

**MINUTES OF THE 2017-2018 INTERIM
COMMITTEE TO STUDY THE ADVISABILITY AND FEASIBILITY OF TREATING
CERTAIN TRAFFIC AND RELATED VIOLATIONS AS CIVIL INFRACTIONS**

April 30, 2018

The meeting of the Committee to Study the Advisability and Feasibility of Treating Certain Traffic and Related Violations as Civil Infractions was called to order by Chair Steve Yeager at 2:12 p.m. at the Grant Sawyer Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, 401 South Carson Street, Room 3137, Carson City, Nevada. Exhibit A is the Agenda, and Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT (LAS VEGAS):

Assemblyman Steve Yeager, Assembly District No. 9, Chair
Assemblywoman Dina Neal, Assembly District No. 7

COMMITTEE MEMBERS PRESENT (CARSON CITY):

Senator Donald Gustavson, Senatorial District No. 14
Assemblyman John Ellison, Assembly District No. 33

COMMITTEE MEMBERS EXCUSED:

Senator Kelvin Atkinson, Senatorial District No. 4
Senator Tick Segerblom, Senatorial District No. 3

STAFF MEMBERS

Bryan Fernley, Senior Principal Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau
Daniel Peinado, Senior Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau
Angela Hartzler, Secretary, Legal Division, Legislative Counsel Bureau
Jordan Haas, Interim Secretary, Legal Division, Legislative Counsel Bureau

OTHERS PRESENT:

John McCormick, Assistant Court Administrator, Administrative Office of the Courts
Jude Hurin, Administrator, Management Services and Programs Division, Department of Motor Vehicles

April Sanborn, Driver's License Manager, Management Services and Programs
Division, Department of Motor Vehicles
Ann Liao, Central Services and Records Division, Department of Motor Vehicles
Sean McDonald, Administrator, Central Services and Records Division, Department of
Motor Vehicles
Julie Butler, Division Administrator, Records, Communications and Compliance
Division, Department of Public Safety
Doreen Rigsby, Central Services and Records Division, Department of Motor Vehicles

Assemblyman Steve Yeager (Assembly District No. 9, Chair):

I will now open the third meeting of the Committee to Study the Advisability and Feasibility of Treating Certain Traffic and Related Violations as Civil Infractions.

I will open agenda item III, public comment. Seeing none, I will close agenda item III and open agenda item IV, approval of the minutes of the February 2, 2018 meeting (Agenda Item IV). Did anyone have any additions or corrections to the February 2, 2018 meeting minutes?

ASSEMBLYMAN ELLISON MOVED TO APPROVE THE MINUTES OF THE
FEBRUARY 2, 2018 MEETING.

ASSEMBLYWOMAN NEAL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will close agenda item IV, and I will open agenda item V. We had hoped to have a presentation from a couple of other courts. Unfortunately, I don't think those individuals were able to join us today. Correct me if I'm wrong, but I don't believe we have anyone from Elko who is in Carson City, but can someone let me know if that's not the case?

Assemblyman John Ellison (Assembly District No. 33):

Elko County did contact me last night. I was hoping they got a hold of you. They had a family issue today. They couldn't make it, but they'd like to be present at the next one.

Chair Yeager:

Great. Thank you, Assemblyman Ellison, for that update. I will reach out to them to make sure that they're available to testify at our next meeting. Again, I will also let the

Committee to Study the Advisability and Feasibility of Treating
Certain Traffic and Related Violations as Civil Infractions

April 30, 2018

Page 3

Committee members know, I think we've heard from a number of the justice and municipal courts in the state, but if there is one that's missing or if anyone would like to hear additional testimony or have folks back for additional questions, please let me know that. Just in terms of scheduling, we're likely going to have one more meeting, and then we'll have a work session. I want to make sure you get all your questions answered either today or at the next meeting, so please do let me know if you'd like me to have anyone come back. With that being said, I will close agenda item V.

At this point I will open agenda item VI, which is a presentation on administrative assessments paid in connection with traffic and certain related violations. I think we have Mr. McCormick here. Thank you again for joining us this afternoon.

