

LCB File No. R197-08

**PROPOSED REGULATION OF THE DIRECTOR OF
THE DEPARTMENT OF ADMINISTRATION
AND THE ATTORNEY GENERAL**

Collection of Debts

September 2, 2008

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

Purpose: To improve the process of collecting debts owed to agencies of the Executive Branch of the State of Nevada.

Authority: NRS 353C.110

Address of Agency: The agencies promulgating this regulation are the Department of Administration, _____ Carson City, Nevada 89701 and the Attorney General, _____ Carson City, Nevada 89701. The contact person for the Department of Administration is Mark Taylor, Carson City, Nevada 89701, phone (775) 684-5611; fax (775) 684-5696. The contact person for the Attorney General is Doug Walther, 100 N. Carson Street, Carson City, Nevada 89701, phone (775) 684-1234; fax (775) 684-1108.

Section 1. Chapter 353C of the Nevada Administrative Code is hereby amended by adding thereto sections 2 to 4, inclusive, of these proposed regulations.

Sec. 2. *“Agency debt” means a debt that has been assigned to the Controller for collection pursuant to Section ____ of these proposed regulations.*

Sec. 3. *The Controller shall consider a debt to be contested by the debtor if the debtor or his agent disputes the existence of the debt or its amount.*

Sec. 4. *When the Controller acts as the collection agent for the agency the agency must:*

1. pay the Controller \$10 for each debt assigned for collection to off-set the Controller's costs in collecting the debt;

2. agree to report to the Controller all agency debts that are or become past due for 60 days or more;

3. authorize the Controller to exercise reasonable discretion to:

(a) collect the debt including, but not limited to, sending letters to the debtor, entering into installment agreements for the payment of the debt, filing claims in bankruptcy, seeking a certificate of liability pursuant to NRS 353C.180 or a summary judgment pursuant to NRS 353C.150, or off-setting the debt against any credit due to debtor pursuant to NRS 353C.210;

(b) enter into agreements with a private debt collector to collect the agency debts as authorized by NRS 353C.200;

(c) retain any interest earned on installment agreements for the repayment of agency debts to off-set the Controller's costs of collecting agency debts;

(d) if authorized by law, use a portion of the proceeds of debts collected to off-set the actual cost of collecting the debt if the Controller determines it to be in the best interests of the State to incur those costs to collect the debt;

(e) post a list of debtors and debts owed the State on the Internet;

(f) request the Board of Examiners on the agency's behalf to declare that the agency debt is a bad debt pursuant to NRS 353C.220

(g) return to the agency debts which, in the Controller's judgment, are contested by the debtor.

Sec. 5. NAC 353C.200 is hereby amended to read as follows:

The Controller or his designee may consider any issue relevant to a determination of the legality of the requested offset pursuant to NAC 353C.100 to 353C.140, inclusive. ~~[The scope of the hearings excludes review of the final determination of the amount due an agency from the petitioner.]~~