ASSEMBLY BILL NO. 37-COMMITTEE ON JUDICIARY

(ON BEHALF OF THE DIVISION OF WELFARE AND SUPPORTIVE SERVICES OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES)

Prefiled November 18, 2020

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to the enforcement of obligations for support of children. (BDR 3-301)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to support of children; defining certain terms and revising certain definitions relating to the support of children; requiring the reporting and withholding of lump sum payments by income payers under certain circumstances; revising provisions relating to the amount of income that may be withheld from an obligor; making various changes relating to the withholding of income by income payers; authorizing the imposition of certain penalties on income payers who commit certain improper acts relating to lump sum payments; expressly authorizing the assignment of money from certain lump sum payments; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law: (1) requires an employer, person or other entity to withhold and deliver income of an obligor to an enforcing authority for the support of a child under certain circumstances; and (2) sets forth certain procedures for the enforcement of such withholdings and deliveries. (Chapter 31A of NRS) **Section 4** of this bill defines the term "income payer" to mean any employer, person or other entity required to withhold and deliver the income of an obligor to an enforcing authority. **Section 3** of this bill defines the term "employer" to mean a person or entity that employs an obligor as an employee or independent contractor. **Sections**





11-19, 21, 22 and 24-27 of this bill make various changes based on those definitions.

Existing law defines "income" to include: (1) wages, salaries, bonuses and commissions; (2) any money from certain other persons or entities from which support may be withheld; (3) any other money due as a pension, unemployment compensation, a benefit because of disability or retirement or as a return of contributions and interest; and (4) any compensation of an independent contractor. (NRS 31A.016) **Section 9** of this bill revises the definition of "income" to expressly include a lump sum payment. **Section 5** of this bill defines the term "lump sum payment."

Section 7 of this bill requires certain income payers who are subject to a notice to withhold income of an obligor to inform the enforcing authority before making a lump sum payment of \$150 or more to an obligor. Section 7 requires the income payer to inform the enforcing authority at least 10 days before the income payer intends to release the lump sum payment to the obligor. Section 7 additionally requires the enforcing authority, within 10 days after receiving such information, to provide the income payer with a written notice from the Division of Welfare and Supportive Services of the Department of Health and Human Services specifying the amount of the lump sum payment that the income payer must withhold and deliver to the enforcing authority, if any. Section 7 also provides the manner in which the written notice must be sent to the income payer and obligor and authorizes the obligor to contest the written notice. Finally, section 7 prohibits the income payer from releasing the lump sum payment to the obligor before: (1) the date that the income payer intends to release the lump sum payment; or (2) the 11th day after providing the information regarding the lump sum payment or the date that the income payer receives the written notice, whichever is earlier. Section 6 of this bill defines the term "written notice."

Existing law sets forth certain penalties that may be imposed on an employer who wrongfully refuses to withhold income, refuses or intentionally fails to deliver money to the enforcing authority or knowingly misrepresents the income of an employee. (NRS 31A.095, 31A.120) **Sections 16 and 18** of this bill authorize a court to impose such penalties on an income payer who refuses to withhold money from a lump sum payment or refuses or intentionally fails to deliver money from a lump sum payment to an enforcing authority.

Existing law: (1) provides immunity from civil liability to an employer who complies with a notice to withhold income; (2) discharges the liability of an employer to an obligor for the portion of the income affected by compliance with a notice to withhold income; and (3) provides immunity from civil liability to an enforcing authority for any money withheld before the implementation of a stay on an order to withhold income. (NRS 31A.100) **Section 17** of this bill extends such immunity to and discharges the liability of an income payer who complies with a written notice concerning a lump sum payment.

