



Hundredth Legislature - First Session - 2007
Committee Statement
LB 620

Hearing Date: February 1, 2007
Committee On: Judiciary

Introducer(s): (Pirsch)

Title: Change provisions relating to child support collection, bad debts, and the State Disbursement Unit

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

6	Yes	Sen. Ashford, Sen. Lathrop, Sen. McDonald, Sen. McGill, Sen. Pedersen, Sen. Pirsch
1	No	Sen Chambers
1	Present, not voting	Sen Schimek
	Absent	

Proponents:

Sen. Pirsch
Shane Osborne
Michelle Raphael
Trey Reiners

Representing:

State Treasurer's Office
Games and Parks Commission
State Treasurer's Child Support Payment Center

Opponents:

Representing:

Neutral:

Laura Peterson

Representing:

Summary of purpose and/or changes:

Legislative Bill 618 amends N.R.S. §43-3342.03 to create the State Disbursement Unit Cash Fund (SDU) as a place for fees collected for returned checks to be remitted. The fees shall be used to offset expenses incurred in collecting child support bad debt. The SDU will use electronic processes to streamline the collection and disbursement of support payments.

Under current law, a payor can make 3 bad payments to the SDU (Child Support Processing Center) before the state requires the payor to pay by money order, cashier's check, or certified

check. This bill limits the payor to 2 bad payments before the state can refuse to accept payment by check.

Additionally, the bill provides that employers with more than 50 employees including an employee with a child support order, must remit child support payments electronically.

Explanation of amendments, if any:

AM 361 creates the authority, with state agency approval, for the State Treasurer to collect fees electronically for the processing of returned checks and/or unaccepted payments. The fees cannot exceed thirty dollars and go to the Treasury Management Cash Fund to offset the cost of collecting on bad debt.

Under the amendment, if a payor makes two bad debt payments to the state within a year, the state may refuse to accept their future payments by check.

AM 361 also imposes a thirty dollar cap on the fees collected by the State Disbursement Unit for returned checks or unaccepted electronic payments.

Senator Brad Ashford, Chairperson