BILL NO.  9-18-18-1

SUMMARY – An Ordinance pertaining to management of accounts receivable.

ORDINANCE NO.  
(of Clark County, Nevada)

AN ORDINANCE PERTAINING TO MANAGEMENT OF ACCOUNTS RECEIVABLE AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF CLARK, STATE OF NEVADA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Witness

Whereas, NRS 354.255 et seq. requires the Board of County Commissioners to establish uniform procedures for the collection of accounts receivable and the removal of uncollectable accounts, except as otherwise provided by specific statute; and

Whereas, by Resolution of February 3, 1998, the Board of County Commissioners adopted the Uniform Procedures For Collecting Delinquent Accounts Receivable Owed To The County, providing for collection and removal of uncollectable accounts, except as otherwise provided by specific statute; and

Whereas, pursuant to NRS 354.255, if a department of the County is unable to collect an account receivable, it may transfer that account only to the Office of the District Attorney or a centralized collection system established by ordinance pursuant to NRS 244.207; and
Whereas, establishment of a collection system, centralized under the Comptroller, whereby departments of the County could contract with collection agencies, would improve collection effectiveness; and

Whereas, in accordance with NRS 252.140, except as otherwise provided by an ordinance adopted pursuant to the provisions of NRS 244.207 the District Attorney shall, certify by oath the accuracy of, and pay to the County Treasurer, monies officially received; and

SECTION 2. **Definitions**

For the purposes of this ordinance, unless the context requires otherwise, the following definitions shall apply:

"Account receivable" means a claim arising from services rendered, from claims for damage to County property, for overpayment by the County, and from fees, fines, citations, civil penalties, charges or taxes imposed, except those for which a specific statute provides a specific collection procedure, and except for bad checks.

"Bad check" means a check which is dishonored on presentation to a bank for payment because of no funds, insufficient funds or closed bank account.

"Delinquent" means past due and unpaid at the time appointed by law or fixed by contract.

"Uncollectible" means any delinquent account receivable that becomes impossible or impractical to collect because the debtor has filed bankruptcy as provided in Section 7 below, the debtor has died and his/her estate is insufficient to pay the obligation, the amount of the account receivable is less than the amount it would cost to collect, or because of some other reason or circumstance.
SECTION 3. **Departmental procedures.** Unless specifically provided otherwise by statute or ordinance, each County department that is responsible for billing for licenses, services, taxes, fees, fines, citations, civil penalties or charges imposed by statute or ordinance, or the collection of money in payment of such billings, shall take the actions to collect delinquent accounts receivable as provided hereafter.

SECTION 4. **Follow-up invoices.** For each delinquent account receivable of any amount, the department shall send a follow-up invoice, in the form of a past-due notice, to the debtor at 30-, 60- and 90-day intervals.

SECTION 5. **Delinquent accounts.** If the department is unsuccessful in its efforts to collect a delinquent account receivable of any amount that is more than 90 days past due, the department may transfer for collection and removal of such account to the District Attorney or Comptroller’s Office. The Comptroller’s Office or designated departments shall refer the account to a collection agency under contract, as provided in Section 8 below. When such account is transferred, the department shall cooperate with the Comptroller’s Office, the District Attorney or the collection agency by providing, unless otherwise specified by agreement, all the information on the debtor that is known to the department, a summary of collection efforts taken, copies of all documents necessary for collection including copies of the follow-up invoices described in Section 4 above, copies of all correspondence with the debtor, any electronic data regarding such invoices and correspondence, and any other information applicable to the account.

SECTION 6. **Department retention.** If the department wishes to retain delinquent accounts receivable of any amount that are more than 90 days delinquent, the
department shall notify the Comptroller of such accounts and the reasons that the
department wishes to retain them.