Existing law prescribes the amount of income that may be withheld from an obligor and places certain restrictions on the total amount that may be withheld. (NRS 31A.030) Existing law provides that: (1) not more than 50 percent of the disposable earnings of an employee may be withheld if the employee is supporting another spouse or child; or (2) not more than 60 percent of the disposable earnings of the employee may be withheld if the employee is not supporting another spouse or child. Existing law further provides that an additional 5 percent of the disposable earnings of the employee may be withheld if payments for support are more than 12 weeks in arrears. (15 U.S.C. § 1673; NRS 31.295) **Section 10** of this bill applies such restrictions on the total amount of income that may be withheld to all obligors, regardless of whether the obligor is employed as an employee or is an independent contractor and regardless of whether the income qualifies as disposable earnings of the obligor. Thus, **section 10** provides that the amount of income withheld from any



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obligor must not exceed: (1) 50 percent, if the obligor is supporting another child or spouse, or 60 percent, if the obligor is not supporting another child or spouse; or (2) 55 percent or 65 percent, respectively, if the obligor has been in arrears for more than 12 weeks. **Section 2** of this bill defines the term "disposable earnings." **Sections 12 and 23** of this bill make conforming changes to reflect the calculation of income that may be withheld.

Existing law requires: (1) the State Treasurer to collect a fee of \$2 for each withholding of income made by an employer; and (2) an employer to deduct such a fee from the income of the obligor. (NRS 31A.075, 31A.080) **Sections 13 and 14** of this bill make various changes related to the deduction of the fee by an income payer.

Existing law requires: (1) person or entity for whom support is being collected to notify the enforcing authority by certified mail, return receipt requested, of a change of address; and (2) an order for an assignment to be served on an employer by certified mail, return receipt requested. (NRS 31A.140, 31A.280) **Section 19 and 24** of this bill require the documents to be sent by first-class mail or electronically.

Existing law authorizes the withholding and assignment of certain money due to an obligor that is paid periodically or in lump sums. (NRS 31A.150, 31A.330) **Sections 20 and 27** of this bill expressly authorize the withholding and assignment of money from certain lump sum payments.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- Section 1. Chapter 31A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.
- 4 Sec. 2. "Disposable earnings" has the meaning ascribed to it in NRS 31.295.
- 6 Sec. 3. "Employer" means a person or entity that employs an obligor as an employee or independent contractor.
 - Sec. 4. "Income payer" means any employer, person or other entity required to withhold income pursuant to NRS 31A.025 to 31A.190, inclusive, and section 7 of this act.
 - Sec. 5. "Lump sum payment" means:
- 12 1. A commission;

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- 2. A discretionary or nondiscretionary bonus;
- 14 3. A productivity or performance bonus;
- 15 4. Profit sharing;
 - 5. A referral or sign-on bonus;
- 17 6. An incentive payment for moving or relocation;
- 7. An attendance award;
- 19 8. A safety award;
- 20 9. A cash payment award;
- 21 10. A retroactive merit increase;
- 22 11. A payment for working during a holiday;
- 23 12. Termination pay;





13. Severance pay:

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- *14*. A workers' compensation reimbursement; and
- *15*. A payment for back pay and front pay from an insurance settlement.
- Sec. 6. "Written notice" means the notice issued pursuant to subsection 3 of section 7 of this act.
- Sec. 7. 1. An income payer who has received a notice to withhold income which includes a provision for the payment of arrears shall inform the enforcing authority before making a lump sum payment to the obligor that is \$150 or more.
- The information provided by the income payer pursuant to subsection 1 must be:
- (a) On a form prescribed by the Division of Welfare and Supportive Services: and
- (b) Submitted to the enforcing authority at least 10 days before the date that the income payer intends to release the lump sum payment to the obligor.
- Within 10 days after receiving the form described in subsection 2, the enforcing authority shall provide the income payer with a written notice from the Division of Welfare and Supportive Services specifying the amount of the lump sum payment to be withheld and delivered to the enforcing authority.
- The income payer shall not release the lump sum payment 4. before:
- (a) The date that the income payer intends to release the lump sum payment; or
- (b) The 11th day after submitting the form described in subsection 2 or the date that the written notice is received by the income payer, whichever is earlier.
- The written notice is binding on the income payer and must be sent by the enforcing authority to:
- (a) The last known address of the obligor by first-class mail; and
 - (b) The income payer by first-class mail or electronically.
- 6. An obligor may contest a written notice in the same manner as described in NRS 31A.050.
 - **Sec. 8.** NRS 31A.010 is hereby amended to read as follows:
- 31A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 31A.012 to 31A.021, inclusive, and sections 2 to 6, inclusive, of this act have the meanings ascribed to them in those sections.
 - Sec. 9. NRS 31A.016 is hereby amended to read as follows:
- 43 31A.016 "Income" includes, but is not limited to: 44
 - 1. Wages [and salaries ; [, bonuses and commissions;]





