

SENATE BILL NO. 207—COMMITTEE ON JUDICIARY

FEBRUARY 25, 2003

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning conveyances of property and wills and estates. (BDR 10-940)

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.

AN ACT relating to distribution of estates; authorizing a person to convey his interest in real property in a deed which becomes effective upon his death; extending the statute of limitations for certain actions filed on behalf of a decedent; increasing the limit for a set-aside estate; providing for the sale of personal property of an estate; making various other changes related to wills and estates; 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 111 of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 ***1. The owner of an interest in real property may create a deed***
4 ***that conveys his interest in real property to a grantee which***
5 ***becomes effective upon the death of the owner. Such a conveyance***
6 ***is subject to liens on the property in existence on the date of the***
7 ***death of the owner.***
8 ***2. The owner of an interest in real property who creates a***
9 ***deed pursuant to subsection 1 may designate in the deed:***
10 ***(a) Multiple grantees who will take title to the property upon***
11 ***his death as joint tenants with right of survivorship, tenants in***
12 ***common, husband and wife as community property, community***



* S B 2 0 7 R 1 *

1 *property with right of survivorship or any other tenancy that is*
2 *recognized in this state.*

3 *(b) A successor in interest to the grantee. If a successor in*
4 *interest is designated, the deed must include a provision stating the*
5 *condition precedent for the interest of the successor to vest.*

6 **3.** *If the owner of the real property which is the subject of a*
7 *deed created pursuant to subsection 1 holds the interest in the*
8 *property as a joint tenant with right of survivorship or as*
9 *community property with the right of survivorship and:*

10 *(a) The deed includes a conveyance of the interest from each*
11 *of the other owners, the deed becomes effective on the date of the*
12 *death of the last surviving owner; or*

13 *(b) The deed does not include a conveyance of the interest*
14 *from each of the other owners, the deed becomes effective on the*
15 *date of the death of the owner who created the deed only if the*
16 *owner who conveyed his interest in real property to the grantee is*
17 *the last surviving owner.*

18 **4.** *If an owner of an interest in real property who creates a*
19 *deed pursuant to subsection 1 transfers his interest in the real*
20 *property to another person during his lifetime, the deed created*
21 *pursuant to subsection 1 is void.*

22 **5.** *The provisions of this section must not be construed to*
23 *limit the recovery of benefits paid for Medicaid.*

24 **Sec. 2.** NRS 133.055 is hereby amended to read as follows:

25 133.055 A signature affixed to a self-proving affidavit *or a*
26 *self-proving declaration that is* attached to a will and executed at
27 the same time as the will is considered a signature affixed to the will
28 if necessary to prove the execution of the will.

29 **Sec. 3.** Chapter 134 of NRS is hereby amended by adding
30 thereto a new section to read as follows:

31 *If any person dies leaving several children, or leaving a child*
32 *and issue of one or more children, and any such surviving child*
33 *dies under age, without issue and not having been married, all the*
34 *estate that came to the deceased child by inheritance from the*
35 *deceased parent descends in equal shares to the other children of*
36 *the same parent, and to the issue of any other children of the same*
37 *parent who may have died, by right of representation.*

38 **Sec. 4.** NRS 134.030 is hereby amended to read as follows:

39 134.030 If a decedent dies intestate and has title to any estate
40 which is the separate property of the decedent and which is not
41 otherwise limited by contract, the estate descends and must be
42 distributed, subject to the payment of the debts of the decedent, in
43 the manner provided in NRS 134.040 to 134.120, inclusive **[H]**, *and*
44 *section 3 of this act.*



1 **Sec. 5.** NRS 134.080 is hereby amended to read as follows:
 2 134.080 ~~[1.]~~ At the death of a child who is under age, who is
 3 without issue and who has not been married, all the other children of
 4 the parent being also dead, if any of the other children left issue, the
 5 estate that came to the child by inheritance from the parent descends
 6 to all the issue of the other children of the same parent, and if all the
 7 issue are in the same degree of kindred to the child, they are entitled
 8 to share the estate equally; otherwise, they are entitled to take
 9 according to the right of representation.

