
SENATE BILL NO. 134—SENATOR CANNIZZARO

PREFILED JANUARY 30, 2025

Referred to Committee on Finance

SUMMARY—Makes an appropriation to the Department of Health and Human Services for a medical debt relief grant program. (BDR S-74)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included in Executive Budget.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT making an appropriation to the Department of Health and Human Services for allocation to a nonprofit organization to make grants to local governments to provide medical debt relief; 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.** 1. There is hereby appropriated from the State
2 General Fund to the Department of Health and Human Services the
3 sum of \$5,000,000 for the awarding of grants in accordance with
4 subsection 2.
5 2. The Department of Health and Human Services shall
6 allocate the money appropriated by subsection 1 to an eligible
7 nonprofit organization selected by the Department to award grants
8 to local governments in this State for the purpose of purchasing
9 bundles of medical debt on secondary markets or directly from
10 health care providers with the goal of abolishing medical debt for a
11 group or groups of patients.
12 3. Upon acceptance of the money appropriated by subsection 1,
13 the nonprofit organization selected by the Department agrees to:
14 (a) Develop an application process for a local government to
15 apply for a grant.



1 (b) Establish eligibility guidelines for the award of grants that
2 prioritize medical debt relief for patients who are experiencing
3 financial hardship.

4 (c) Ensure that medical debt that is discharged using the money
5 appropriated by subsection 1 is discharged in a manner that does not
6 result in adverse tax implications for patients.

7 (d) Subject to the participation of local governments, ensure
8 grants are geographically distributed across the State.

9 (e) Prepare and transmit a report to the Interim Finance
10 Committee on or before December 18, 2026, that describes each
11 expenditure made from the money appropriated by subsection 1
12 from the date on which the money was received by the nonprofit
13 organization through December 1, 2026.

14 (f) Prepare and transmit a final report to the Interim Finance
15 Committee on or before September 17, 2027, that describes each
16 expenditure made from the money appropriated by subsection 1
17 from the date on which the money was received by the nonprofit
18 organization through June 30, 2027; and

19 (g) Upon request of the Legislative Commission, make available
20 to the Legislative Auditor any of the books, accounts, claims,
21 reports, vouchers or other records of information, confidential or
22 otherwise, of the nonprofit organization, regardless of their form or
23 location, that the Legislative Auditor deems necessary to conduct an
24 audit of the use of the money appropriated by subsection 1.

25 4. The nonprofit organization shall not expend more than 5
26 percent of the money appropriated by subsection 1 for the
27 administrative expenses of the nonprofit organization related to
28 awarding grants pursuant to this section.

29 5. The nonprofit organization may establish minimum and
30 maximum amounts that will be awarded and utilize other relevant
31 criteria in making grants in accordance with this section.

32 6. Any remaining balance of the appropriation made by
33 subsection 1 must not be committed for expenditure after June 30,
34 2027, by the entity to which the appropriation is made or any entity
35 to which money from the appropriation is granted or otherwise
36 transferred in any manner, and any portion of the appropriated
37 money remaining must not be spent for any purpose after
38 September 17, 2027, by either the entity to which the money was
39 appropriated or the entity to which the money was subsequently
40 granted or transferred, and must be reverted to the State General
41 Fund on or before September 17, 2027.

42 7. As used in this section, "eligible nonprofit organization"
43 means an organization which qualifies as tax exempt pursuant to
44 section 501(c) of the Internal Revenue Code and that is experienced
45 in locating, acquiring and relieving medical debt for natural persons.



1 **Sec. 2.** This act becomes effective on July 1, 2025.

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