- 2. Any money from which support may be withheld pursuant to NRS 31A.150 or 31A.330;
 - 3. Any other money due as a pension, unemployment compensation, a benefit because of disability or retirement, or as a return of contributions and interest; [and]
 - 4. Any lump sum payments; and

- 5. Any compensation of an independent contractor [.], including, without limitation, any compensation described in subsections 1 to 4, inclusive, as applicable.
 - **Sec. 10.** NRS 31A.030 is hereby amended to read as follows: 31A.030 Except as otherwise provided in NRS 31A.024:
- 1. [The] Except as otherwise provided in subsection 2, the amount of income to be withheld pursuant to NRS 31A.025 to 31A.190, inclusive, [must be calculated in accordance with NRS 31.295] and section 7 of this act must include:
 - (a) The amount of the current support due plus:
- (1) An amount equal to 10 percent of the amount of the current periodic or other payment ordered for support, to be applied to satisfy arrearages, if any; or
- (2) If the court has previously ordered the payment of arrearages in a specified manner, the amount so ordered;
- (b) If the obligor is subject to a court order for the payment of current support which is not being collected pursuant to this chapter and the enforcing authority is entitled to collect any arrearages, an amount equal to 25 percent of the amount of the payment ordered for current support, to be applied to satisfy the arrearages; or
- (c) If the child is emancipated, arrearages as provided in NRS 125B.100, until the arrearages are paid in full.
- 2. The amount of income withheld must be calculated in accordance with the percentages set forth in NRS 31.295, regardless of whether the income qualifies as disposable earnings.
- 3. If two or more court orders for the withholding of income are being enforced against the same obligor, the amount available from withholding must be allocated among those persons entitled to it pursuant to those orders:
 - (a) Giving priority to an obligation for current support; and
- (b) Except as otherwise provided in paragraph (a), in the proportion that the amount owed any one person bears to the total amount owed to all persons entitled to withholding pursuant to those orders.
 - **Sec. 11.** NRS 31A.040 is hereby amended to read as follows:
- 31A.040 1. The enforcing authority shall notify an obligor who is subject to the withholding of income by first-class mail to the obligor's last known address:
 - (a) That the obligor's income is being withheld;





(b) Of the amount of any arrearages;

- (c) Of the amount being withheld from the obligor's income to pay current support and the amount being withheld to pay any arrearages;
- (d) That a notice to withhold income applies to any current or subsequent [employer;] income payer;
- (e) That a notice to withhold income of the obligor has been mailed to the [obligor's employer;] income payer of the obligor;
- (f) Of the information provided to the [obligor's employer] income payer of the obligor pursuant to NRS 31A.070;
 - (g) That the obligor may contest the withholding; and
- (h) Of the grounds and procedures for contesting the withholding.
- 2. The provisions of this section are applicable only to an obligor against whom there is entered an order of a kind described in subsection 4 of NRS 31A.025.
 - **Sec. 12.** NRS 31A.070 is hereby amended to read as follows:
- 31A.070 1. The enforcing authority shall mail, by first-class mail, a notice to withhold income to an [obligor's employer:] income payer of an obligor:
- (a) If the provisions of subsection 4 of NRS 31A.025 apply, immediately upon determining that the obligor is delinquent in the payment of support; or
- (b) If the provisions of subsection 4 of NRS 31A.025 do not apply, immediately upon the entry of the order of support, unless an exception set forth in paragraph (a) or (b) of subsection 1 of NRS 31A.025 applies.
- 2. If an [employer] income payer of an obligor does not begin to withhold income from the obligor after receiving the notice to withhold income that was mailed pursuant to subsection 1, the enforcing authority shall mail, by certified mail, return receipt requested, another notice to withhold income to the [employer.] income payer.
- 3. A notice to withhold income may be issued electronically and must:
 - (a) Contain the social security number of the obligor;
- (b) Specify the amount to be withheld from the income of the obligor;
- (c) Specify the amounts of the fees authorized in NRS 31A.090 and required in NRS 31A.075;
- (d) Describe the limitation for withholding income prescribed in [NRS 31.295;] subsection 2 of NRS 31A.030;
- (e) Describe the prohibition against terminating the employment of an obligor because of withholding, *if applicable*, and the





