape architect intern	50.00
Annual renewal fee.....	300.00
Reinstatement fee	400.00
Delinquency fee.....	100.00
Change of address fee.....	20.00
Copy of a document, per page	.50

2. In addition to the fees set forth in subsection 1, the Board may charge and collect a fee for the expedited processing of a request or for any other incidental service it provides. The fee must not exceed the cost incurred by the Board to provide the service.

3. The Board may deem the payment of the application fee for a certificate to practice as a landscape architect intern or any portion of that fee by a landscape architect intern to also apply to the application fee for a certificate of registration. If a landscape architect intern pays an application fee so deemed by the Board, the Board shall credit the amount deemed to apply to the application fee for a certificate of registration towards the entire amount of the application fee for the certificate of registration required pursuant to this section.



4. The fees prescribed by the Board pursuant to this section must be paid in :

(a) United States currency in the form of a check, cashier's check or money order or, if applicable, credit card, debit card or electronic transfer of money ~~H~~; or

(b) *If applicable, digital tokens through the transfer of digital tokens.*

5. If any check or other method of payment submitted to the Board is dishonored upon presentation for payment, repayment of the fee, including the fee for a returned check in the amount established by the State Controller pursuant to NRS 353C.115, must be made by money order or certified check.

~~5.1~~ 6. The fees prescribed by the Board pursuant to this section are payable in advance and nonrefundable.

~~6.1~~ 7. As used in this section:

(a) "Credit card" means any instrument or device, whether known as a credit card or credit plate or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(b) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(c) *"Digital token" has the meaning ascribed to it in section 3 of this act.*

(d) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

(e) *"Transfer of digital tokens" has the meaning ascribed to it in section 3 of this act.*

Sec. 9. NRS 660.045 is hereby amended to read as follows:

660.045 As used in NRS 660.045 to 660.105, inclusive, unless the context otherwise requires:

1. "Electronic terminal" means an electronic device, other than a telephone operated by a customer, through which a customer may initiate an electronic transfer of money. The term includes, but is not limited to, mechanical tellers.

2. "Electronic transfer of money" means any transfer of money, other than a transaction initiated by a check, draft or other similar instrument, that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account. *The term does not include a transfer of digital tokens, as that term is defined in section 3 of this act.*



1 3. “Financial institution” means a bank, savings and loan
2 association, savings bank, thrift company or credit union regulated
3 pursuant to this title.

4 4. “Mechanical teller” means an electronic terminal used by a
5 financial institution to effectuate transactions solely between itself
6 and its customers. The term does not include any device used solely
7 to guarantee the payment of a check or to authorize or verify the
8 issuance of a check.