SECTION 7. **Bankruptcy-related accounts of any amount.** If an account
receivable of any amount that is more than 90 days delinquent is related to a bankruptcy
debtor, the department shall notify the District Attorney of the account, but the
department shall retain and monitor the account. In the event that the bankruptcy case is
dismissed or if the debt is non-dischargeable under Chapter 7 of the United States
Bankruptcy Code ("USBC"), the department may proceed to collect the account or may
transfer the account to the District Attorney or collection agency. If the debt is part of an
approved plan of reorganization under Chapter 11 or Chapter 13 of the USBC, the
department may retain the account for collection under the plan. If the debt is discharged
under Chapter 7 or Chapter 13 of the USBC and thus becomes uncollectible, the
department shall notify the District Attorney.

SECTION 8. **Collection Agencies.** For each delinquent account receivable that
is more than 90 days past due, the Comptroller’s Office or designated department may
refer such account to a collection agency, inclusive of credit reporting agencies, under
contract to the County. The Comptroller or his/her designee shall be responsible for
centralization of this system, recommending such contracts to the Board of County
Commissioners, approving such contracts if approval by the Board is not required by law,
and overseeing coordination between the departments with respect to such contracts.

SECTION 9. **Uncollectible accounts.** For delinquent accounts that the
department or collection agency deems uncollectible, the department shall notify the
District Attorney or the Comptroller, or his/her designee, that such accounts are
uncollectible. If the District Attorney agrees that the account is uncollectible, the District Attorney shall notify the Comptroller of such uncollectible account pursuant to the procedures set forth in NRS 354.256. The Comptroller may determine accounts to be uncollectible and may follow the procedures set forth in NRS 354.256 in applying to the Board of County Commissioners to have the uncollectible account receivable and the name of the debtor removed from the records of the County.

SECTION 10. **Bad checks.** The department may forward bad checks of any amount to the Bad Check Unit in the Criminal Division of the District Attorney's Office for collection and prosecution.

SECTION 11. **District Attorney procedures.** The District Attorney may:

(a). Upon receiving a delinquent account receivable from a County department, initiate a lawsuit against the debtor in a court of competent jurisdiction to collect the account on behalf of the County;

(b). Upon receiving a delinquent account receivable from a County department, settle such account by releasing a portion not to exceed $5,000.

(c). Refer a delinquent account receivable to a collection agency under contract with the County;

(d). Collect fees, fines and other monies due and owing for any reason to the County, or, at the discretion of the District Attorney, to any other governmental entity including but not limited to the State of Nevada or any counties, cities or municipalities therein, as well as any agencies, sub-entities or divisions thereof;

(e). As requested by the District Court or the Justice Court, collect delinquent fines, administrative assessments, fees or restitution as provided in NRS 176.064;
(f). As an alternative to the procedure set forth in NRS 252.140, transfer funds received to the department originating the account receivable or the Comptroller; and

(g). Review delinquent accounts to determine whether they are collectible, and upon determining that an account is uncollectible, notify the Comptroller pursuant to the procedures set forth in Section 9 above to have the uncollectible account receivable and the name of the debtor removed from the records of the County.

SECTION 12. If any section of this ordinance or portion thereof is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not invalidate the remaining parts of this ordinance.

SECTION 13. All resolutions, ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Clark County Code in conflict herewith are hereby repealed.

SECTION 14. This ordinance shall take effect and be in force from and after its passage and the publication thereof by title only, together with the names of the County Commissioners voting for or against its passage, in a newspaper published in and having a general circulation in Clark County, Nevada, at least once a week for a period of two (2) weeks.

PROPOSED on the 18th day of September, 2018

PROPOSED BY: Commissioner Steve Sisolak

PASSED on the ___ day of ____________________, 201_

AYES: ________________________________
NAYS:  

ABSTAINING:  

ABSENT:  

BOARD OF COUNTY COMMISSIONERS  
CLARK COUNTY, NEVADA  

BY:  STEVE SISOLAK, CHAIR  

ATTEST:  

LYNN GOYA, County Clerk  

This ordinance shall be in force and effect from and after  
the ____ day of ______________________ 201_.