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ASSEMBLY BILL NO. 475—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 24, 2003

Referred to Concurrent Committees on Judiciary  
and Ways and Means

SUMMARY—Makes various changes concerning obligations of support for children. (BDR 3-1246)

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.

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AN ACT relating to obligations of support for children; imposing a fee upon an obligor each time an employer withholds income for the payment of support for a child; revising the procedure for enrolling a child in a plan of health insurance pursuant to a court order for support to comply with the requirements of federal law; and providing other matters properly relating thereto.

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 State Treasurer shall charge an obligor a fee of \$2 for*  
4     *each withholding of income for the payment of support made by*  
5     *an employer pursuant to this chapter.*  
6     2. *All such fees received by the State Treasurer from*  
7     *employers pursuant to NRS 31A.080 must be accounted for*  
8     *separately in the State General Fund.*  
9     3. *The account created pursuant to subsection 2 must be*  
10    *administered by the State Welfare Administrator. The money in*  
11    *the account must be distributed among each enforcing authority*



1 *pursuant to regulations adopted by the State Welfare*  
2 *Administrator pursuant to NRS 425.365.*

3 **Sec. 2.** NRS 31A.070 is hereby amended to read as follows:  
4 31A.070 1. The enforcing authority shall mail, by first-class  
5 mail, a notice to withhold income to an obligor's employer:

6 (a) If the provisions of subsection 2 of NRS 31A.025 apply,  
7 immediately upon determining that the obligor is delinquent in the  
8 payment of support; or

9 (b) If the provisions of subsection 2 of NRS 31A.025 do not  
10 apply, immediately upon the entry of the order of support.

11 2. If an employer of an obligor does not begin to withhold  
12 income from the obligor after receiving the notice to withhold  
13 income that was mailed pursuant to subsection 1, the enforcing  
14 authority shall mail, by certified mail, return receipt requested,  
15 another notice to withhold income to the employer.

16 3. A notice to withhold income may be issued electronically  
17 and must:

18 (a) Contain the social security number of the obligor;

19 (b) Specify the amount to be withheld from the income of the  
20 obligor;

21 (c) Specify the ~~{amount of the fee}~~ *amounts of the fees*  
22 authorized in NRS 31A.090 ~~{for the employer;}~~ *and required in*  
23 *section 1 of this act;*

24 (d) Describe the limitation for withholding income prescribed in  
25 NRS 31.295;

26 (e) Describe the prohibition against terminating the employment  
27 of an obligor because of withholding and the penalties for  
28 wrongfully refusing to withhold pursuant to the notice to withhold  
29 income;

30 (f) Specify that, pursuant to NRS 31A.160, the withholding of  
31 income to enforce an order of a court for child support has priority  
32 over other proceedings against the same money; and

33 (g) Explain the duties of an employer upon the receipt of the  
34 notice to withhold income.

35 **Sec. 3.** NRS 31A.080 is hereby amended to read as follows:

36 31A.080 An employer who receives a notice to withhold  
37 income shall:

38 1. Withhold the amount stated in the notice from the income  
39 due the obligor beginning with the first pay period that occurs  
40 within 14 days after the date the notice was mailed to the employer  
41 and continuing until the enforcing authority notifies him to  
42 discontinue the withholding;

43 2. Deliver the money withheld to the enforcing authority within  
44 7 days after the date of each payment of the regularly scheduled  
45 payroll of the employer; ~~{and}~~



1 3. *Deduct from the income due the obligor after the*  
2 *withholding pursuant to subsection 1, the fee set forth in section 1*  
3 *of this act;*

4 4. *Deliver to the State Treasurer, at least quarterly, all money*  
5 *deducted as fees pursuant to subsection 3; and*

6 5. Notify the enforcing authority *and the State Treasurer* when  
7 the obligor subject to withholding terminates his employment, and  
8 provide the last known address of the obligor and the name of any  
9 new employer of the obligor, if known.

10 **Sec. 4.** NRS 31A.090 is hereby amended to read as follows:

11 31A.090 1. A notice to withhold income is binding upon any  
12 employer of an obligor to whom it is mailed. To reimburse the  
13 employer for his costs in making the withholding, he may deduct \$3  
14 from the amount paid the obligor each time he makes a withholding.