10 ~~[2.—If any person dies leaving several children, or leaving a
 11 child and issue of one or more children, and any such surviving
 12 child dies under age, without issue and not having been married, all
 13 the estate that came to the deceased child by inheritance from the
 14 deceased parent descends in equal shares to the other children of the
 15 same parent, and to the issue of any other children of the same
 16 parent who may have died, by right of representation.]~~

17 **Sec. 6.** NRS 136.170 is hereby amended to read as follows:
 18 136.170 1. If it appears to the court that a will cannot be
 19 proven as otherwise provided by law because one or more or all the
 20 subscribing witnesses to the will, at the time the will is offered for
 21 probate, are dead or mentally or physically incapable of testifying or
 22 otherwise unavailable, the court may admit the will to probate upon
 23 the testimony in person, by deposition or by affidavit of at least two
 24 credible disinterested ~~[witnesses]~~ *persons* that the signature to the
 25 will is genuine, or upon other sufficient proof that the signature is
 26 genuine.

27 2. The provisions of subsection 1 do not preclude the court, in
 28 its discretion, from requiring in addition, the testimony in person, by
 29 deposition or by affidavit of any available subscribing witness, or
 30 proof of such other pertinent facts and circumstances as the court
 31 deems necessary to admit the will to probate.

32 **Sec. 7.** NRS 138.020 is hereby amended to read as follows:
 33 138.020 1. No person is qualified to serve as an executor
 34 who, at the time the will is probated:
 35 (a) Is under the age of majority;
 36 (b) Has been convicted of a felony;
 37 (c) Upon proof, is adjudged by the court disqualified to execute
 38 the duties of executor by reason of *conflict of interest*, drunkenness,
 39 improvidence or lack of integrity or understanding; or
 40 (d) Is a bank not authorized to do business in the State of
 41 Nevada, unless it associates as coexecutor a bank authorized to do
 42 business in this state. An out-of-state bank is qualified to appoint a
 43 substitute executor, pursuant to NRS 138.045, without forming such
 44 an association, but any natural person so appointed must be a
 45 resident of this state.



1 2. If a disqualified person is named as the sole executor in a
2 will, or if all persons so named are disqualified or renounce their
3 right to act, or fail to appear and qualify, letters of administration
4 with the will annexed must issue.

5 **Sec. 8.** NRS 141.045 is hereby amended to read as follows:
6 141.045 Letters of special administration may be in
7 substantially the following form, after properly entitling the court:

8
9 In the Matter of the Estate of)
10) Case No.
11)
12 deceased.) Letters of Special Administration
13)
14

15 On (day) (month) (year), the court entered an
16 order ~~{admitting the decedent's will to probate and}~~ appointing
17(name)..... as special administrator of the decedent's estate. The
18 order includes:

- 19 [] a directive for the establishment of a blocked account for
20 sums in excess of \$.....;
21 [] a directive for the posting of a bond in the sum of \$.....;
22 or
23 [] a directive for both the establishment of a blocked account
24 for sums in excess of \$ and the posting of a bond in the sum
25 of \$.....

26 The special administrator, after being duly qualified, may act and
27 has the authority and duties of special administrator.

28 In testimony of which, I have this date signed these letters and
29 affixed the seal of the court.

30
31 CLERK OF THE COURT
32 By
33 Deputy Clerk (date)
34

35 OATH

36 I,, whose
37 mailing address is,
38 solemnly affirm that I will faithfully perform according to law the
39 duties of special administrator, and that all matters stated in any
40 petition or paper filed with the court by me are true of my own
41 knowledge or, if any matters are stated on information and belief, I
42 believe them to be true.

43
44 Special Administrator



1 SUBSCRIBED AND AFFIRMED before me this (day) of
2 (month) of (year).

3
4
5
6
7
8
9
10

CLERK OF COURT
By
Deputy Clerk
(or)
NOTARY PUBLIC
County of State of

11 **Sec. 9.** NRS 141.090 is hereby amended to read as follows:
12 141.090 If a court has reason to believe, from its own
13 knowledge or from credible information, that a personal
14 representative:

- 15 1. Has wasted, converted to the personal representative's own
- 16 use or mismanaged, or is about to waste or convert to the personal
- 17 representative's own use, the property of the estate committed to the
- 18 personal representative's charge;
- 19 2. Has committed or is about to commit any wrong or fraud
- 20 upon the estate;
- 21 3. Has become disqualified to act;
- 22 4. Has wrongfully neglected the estate; ~~or~~
- 23 5. *Has a conflict of interest with the estate; or*
- 24 6. Has unreasonably delayed the performance of necessary acts
- 25 in any particular as personal representative,
- 26 the court may, by an order entered upon the minutes, suspend the
- 27 powers of the personal representative until the matter can be
- 28 investigated, or take such other action as it deems appropriate under
- 29 the circumstances.