John McCormick (Assistant Court Administrator, Administrative Office of the Courts):

Today, I will try to give a brief history of the last 35 years of administrative assessments in Nevada (Agenda Item VI A-1). Prior to funding courts and other criminal justice purposes with administrative assessments, the state relied on Law Enforcement Assistance Administration (LEAA) grants from the Omnibus Crime Control and Safe Streets Act of 1968. From the 1960s to the early 1980s, the state relied significantly on those grant funds from the federal government to fund a number of criminal justice purposes. However, in 1982, as the United States was in a recession then, a significant amount of money was cut from the federal budget, and this included cutting the law enforcement assistance grants. In 1983, the state was left with a dilemma of sorts as to funding some of the criminal justice programs, including courts. That's when Assembly Bill (A.B.) 44 was introduced, and it imposed for the first time a 10 percent administrative assessment on all misdemeanors. You can see there on the slide how that was broken down (Agenda Item VI A-1). One dollar stayed locally for the juvenile courts, which it still does in a different amount. Today, \$3 for the collecting court and \$5 to the Supreme Court and \$1 to Police Officer Standards and Training (POST). This bill was introduced by the Assembly Judiciary Committee and at-that-point Judge Seymore Brown, who was the Chief Judge of the Las Vegas Municipal Court, in 1983 supported the bill, saying that people who used the courts should help to pay for the courts. That is when administrative assessments initially began. That's in Nevada Revised Statutes (NRS) 176.059.

As we go through this, others have been added since then. I kind of break this presentation down biennially or with each session, so moving to 1985, then the Legislature changed the allotment of administrative assessment revenue and moved \$1 from the local collecting court to the Supreme Court, modifying the distribution. This legislative action was the beginning of funding the Supreme Court's operations through administrative assessments, funding the actual Supreme Court budget. The Administrative Office of the Courts (AOC) has traditionally been funded through administrative assessments, along with Judicial Education and the Uniform System for

Judicial Records (USJR). But again, this marked the beginning of funding actual court operations with administrative assessment revenue levied on misdemeanor offenses.

In 1987, this is when an administrative assessment schedule was implemented, meaning that the assessment went up commiserate with the underlying fine amount of the offense. Again, you can see that the Legislature at that time changed the distribution (Agenda Item VI A-1). This is when, after those other amounts were assigned, kept at the local level, sent to the state and then that money was sent where it needed to go at the state level. The remainder of funds, up to legislative authorization, went to support the Criminal History Repository, the Nevada Division of Investigation (NDI), a computerized Nevada Highway Patrol (NHP) switching system and the Victims of Crime Fund. This is when we saw administrative assessments beginning to fund, aside from POST, other executive branch programs. This bill was introduced in Ways and Means, and then-Chief Justice Gunderson testified about what the court at that time perceived as constitutional concerns regarding administrative assessments in terms of uniform application of laws and various other sorts of concerns.

In 1989, the Legislature again changed the distribution of the Supreme Court portion of administrative assessment as follows (Agenda Item VI A-1). You can see there was a lot of changing, and this was generally done in conjunction with balancing and passing the state budget.

In 1991, the Legislature revised distribution of the administrative assessment dollars from dollars to percentages, and this is where we see at that point—and this is still the statutory framework—51 percent of the state portion of administrative assessment revenue goes to the Supreme Court to fund the AOC, the USJR, Judicial Education, the Supreme Court itself and the Senior Judge Program for district court judges and senior justices. Then, 49 percent of the state collected amount was directed to the Repository, POST, the NHP computerized switching system and the Victims of Crime Fund.

In 1993, there were no non-technical changes to administrative assessments.

In 1995, this was where we saw the first additional administrative assessment authorized by the legislation in NRS 176.0611, and this authorizes a city or county to impose for, I think, 50 years before it sunsets a \$10 administrative assessment on all misdemeanor offenses to court facilities. This money has been used to obviously improve court facilities. Sparks Justice Court through an agreement with the county saved a bunch of administrative assessments and that helped them pay for their new building. A lot of this revenue in Clark County went to helping to construct the Regional Justice Center (RJC). Also in this session in 1995, an additional administrative assessment not in NRS 176, in the sentencing chapter, but actually in the crime chapter dealing with graffiti, a \$250 administrative assessment was imposed to be paid to the state to go in the graffiti reward account. The last reference I could find to the graffiti reward account was in a Fiscal Year 2013 State Controller's budget report where it