15 2. If an employer receives notices to withhold income for more  
16 than one employee, he may ~~{pay the}~~ *consolidate the amounts of*  
17 *money that are payable to:*

18 (a) *The enforcing authority* ~~{the amounts withheld}~~ *and pay*  
19 *those amounts* with one ~~{check, but he}~~ *check; and*

20 (b) *The State Treasurer and pay those amounts with one*  
21 *check,*

22 *but the employer* shall attach to ~~{the}~~ *each* check a statement  
23 identifying *by name and social security number* each obligor for  
24 whom payment is made and the amount transmitted for that obligor.

25 3. An employer shall cooperate with and provide relevant  
26 information to an enforcing authority as necessary to enable it to  
27 enforce an obligation of support. A disclosure made in good faith  
28 pursuant to this subsection does not give rise to any action for  
29 damages resulting from the disclosure.

30 **Sec. 5.** NRS 31A.350 is hereby amended to read as follows:

31 31A.350 1. If a court orders a parent to obtain health  
32 insurance for his child and the parent fails to ~~{comply with the~~  
33 ~~order,}~~ *enroll the child and provide written proof to the enforcing*  
34 *authority,* the enforcing authority shall mail to the parent's  
35 employer or labor organization by first-class mail, a notice requiring  
36 the employer or organization to enroll the child in the plan of health  
37 insurance provided for his employees or its members. ~~{The notice~~  
38 ~~must include:~~

39 ~~—(a) The parent's name and social security number;~~

40 ~~—(b) A statement that the parent has been required by an order of~~  
41 ~~the court to obtain and maintain health insurance for his child;~~

42 ~~—(c) The name, date of birth and social security number for the~~  
43 ~~child; and~~



1 ~~—(d) A statement that any assistance needed to complete the~~  
2 ~~enrollment of the child in a plan of health insurance may be~~  
3 ~~obtained from the parents of the child and the enforcing authority.~~

4 ~~—2. Except as otherwise provided in subsection 6, no enforcing~~  
5 ~~authority may mail or cause to be mailed a notice to enroll pursuant~~  
6 ~~to subsection 1 unless:~~

7 ~~—(a) The enforcing authority first notifies the parent by certified~~  
8 ~~mail at his last known address of:~~

9 ~~— (1) Its intent to seek enrollment of the child; and~~

10 ~~— (2) The provisions of subsection 6; and~~

11 ~~—(b) The parent fails, within 15 days after the notice is mailed, to~~  
12 ~~provide written proof to the enforcing authority that:~~

13 ~~— (1) The parent has enrolled the child in a plan of health~~  
14 ~~insurance required by the order of the court; or~~

15 ~~— (2) The coverage required by the order of the court was not~~  
16 ~~available at a reasonable cost for more than 30 days before the date~~  
17 ~~on which the notice was mailed.~~

18 ~~—3.} *The Welfare Division shall, by regulation, prescribe the*~~  
19 ~~*content of the notice and establish procedures for providing the*~~  
20 ~~*notice to ensure compliance with federal law.*~~

21 2. Except as otherwise provided in this subsection, upon  
22 receipt of a notice to enroll, mailed pursuant to subsection 1, the  
23 employer or labor organization shall enroll the child named in the  
24 notice in the plan of health insurance provided for his employees or  
25 its members. The child must be enrolled without regard to any  
26 restrictions upon periods for enrollment. If more than one plan is  
27 offered by the employer or labor organization, and each plan may be  
28 extended to cover the child, the child must be enrolled in the  
29 parent's plan. If the parent's plan cannot be extended to cover the  
30 child, the child must be enrolled in ~~[the plan with the least expensive~~  
31 ~~option for providing] a plan that provides coverage for a dependent~~  
32 that is otherwise available to the parent, subject to the eligibility  
33 requirements of that plan. An employer, labor organization, health  
34 maintenance organization or other insurer is not required to enroll  
35 the child in a plan of health insurance if the child is not otherwise  
36 eligible to be enrolled in that plan. If the child is not eligible to be  
37 enrolled in the parent's plan of health insurance, the employer or  
38 labor organization shall notify the enforcing authority.