30 **Sec. 10.** NRS 143.065 is hereby amended to read as follows:
31 143.065 A statute of limitations running on a cause of action
32 belonging to a decedent, that was not barred as of the date of death,
33 does not bar the cause of action sooner than ~~4 months~~ *1 year* after
34 the death. A cause of action that, but for this section, would be
35 barred less than ~~4 months~~ *1 year* after the death of the decedent is
36 barred after ~~4 months~~ *1 year* unless the running of the statute is
37 tolled under other law.

38 **Sec. 11.** NRS 143.120 is hereby amended to read as follows:
39 143.120 1. If the person so cited refuses to appear and submit
40 to examination or to testify concerning the matter of the complaint,
41 the court may commit the person to the county jail, there to remain
42 confined until the person obeys the order of the court or is
43 discharged according to law.

44 2. If, upon examination, it appears that the person has
45 concealed, converted, smuggled, conveyed away, or in any manner



1 disposed of any money, goods or chattels of the decedent, or that the
2 person has possession or control of any deeds, conveyances, bonds,
3 contracts or other writings which contain evidence of, or tend to
4 disclose the right, title, interest or claim of the decedent to any real
5 or personal property, claim or demand, or any last will of the
6 decedent, the court may enter an order requiring the person to
7 deliver any such property or effects to the personal representative at
8 such time as the court may fix. If the person fails to comply with the
9 order, the court may commit the person to the county jail until the
10 order is complied with or the person is discharged according to law.

11 3. The order of the court for the delivery of the property is
12 prima facie evidence of the right of the personal representative to
13 the property in any action that may be brought for its recovery, and
14 any judgment recovered must be for ~~{double the value of the~~
15 ~~property, and damages in addition thereto equal to}~~ *treble damages*
16 *equal to three times* the value of the property.

17 4. In addition to the examination of the party, witnesses may be
18 produced and examined on either side.

19 **Sec. 12.** NRS 145.060 is hereby amended to read as follows:

20 145.060 1. A personal representative shall publish and mail
21 notice to creditors in the manner provided in NRS 155.020.

22 2. Creditors of the estate must file their claims, due or to
23 become due, with the clerk, within 60 days after the mailing to the
24 creditors for those required to be mailed, or 60 days after the first
25 publication of the notice to creditors pursuant to NRS 155.020, and
26 within ~~{10}~~ *15* days thereafter the personal representative shall allow
27 or reject the claims filed.

28 3. Any claim which is not filed within the 60 days is barred
29 forever, except that if it is made to appear, by the affidavit of the
30 claimant or by other proof to the satisfaction of the court, that the
31 claimant did not have notice as provided in NRS 155.020, the claim
32 may be filed at any time before the filing of the final account.

33 4. Every claim which is filed as provided in this section and
34 allowed by the personal representative, must then, and not until
35 then, be ranked as an acknowledged debt of the estate and be paid in
36 the course of administration, except that payment of small debts in
37 advance may be made pursuant to subsection 3 of NRS 150.230.

38 5. If a claim filed by the Welfare Division of the Department of
39 Human Resources is rejected by the personal representative, the
40 State Welfare Administrator may, within 20 days after receipt of the
41 written notice of rejection, petition the court for summary
42 determination of the claim. A petition for summary determination
43 must be filed with the clerk, who shall set the petition for hearing,
44 and the petitioner shall give notice for the period and in the manner
45 required by NRS 155.010. Allowance of the claim by the court is



1 sufficient evidence of its correctness, and it must be paid as if
2 previously allowed by the personal representative.