penalties for wrongfully refusing to withhold pursuant to the notice to withhold income;

- (f) Specify that, pursuant to NRS 31A.160, the withholding of income to enforce an order of a court for child support has priority over other proceedings against the same money; and
- (g) Explain the duties of an [employer] income payer upon the receipt of the notice to withhold income.
 - **Sec. 13.** NRS 31A.075 is hereby amended to read as follows:
- 31A.075 1. The State Treasurer shall charge an obligor a fee of \$2 for each withholding of income for the payment of support made by an **[employer]** *income payer* pursuant to this chapter, except that the fee must not be charged to an obligor more than two times during any month.
- 2. All such fees received by the State Treasurer from [employers] income payers pursuant to NRS 31A.080 must be accounted for separately in the State General Fund.
- 3. The account created pursuant to subsection 2 must be administered by the Administrator of the Division of Welfare and Supportive Services. The money in the account must be distributed among each enforcing authority pursuant to regulations adopted by the Administrator of the Division of Welfare and Supportive Services pursuant to NRS 425.365.
 - **Sec. 14.** NRS 31A.080 is hereby amended to read as follows:
- 31A.080 *1.* An [employer] income payer who receives a notice to withhold income shall:
- [1.] (a) Withhold the amount stated in the notice from the income due the obligor beginning with the first [pay period] payment that occurs within 14 days after the date the notice was [mailed] sent to the [employer] income payer and continuing until the enforcing authority notifies the [employer] income payer to discontinue the withholding; and
- [2.] (b) Deliver the money withheld to the enforcing authority within 7 days after the date of [each] payment. [of the regularly scheduled payroll of the employer;
- —3.] 2. An income payer who receives a written notice or a notice to withhold income shall:
- (a) Deduct from the income due the obligor after the withholding, [pursuant to subsection 1,] the fee set forth in NRS 31A.075;
- [4.] (b) Deliver to the State Treasurer, at least quarterly, all money deducted as fees pursuant to [subsection 3;] paragraph (a); and
 - [5. Notify]
- (c) If applicable, notify the enforcing authority and the State Treasurer when the obligor subject to withholding terminates the





obligor's employment, and provide the last known address of the obligor and the name of any new employer of the obligor, if known.

Sec. 15. NRS 31A.090 is hereby amended to read as follows:

