

**PROPOSED REGULATION OF THE
SECRETARY OF STATE**

LCB File No. R074-11

December 14, 2011

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

AUTHORITY: §§1-5, NRS 225.140.

A REGULATION relating to the Secretary of State; adopting provisions governing checks or other negotiable instruments returned to the Secretary of State because of insufficient funds; and providing other matters properly relating thereto.

Section 1. Chapter 225 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 5, inclusive, of this regulation, unless the context otherwise requires, “returned check or other negotiable instrument” means a check or other negotiable instrument returned to the Office of the Secretary of State because the person had insufficient money or credit with the drawee to pay the check or other instrument or because the person stopped payment on the check or other instrument.*

Sec. 3. 1. *The Secretary of State may reverse or cancel any filing associated with a returned check or negotiable instrument if the person who submitted the check or other negotiable instrument which was returned to the Office of the Secretary of State does not:*

(a) Notify the Secretary of State that the person intends to pay all fees and penalties required by statute and sections 2 to 5, inclusive, of this regulation for a returned check or negotiable instrument; and

(b) Pay all fees and penalties required by law for a returned check or negotiable instrument.

2. If the Secretary of State reverses or cancels a filing associated with a returned check, the filing is deemed to have never been filed with the Secretary of State. The Secretary of State may cancel any subsequent filing that depends upon or references the reversed or cancelled filing.

3. If the Secretary of State reverses or cancels any filing associated with a returned check or negotiable instrument, any certificate fee, certified copy fee, copy fee or expedite fee associated with the reversed or cancelled filing remains due to the Secretary of State.

4. As used in this section:

(a) "Certificate fee" means a fee required by title 7 of NRS for providing a certificate of good standing or other similar certificate concerning the status of an entity on file with the Secretary of State.

(b) "Certified copy fee" means a fee required by title 7 of NRS for certifying a copy of a document on file with the Secretary of State.

(c) "Copy fee" means a fee required by title 7 of NRS for a copy of a document on file with the Secretary of State.

(d) "Expedite fee" means the fee which the Secretary of State may charge pursuant to paragraph (d) of subsection 2 of NRS 225.140.

Sec. 4. 1. *The additional fee for a returned check or negotiable instrument which is authorized by subparagraph (2) of paragraph (e) of subsection 2 of NRS 225.140 is \$25 for each hour of staff time necessary to take the actions set forth in subparagraphs (1) and (2) of paragraph (e) of subsection 2 of NRS 225.140.*

2. For each returned check or negotiable instrument, the Secretary of State will charge:

(a) A fee of \$25; and

(b) If the returned check or negotiable instrument has been presented for the payment of a filing fee for more than one entity, the additional fee described in subsection 1.

Sec. 5. 1. The Secretary of State may refuse to accept any filing submitted by a person who has not paid all fees and penalties for a returned check or other negotiable instrument associated with a previous filing.

2. The Secretary of State may require a person to pay any fee or penalty in cash or by credit card if the person:

(a) Has not paid all fees and penalties for a returned check or other negotiable instrument associated with a previous filing with the Secretary of State; or

(b) Within the immediately preceding 12 months, has submitted to the Secretary of State one or more checks or other negotiable instruments which have been returned to the Office of the Secretary of State because the person had insufficient money or credit with the drawee to pay the check or other instrument or because the person stopped payment on the check or other instrument.