3 **Sec. 13.** NRS 146.070 is hereby amended to read as follows:

4 146.070 1. If a person dies leaving an estate the gross value
5 of which, after deducting any encumbrances, does not exceed
6 ~~[\$50,000,]~~ \$75,000, and there is a surviving spouse or minor child
7 or minor children of the decedent, the estate must not be
8 administered upon, but the whole estate, after directing such
9 payments as may be deemed just, must be, by an order for that
10 purpose, assigned and set apart for the support of the surviving
11 spouse or minor child or minor children, or for the support of the
12 minor child or minor children, if there is no surviving spouse. Even
13 if there is a surviving spouse, the court may, after directing such
14 payments, set aside the whole of the estate to the minor child or
15 minor children, if it is in their best interests.

16 2. If there is no surviving spouse or minor child of the decedent
17 and the gross value of a decedent's estate, after deducting any
18 encumbrances, does not exceed ~~[\$50,000,]~~ \$75,000, upon good
19 cause shown, the court shall order that the estate not be administered
20 upon, but the whole estate be assigned and set apart in the following
21 order:

22 (a) To the payment of funeral expenses, expenses of last illness,
23 money owed to the Department of Human Resources as a result of
24 payment of benefits for Medicaid and creditors, if there are any; and

25 (b) Any balance remaining to the claimant or claimants entitled
26 thereto pursuant to a valid will of the decedent, and if there is no
27 valid will, pursuant to intestate succession.

28 3. Proceedings taken under this section, whether or not the
29 decedent left a valid will, must not begin until at least 30 days after
30 the death of the decedent and must be originated by a petition
31 containing:

32 (a) A specific description of all the decedent's property.

33 (b) A list of all the liens and mortgages of record at the date of
34 the decedent's death.

35 (c) An estimate of the value of the property.

36 (d) A statement of the debts of the decedent so far as known to
37 the petitioner.

38 (e) The names and residences of the heirs and devisees of the
39 decedent and the age of any who is a minor and the relationship of
40 the heirs and devisees to the decedent, so far as known to the
41 petitioner.

42 4. The clerk shall set the petition for hearing and the petitioner
43 shall give notice of the petition and hearing in the manner provided
44 in NRS 155.010 to the decedent's heirs and devisees and to the State
45 Welfare Administrator. If a complete copy of the petition is not



1 enclosed with the notice, the notice must include a statement setting
2 forth to whom the estate is being set aside.

3 5. No court or clerk's fees may be charged for the filing of any
4 petition in, or order of court thereon, or for any certified copy of the
5 petition or order in an estate not exceeding \$2,500 in value.

6 6. If the court finds that the gross value of the estate, less
7 encumbrances, does not exceed the sum of ~~[\$50,000.]~~ **\$75,000**, the
8 court may direct that the estate be distributed to the father or mother
9 of a minor heir or devisee, with or without the filing of any bond, or
10 to a custodian under chapter 167 of NRS, or may require that a
11 general guardian be appointed and that the estate be distributed to
12 the guardian, with or without bond, as in the discretion of the court
13 is deemed to be in the best interests of the minor. The court may
14 direct the manner in which the money may be used for the benefit of
15 the minor.

16 **Sec. 14.** Chapter 147 of NRS is hereby amended by adding
17 thereto a new section to read as follows:

18 *The debts and charges of the estate must be paid in the*
19 *following order:*

- 20 1. *Expenses of administration.*
- 21 2. *Funeral expenses.*
- 22 3. *The expenses of the last illness.*
- 23 4. *Family allowance.*
- 24 5. *Debts having preference by laws of the United States.*
- 25 6. *Money owed to the Department of Human Resources as a*
26 *result of the payment of benefits for Medicaid.*
- 27 7. *Wages to the extent of \$600, of each employee of the*
28 *decedent, for work done or personal services rendered within 3*
29 *months before the death of the employer. If there is not sufficient*
30 *money with which to pay all such labor claims in full, the money*
31 *available must be distributed among the claimants in accordance*
32 *with the amounts of their respective claims.*
- 33 8. *Judgments rendered against the decedent in his lifetime,*
34 *and mortgages in order of their date. The preference given to a*
35 *mortgage extends only to the proceeds of the property mortgaged.*
36 *If the proceeds of that property are insufficient to pay the*
37 *mortgage, the part remaining unsatisfied must be classed with*
38 *other demands against the estate.*
- 39 9. *All other demands against the estate.*

40 **Sec. 15.** Chapter 148 of NRS is hereby amended by adding
41 thereto the provisions set forth as sections 16 and 17 of this act.