- 31A.090 1. A written notice or a notice to withhold income is binding upon any [employer] income payer of an obligor. [to whom it is mailed.]
- 2. To reimburse the [employer] income payer for the [employer's] costs of the income payer in making [the] a withholding, the [employer] income payer may deduct \$3 from the amount paid the obligor each time the [employer] income payer makes a withholding.
- [2.] 3. Except as otherwise provided in subsection [3,] 4, if an [employer] income payer receives written notices or notices to withhold income for more than one [employee,] obligor, the [employer] income payer may consolidate the amounts of money that are payable to:
- (a) The enforcing authority and pay those amounts with one check; and
- (b) The State Treasurer and pay those amounts with one check, but the [employer] income payer shall attach to each check a statement identifying by name and social security number each obligor for whom payment is made and the amount transmitted for that obligor.
- [3.] 4. If the provisions of NRS 353.1467 apply, the [employer] income payer shall make payment to the enforcing authority or the State Treasurer, as applicable, by way of any method of electronic transfer of money allowed by the enforcing authority or the State Treasurer. If an [employer] income payer has 50 or more employees, the [employer] income payer shall make payment to the Division of Welfare and Supportive Services by way of any method of electronic transfer of money allowed by the Division. If an [employer] income payer makes payment by way of electronic transfer of money pursuant to this subsection, the [employer] income payer shall transmit separately the name and appropriate identification number, if any, of each obligor for whom payment is made and the amount transmitted for that obligor.
- [4.] 5. An [employer] income payer shall cooperate with and provide relevant information to an enforcing authority as necessary to enable it to enforce an obligation of support. A disclosure made in good faith pursuant to this subsection does not give rise to any action for damages resulting from the disclosure.
- [5.] 6. As used in this section, "electronic transfer of money" has the meaning ascribed to it in NRS 353.1467.
 - **Sec. 16.** NRS 31A.095 is hereby amended to read as follows: 31A.095 1. If an [employer:] income payer:





- (a) Wrongfully refuses to withhold income as required pursuant to NRS 31A.025 to 31A.190, inclusive, *and section 7 of this act* after receiving a notice to withhold income that was sent by certified mail pursuant to subsection 2 of NRS 31A.070 [;] or a written notice;
- (b) Refuses or intentionally fails to deliver to the enforcing authority any money required pursuant to NRS 31A.080 [;] or section 7 of this act; or
- (c) Knowingly misrepresents the income of an [employee,] obligor,
- → the enforcing authority may apply for and the court may issue an order directing the [employer] income payer to appear and show cause why the [employer] income payer should not be subject to the penalty prescribed in subsection 2 of NRS 31A.120.
- 2. At the hearing on the order to show cause, the court, upon a finding that the [employer] income payer wrongfully refused to withhold income as required, refused or intentionally failed to deliver money to the enforcing authority as required or knowingly misrepresented [an employee's] the income [:] of an obligor:
- (a) May order the [employer] income payer to comply with the requirements of NRS 31A.025 to 31A.190, inclusive [;], and section 7 of this act;
- (b) May order the [employer] income payer to provide accurate information concerning the [employee's] income [;] of the obligor;
- (c) May fine the [employer] income payer pursuant to subsection 2 of NRS 31A.120; and
- (d) Shall require the [employer] income payer to pay the amount the [employer] income payer failed or refused to withhold from the obligor's income or refused or intentionally failed to deliver to the enforcing authority.
 - **Sec. 17.** NRS 31A.100 is hereby amended to read as follows:
- 31A.100 1. An [employer] income payer who complies with a written notice or notice to withhold income that is regular on its face may not be held liable in any civil action for any conduct taken in compliance with the notice.
- 2. Compliance by an [employer] income payer with a written notice or notice to withhold income is a discharge of the [employer's] liability of the income payer to the obligor as to that portion of the income affected.
- 3. If a court issues an order to stay a withholding of income, the enforcing authority may not be held liable in any civil action to the obligor for any money withheld before the stay becomes effective.





Sec. 18. NRS 31A.120 is hereby amended to read as follows:

31A.120 1. It is unlawful for an employer to use the withholding of income to collect an obligation of support as a basis for refusing to hire a potential [employee,] obligor, discharging the [employee] obligor or taking disciplinary action against the [employee.] obligor. Any employer who violates this section shall hire or reinstate the [employee] obligor with no loss of pay or benefits, is liable for any payments of support not withheld and shall be fined \$1,000. If an [employee] obligor prevails in an action based on this section, the employer is liable, in an amount not less than \$2,500, for payment of the [employee's] costs and attorney's fees incurred by the obligor in that action.