39 3. *The employer or labor organization shall transfer the*  
40 *notice to enroll to the administrator that provides coverage*  
41 *pursuant to the plan of health insurance for which the child is*  
42 *eligible within 20 business days after the date of the notice to*  
43 *enroll. The administrator shall fully complete and return the*  
44 *response form to the enforcing authority within 40 business days*  
45 *after the date of the notice.*



1 4. After the child is enrolled in a plan of health insurance, the  
2 premiums required to be paid by the parent for the child's coverage  
3 ~~may~~ **must** be deducted from the parent's wages. If the parent's  
4 wages are not sufficient to pay for those premiums, the employer or  
5 labor organization shall notify the enforcing authority. **A parent**  
6 **may contest the withholding pursuant to NRS 31A.050.**

7 5. A notice to enroll sent pursuant to subsection 1 has the same  
8 effect as an enrollment application signed by the parent. No  
9 employer or labor organization may refuse to enroll a child because  
10 a parent has not signed an enrollment application.

11 6. ~~If the enforcing authority:~~

12 ~~—(a) Has complied with the requirements of subsection 2~~  
13 ~~regarding a parent; and~~

14 ~~—(b) Subsequently determines that the parent:~~

15 ~~—(1) Has another employer or belongs to another labor~~  
16 ~~organization; and~~

17 ~~—(2) Does not have the child enrolled in a plan of health~~  
18 ~~insurance as required by the order of the court,~~

19 ~~the enforcing authority shall, without again complying with the~~  
20 ~~requirements of subsection 2, mail pursuant to subsection 1 a~~  
21 ~~subsequent notice to enroll to the other employer or labor~~  
22 ~~organization. Any employer or labor organization receiving such a~~  
23 ~~notice shall notify the parent immediately of the receipt of that~~  
24 ~~notice and comply with the provisions of this section unless, within~~  
25 ~~20 days after the notice was mailed to the employer or labor~~  
26 ~~organization, the enforcing authority notifies the employer or labor~~  
27 ~~organization that the parent has provided the enforcing authority~~  
28 ~~with written proof that the parent has enrolled the child in a plan of~~  
29 ~~health insurance required by the order of the court.~~

30 ~~—7.]~~ An employer or labor organization shall, without liability to  
31 the parent, provide to the enforcing authority, upon request,  
32 information about the name of the insurer and the number of the  
33 parent's policy of health insurance.

34 ~~[8.]~~ 7. The enforcing authority may withhold wages or other  
35 income and require withholding of state tax refunds whenever the  
36 responsible parent has received payment from the third party and  
37 not used the payment to reimburse the other parent or provider to  
38 the extent necessary to reimburse the Medicaid agency.

39 ~~[9.]~~ 8. **The enforcing authority shall promptly notify the**  
40 **employer or labor organization when there is no longer a current**  
41 **order for medical support in effect for which the enforcing**  
42 **authority is responsible.**

43 9. **The employer shall notify the enforcing authority when the**  
44 **parent subject to the notice to enroll terminates his employment,**



1 *and provide the last known address of the parent and the name of*  
2 *any new employer of the parent, if known.*

3 *10. If an employer or labor organization wrongfully refuses*  
4 *to enroll a child in a plan of health insurance as required in this*  
5 *section, or knowingly misrepresents that health insurance is not*  
6 *available, the employer or labor organization may be held liable*  
7 *for punitive damages and all unreimbursed medical expenses*  
8 *incurred during the period in which insurance was not in effect.*

9 *11. An employer, labor organization or enforcing authority*  
10 *who complies with a notice to enroll that is regular on its face may*  
11 *not be held liable in any civil action for any conduct taken in*  
12 *compliance with the notice.*

13 *12. The remedy provided by this section is in addition to, and*  
14 *is not a substitute for, any other remedy available for the*  
15 *enforcement of such an order.*

16 **Sec. 6.** The amendatory provisions of this act apply to  
17 withholding of income for the payment of support for a child that is  
18 withheld on or after July 1, 2003.

19 **Sec. 7.** This act becomes effective on July 1, 2003.