42 **Sec. 16.** 1. *The personal representative may enter into a*
43 *written contract with any bona fide agent, broker, or multiple*
44 *group of agents or brokers to secure a purchaser for any personal*
45 *property of the estate, and by that contract, the personal*



1 *representative may grant an exclusive right to sell and shall*
2 *provide for the payment to the agent, broker, or multiple group of*
3 *agents or brokers, out of the proceeds of a sale to any purchaser*
4 *secured pursuant to the contract, of a commission, the amount of*
5 *which must be fixed and allowed by the court upon confirmation*
6 *of the sale. If the sale is confirmed to the purchaser, the contract*
7 *is binding and valid as against the estate for the amount so*
8 *allowed by the court.*

9 *2. By the execution of any such contract, no personal liability*
10 *is incurred by the personal representative, and no liability of any*
11 *kind is incurred by the estate unless a sale is made and confirmed*
12 *by the court.*

13 *3. The commission must not exceed 10 percent of the*
14 *proceeds from the sale of any personal property pursuant to this*
15 *section.*

16 **Sec. 17.** *1. Except as otherwise provided in subsection 2, no*
17 *sale of personal property at private sale may be confirmed by the*
18 *court unless the court is satisfied that the sum offered represents*
19 *the fair market value of the property sold, nor unless the personal*
20 *property has been appraised within 1 year before the time of sale.*
21 *If it has not been appraised, a new appraisal must be had, as*
22 *in the case of an original appraisal of personal property. This*
23 *may be done at any time before the sale or confirmation thereof.*

24 *2. If the personal representative is the sole devisee or heir of*
25 *the estate, or if all devisees or heirs consent in writing to sale*
26 *without an appraisal, the requirement of an appraisal may be*
27 *dispensed with.*

28 **Sec. 18.** NRS 148.190 is hereby amended to read as follows:

29 148.190 1. Except as otherwise provided in *subsection 3 and*
30 NRS 148.080, 148.170 and 148.180 and in summary administration
31 under chapter 145 of NRS, a personal representative may sell
32 personal property of the estate only after notice is published in a
33 newspaper published in the county where the proceedings are
34 pending, if there is such a newspaper, and if not, then in one having
35 general circulation in the county, for 2 weeks, consisting of three
36 publications 1 week apart, before the day of the sale or, in the case
37 of a private sale, before the day on or after which the sale is to be
38 made. For good cause shown, the court may decrease the number of
39 publications to one and shorten the time for publication to a period
40 not less than 8 days. The notice shall include a brief description of
41 the property to be sold, a place where bids or offers will be received,
42 and a day on or after which the sale will be made.

43 2. Public sales may be made at the courthouse door, at some
44 other public place, at the residence of the decedent or at a place
45 designated by the personal representative, but no sale may be made



1 of any personal property which is not available for inspection at the
2 time of sale, unless the court otherwise orders.

3 **3. *If the personal representative is the sole devisee or heir of***
4 ***the estate, or if all devisees or heirs of the estate consent in***
5 ***writing, the court may waive the requirement of publication.***

6 **Sec. 19.** NRS 150.010 is hereby amended to read as follows:

7 150.010 The personal representative must be allowed all
8 necessary expenses in the administration and settlement of the
9 estate, and fees for services as provided by law, but if the decedent
10 by will makes some other provision for the compensation of the
11 personal representative, this shall be deemed a full compensation for
12 those services, unless *before his appointment* the personal
13 representative files a renunciation, in writing, of all claim for the
14 compensation provided by the will.

15 **Sec. 20.** Chapter 151 of NRS is hereby amended by adding
16 thereto the provisions set forth as sections 21 and 22 of this act.