2. If an [employer:] income payer:

(a) Wrongfully refuses to withhold from the income of an obligor as required pursuant to NRS 31A.025 to 31A.190, inclusive ; and section 7 of this act;

- (b) Refuses or intentionally fails to deliver to the enforcing authority any money required pursuant to NRS 31A.080 [;] or section 7 of this act; or
- (c) Knowingly misrepresents the income of the [employee,] *obligor*,
- the [employer] income payer shall pay the amount the [employer] income payer refused to withhold or refused or intentionally failed to deliver to the enforcing authority and may be ordered to pay punitive damages to the person to whom support is owed in an amount not to exceed \$1,000 for each [pay period] payment the [employer] income payer failed to withhold income as required, refused or intentionally failed to deliver money to the enforcing authority as required or knowingly misrepresented the income of the [employee.] obligor.

Sec. 19. NRS 31A.140 is hereby amended to read as follows:

- 31A.140 1. A person or other entity for whom support is being collected pursuant to NRS 31A.025 to 31A.190, inclusive, and section 7 of this act shall notify the enforcing authority of a change of address within a reasonable time after the change. The notice must be [in writing and] sent by [certified mail, return receipt requested.] first-class mail or electronically.
- 2. If payments are not deliverable for 3 consecutive months because of the failure of a person or other entity for whom payment of support has been withheld to notify the enforcing authority of a change of address, no further payments may be made and all payments not delivered must be returned to the obligor. The enforcing authority shall notify the [employer] income payer to discontinue withholding.





Sec. 20. NRS 31A.150 is hereby amended to read as follows: 31A.150 [1.] Money may be withheld for the support of a

child pursuant to NRS 31A.025 to 31A.190, inclusive, *and section 7* of this act from any money:

 $\frac{(a)}{1}$ Due to:

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(1) (a) The obligor as a pension, an annuity, unemployment compensation, a benefit because of disability, retirement or other cause or any other benefit;

(b) The obligor as a return of contributions and interest;

[(3)] (c) Some other person because of the death of the obligor,

→ from the State, a political subdivision of the State or an agency of either, a public trust, corporation or board or a system for retirement, disability or annuity established by any person or a statute of this or any other state, whether the money is payable periodically or in a lump sum [; or

— (b) regardless of the frequency of payment;

- 2. Due to the obligor as a judgment, a settlement or the prize from any contest or lottery, from any person or other entity, whether the money is payable periodically or in a lump sum.
- 2. When a certified copy of a notice to withhold income is delivered by certified mail, return receipt requested, to a person or other entity described in subsection 1, the person or other entity must comply with the request and pay to the enforcing authority the amounts withheld as required in the notice to withhold income.] regardless of the frequency of payment; or
 - 3. Due to the obligor as a lump sum payment.
 - **Sec. 21.** NRS 31A.180 is hereby amended to read as follows:
- 31A.180 If an order for support on which a notice to withhold income is based is amended or modified, the enforcing authority shall, upon receipt of a certified copy of the amendment or modification, notify the [employer] income payer of the obligor to modify the amount to be withheld accordingly.
 - Sec. 22. NRS 31A.190 is hereby amended to read as follows:
- 31A.190 An obligor may voluntarily have the payment for support withheld from the obligor's income by filing a request and a certified copy of the order for support with the enforcing authority. The enforcing authority shall send a notice to withhold income to the [obligor's employer,] income payer of the obligor, and the [employer] income payer shall withhold and pay the amount as required in the notice.
 - **Sec. 23.** NRS 31A.270 is hereby amended to read as follows:
- 31A.270 NRS 31A.160 applies to all assignments of income pursuant to NRS 31A.250 to 31A.330, inclusive. The assignment:





- 1. Must be calculated in accordance with the percentages set forth in NRS 31.295 [...], regardless of whether the income qualifies as disposable earnings.
- 2. May include the amount of the current support due and a payment on the arrearages if previously ordered by a court of competent jurisdiction.