17 **Sec. 21. *No gift or grant by the decedent shall be deemed to***
18 ***have been made as satisfaction of a testamentary gift unless:***

19 ***1. So expressed in the instrument providing for the gift or***
20 ***grant;***

21 ***2. Charged in a writing by the decedent as partial or complete***
22 ***satisfaction of a testamentary gift; or***

23 ***3. Acknowledged in writing by the donee to be such.***

24 **Sec. 22. *If the value of the gift is expressed in the instrument***
25 ***providing for the gift or grant, or in a writing of the decedent, or***
26 ***in an acknowledgment of the donee, that value must be used in the***
27 ***distribution and division of the estate. Otherwise, the gift or grant***
28 ***must be valued as of the time the donee came into possession or***
29 ***enjoyment of the property or as of the time of death of the***
30 ***decedent, whichever occurs first.***

31 **Sec. 23.** NRS 159.197 is hereby amended to read as follows:

32 159.197 1. After the winding up of the affairs of the
33 guardianship, the guardian shall deliver physical possession of all of
34 the ward's property to the ward, his executor or administrator or the
35 successor guardian, as the case may be, and obtain a receipt
36 therefor.

37 2. If the guardianship has terminated by reason of the death of
38 the ward, the court, by order, may authorize the guardian to
39 distribute the deceased ward's property in the same manner as
40 authorized by NRS 146.070, if the gross value of the property, less
41 encumbrances, remaining in the hands of the guardian does not
42 exceed ~~[\$50,000.]~~ **\$75,000**, or as authorized by NRS 146.080, if the
43 gross value of the property remaining in the hands of the guardian
44 does not exceed \$20,000.



1 **Sec. 24.** NRS 253.0403 is hereby amended to read as follows:
2 253.0403 1. When the gross value of a decedent's property
3 situated in this state does not exceed \$5,000, a public administrator
4 may, without procuring letters of administration, administer the
5 estate of that person upon filing with the court an affidavit of his
6 right to do so.
7 2. The affidavit must provide:
8 (a) The public administrator's name and address, and his
9 attestation that he is entitled by law to administer the estate;
10 (b) The decedent's place of residence at the time of his death;
11 (c) That the gross value of the decedent's property in this state
12 does not exceed \$5,000;
13 (d) That at least 40 days have elapsed since the death of the
14 decedent;
15 (e) That no application or petition for the appointment of a
16 personal representative is pending or has been granted in this state;
17 (f) A description of the personal property of the decedent;
18 (g) Whether there are any heirs or next of kin known to the
19 affiant, and if known, the name and address of each such person;
20 (h) If heirs or next of kin are known to the affiant, a description
21 of the method of service he used to provide to each of them notice
22 of the affidavit and that at least 10 days have elapsed since the
23 notice was provided;
24 (i) That all debts of the decedent, including funeral and burial
25 expenses, have been paid or provided for; and
26 (j) The name of each person to whom the affiant intends to
27 distribute the decedent's property.
28 3. Before filing the affidavit with the court, the public
29 administrator shall take reasonable steps to ascertain whether any of
30 the decedent's heirs or next of kin exist. If the administrator
31 determines that heirs or next of kin exist, he shall serve each of them
32 with a copy of the affidavit. Service must be made personally or by
33 certified mail.
34 4. If the affiant:
35 (a) Submits an affidavit which does not meet the requirements
36 of subsection 2 or which contains statements which are not entirely
37 true, any money or property he receives or distributes is subject to
38 all debts of the decedent, based on the priority for payment of debts
39 and charges specified in ~~NRS 150.220.~~ *section 14 of this act.*
40 (b) Fails to give notice to heirs or next of kin as required by
41 subsection 3, any money or property he holds or distributes to others
42 shall be deemed to be held in trust for those heirs and next of kin
43 who did not receive notice and have an interest in the property.
44 5. A person who receives an affidavit containing the
45 information required by subsection 2 is entitled to rely upon such



1 information, and if he relies in good faith, he is immune from civil
2 liability for actions based on that reliance.

3 6. Upon receiving proof of the death of the decedent, an
4 affidavit containing the information required by this section and the
5 written approval of the public administrator to do so:

6 (a) A transfer agent of any security shall change the registered
7 ownership of the security claimed from the decedent to the person
8 claiming to succeed to ownership of that security.

9 (b) A governmental agency required to issue certificates of
10 ownership or registration to personal property shall issue a new
11 certificate of ownership or registration to the person claiming to
12 succeed to ownership of the property.

13 **Sec. 25.** NRS 360.480 is hereby amended to read as follows:

14 360.480 1. The amounts, including interest and penalties,
15 required to be paid by any person under this title shall be satisfied
16 first in any of the following cases:

17 (a) Whenever the person is insolvent.

18 (b) Whenever the person makes a voluntary assignment of his
19 assets.

20 (c) Whenever the estate of the person in the hands of executors,
21 administrators or heirs, prior to distribution, is insufficient to pay all
22 the debts due from the deceased.

23 (d) Whenever the estate and effects of an absconding, concealed
24 or absent person required to pay any amount by force of such a
25 revenue act are levied upon by process of law.

26 2. This section does not give the State a preference over:

27 (a) Any recorded lien which attached prior to the date when the
28 amounts required to be paid became a lien; or

29 (b) Any costs of administration, funeral expenses, expenses of
30 personal illness, family allowances or debts preferred under federal
31 law or wages as provided in ~~NRS 150.220~~ *section 14 of this act.*

32 **Sec. 26.** NRS 360A.090 is hereby amended to read as follows:

33 360A.090 1. The amounts, including interest and penalties,
34 required to be paid by a person pursuant to chapter 365, 366 or 373
35 of NRS or NRS 590.120 or 590.840 must be satisfied first if:

36 (a) The person is insolvent;

37 (b) The person makes a voluntary assignment of his assets;

38 (c) The estate of the person in the hands of executors,
39 administrators or heirs, before distribution, is insufficient to pay all
40 the debts due from the deceased; or

41 (d) The estate and effects of an absconding, concealed or absent
42 person required to pay any amount by force of such a revenue act
43 are levied upon by process of law.

44 2. This section does not give the State of Nevada a preference
45 over:



1 (a) Any recorded lien that attached before the date when the
2 amounts required to be paid became a lien; or

3 (b) Any costs of administration, funeral expenses, expenses of
4 personal illness, family allowances or debts preferred pursuant to
5 federal law or wages as provided in ~~NRS 150.220~~ *section 14 of*
6 *this act.*

7 **Sec. 27.** NRS 375.220 is hereby amended to read as follows:

8 375.220 1. The amounts, including interest and penalties,
9 required to be paid by any person pursuant to this chapter must be
10 satisfied first if:

11 (a) The person is insolvent;

12 (b) The person makes a voluntary assignment of his assets;

13 (c) The estate of the person in the hands of executors,
14 administrators or heirs, before distribution, is insufficient to pay all
15 the debts due from the deceased; or

16 (d) The estate and effects of an absconding, concealed or absent
17 person required to pay any amount by force of such a revenue act
18 are levied upon by process of law.

19 2. This section does not give the county recorder a preference
20 over:

21 (a) Any recorded lien that attached before the date when the
22 amounts required to be paid became a lien; or

23 (b) Any costs of administration, funeral expenses, expenses of
24 personal illness, family allowances or debts preferred pursuant to
25 federal law or wages as provided in ~~NRS 150.220~~ *section 14 of*
26 *this act.*

27 **Sec. 28.** NRS 150.220 is hereby repealed.

TEXT OF REPEALED SECTION

150.220 Priority for payment. The debts and charges of the estate must be paid in the following order:

1. Expenses of administration.

2. Funeral expenses.

3. The expenses of the last illness.

4. Family allowance.

5. Debts having preference by laws of the United States.

6. Money owed to the Department of Human Resources as a result of the payment of benefits for Medicaid.

7. Wages to the extent of \$600, of each employee of the decedent, for work done or personal services rendered within 3 months before the death of the employer. If there is not sufficient



money with which to pay all such labor claims in full, the money available must be distributed among the claimants in accordance with the amounts of their respective claims.

8. Judgments rendered against the decedent in his lifetime, and mortgages in order of their date. The preference given to a mortgage extends only to the proceeds of the property mortgaged. If the proceeds of that property are insufficient to pay the mortgage, the part remaining unsatisfied must be classed with other demands against the estate.

9. All other demands against the estate.