Sec. 24. NRS 31A.280 is hereby amended to read as follows:

- 31A.280 1. An order for an assignment issued pursuant to NRS 31A.250 to 31A.330, inclusive, operates as an assignment and is binding upon any existing or future [employer] income payer of an obligor upon whom a copy of the order is served by [certified] first-class mail [, return receipt requested.] or electronically. The order may be modified or revoked at any time by the court.
- 2. To enforce the obligation for support, the [employer] income payer shall cooperate with and provide relevant information concerning the [obligor's employment] obligor to the person entitled to the support or that person's legal representative. A disclosure made in good faith pursuant to this subsection does not give rise to any action for damages for the disclosure.
- 3. If the order for support is amended or modified, the person entitled to the payment of support or that person's legal representative shall notify the **[employer]** *income payer* of the obligor to modify the amount to be withheld accordingly.
- 4. To reimburse the [employer] income payer for the [employer's] costs incurred by the income payer in making the payment pursuant to the assignment, the [employer] income payer may deduct \$3 from the amount paid to the obligor each time the [employer] income payer makes a payment.
- 5. If an [employer] income payer wrongfully refuses to honor an assignment or knowingly misrepresents the income of an [employee,] obligor, the court, upon request of the person entitled to the support or that person's legal representative, may enforce the assignment in the manner provided in NRS 31A.095 for the enforcement of the withholding of income.
- 6. Compliance by an [employer] income payer with an order of assignment operates as a discharge of the [employer's] liability of the income payer to the [employee] obligor as to that portion of the [employee's] income of the obligor affected.
 - **Sec. 25.** NRS 31A.290 is hereby amended to read as follows:
- 31A.290 An employer may not use assignments of income for payments to collect an obligation of support as a basis for the discharge of an [employee] obligor or for disciplinary action against the [employee.] obligor. An employer who discharges or disciplines an [employee] obligor in violation of this section shall reinstate the [employee] obligor with no loss of pay or benefits, is liable for any





payments of support not paid and shall be fined \$1,000. If an <code>[employee]</code> *obligor* prevails in an action for reinstatement based on this section, the employer is liable, in an amount of not less than \$2,500, for payment of the <code>[employee's]</code> costs and attorney's fees incurred *by the obligor* in that action.

Sec. 26. NRS 31A.310 is hereby amended to read as follows:

31A.310 1. The person or other entity to whom support is ordered to be paid by assignment of income shall notify the court and the **[employer]** *income payer* of the obligor, by any form of mail requiring a return receipt, of any change of address within a reasonable time after that change.

2. If the [employer] income payer or the legal representative of the person entitled to the payment for support is unable to deliver payments as required pursuant to NRS 31A.250 to 31A.330, inclusive, within 3 months because of the failure of the person entitled to the support to notify the [employer] income payer or the person's legal representative of a change of address, the [employer] income payer or legal representative shall not make any further payments pursuant to the assignment and shall return all undeliverable payments to the [employee.] obligor.

Sec. 27. NRS 31A.330 is hereby amended to read as follows:

31A.330 1. Money may be withheld for the support of a child pursuant to NRS 31A.250 to 31A.330, inclusive, from any [money]:

(a) Money due to:

[(a)] (1) The obligor as a pension, an annuity, unemployment compensation, a benefit because of disability, retirement or other cause;

(b) (2) The obligor as a return of contributions and interest; or (c) (3) Some other person because of the death of the obligor,

From the State of Nevada, a political subdivision of the State of Nevada or an agency of either, a public trust, corporation or board or a system for retirement, disability or annuity established by a statute of this state ; or

(b) Money due to an obligor as a lump sum payment.

2. When a [certified] copy of any order of assignment is served by [certified] first-class mail [, return receipt requested,] or electronically on any person or entity described in subsection 1, other than the Federal Government, [it] the person or entity must comply with any request for a return of [employee contributions] the income by an [employee] obligor named in the order by paying the [contributions] income to the person entitled to the payment of support or that person's legal representative unless the person or entity described in subsection 1 has received a [certified] copy of an order terminating the order of assignment. A court may not directly





- or indirectly condition the issuance, modification or termination of, or condition the terms or conditions of, any order for the support of a child upon the issuance of such a request by an [employee.] obligor. 1