Committee to Study the Advisability and Feasibility of Treating
Certain Traffic and Related Violations as Civil Infractions

April 30, 2018

Page 5

indicated that the balance of that was about \$6,000. This one kind of is buried in there, and it's one of the things the courts have always struggled with in terms of collection of administrative assessments is when an assessment is made outside of sort of the schedule and order as promulgated in NRS 176 is when is that collected in the order, i.e. does it go before the general administrative assessment, before the facility fee, after? Again, this is the first time we see that. At this point, we saw particularly the Limited Jurisdiction Judges Association, which was then the Nevada Judges Association, was okay with imposing the facility fee so long as it was discretionary as to each county or city. As of today, all 17 counties have authorized the facility fee in ordinance, and I believe all the municipal courts charge it as well, but I'm not 100 percent sure on that one.

In 1997, the administrative assessment schedule was upped by \$5 overall, so now we're looking at \$15 to \$105 depending on the misdemeanor fine amount. Assembly Bill 425 increased the city and county portion \$2 to the juvenile court and \$7 to stay with the collecting court. Also, an administrative assessment for domestic violence was created in 1997, and that's \$35 only on those battery constituting domestic violence offenses, and that money goes to programs at the Attorney General's Office related to domestic violence, and that was amended in. This again is an administrative assessment that is not in the collection order in NRS 176.059, so there has been concern, I think particularly from the Attorney General's Office, over the years as far as the amount that's been collected. We at the AOC have worked with them as far as understanding how the collections work, where the money's coming from and those types of things.

In 1999, there were no non-technical changes to administrative assessments.

In 2001, Senate Bill (S.B.) 139, which was introduced on behalf of the court by Senate Finance, removed language relating to legislative authorization regarding the Supreme Court budget's 51 percent, and Chapter 2 was amended with a new section that lets the Supreme Court keep administrative assessments that are received over legislative authorization that backfills general fund appropriation then, if that makes any sense. That allows the Supreme Court to revert general funds and keep administrative assessments to make that up. Also in 2001, the Advisory Council for Prosecuting Attorneys was added to the executive branch recipients of administrative assessment funds. That bill obviously came from the Attorney General's Office.

In 2003 is where we see the specialty court administrative assessment added, and also an administrative assessment schedule increase. This \$7 specialty court administrative assessment, which is found in NRS 176.0613, was the first time that we kind of saw a split in the judiciary regarding administrative assessments, with the limited jurisdiction courts obviously that are handling the misdemeanors and collecting most of the administrative assessments concerned about simply collecting money for the district courts. That's how it was sort of presented, because at that point, the district courts were the ones that were running courts. There were not any limited jurisdiction

programs. There was a compromise in 2003 that reduced the administrative assessment amount and sends the money collected pursuant to this administrative assessment to the AOC to distribute, which we still do. Commonly when I'm here talking about specialty courts, you'll hear me say "A.B. 29 money," and this bill is where that originated. Again, now we have three separate administrative assessments. We have the basic one, we have the facility fee and now specialty court. Again, like I said, this is where we start to see some sort of fracturing in the judicial branch as far as administrative assessments.

There were no changes made in 2005.

Assembly Bill 30 changed the NHP computerized switching system in the executive branch distribution to the Department of Public Safety (DPS) computerized system for information related to law enforcement, which I think then broadened the ability of DPS to use administrative assessments to fund technology products. Assembly Bill 625 changed the percentage of judicial branch administrative assessments devoted to the Supreme Court to 48 percent instead of 60 percent, and that other 12 percent was then devoted to specialty courts. In 2007, the Supreme Court had considered asking for general fund support of specialty court programs, and in lieu of that, where the percentage of administrative assessments was directed in the judicial branch was changed. This kind of increased our ability at the AOC and the Supreme Court to fund local specialty court programs. Also of note here in 2007, administrative assessment collections were still coming in and we were running reserve amounts in those accounts. That changes here shortly in the next few years. In 2007, we also started to see again, at least in my recollection, more proposed administrative assessments to fund other services, and we'll talk about that just a little bit later. But judicial branch opposition to implementation of additional administrative assessments kind of started growing in 2007.

In 2009, the specific percentage breakdown of Supreme Court administrative assessment revenue to various programs within the court, AOC, USJR and Judicial Education went away, and it just gives 36.5 percent of the Supreme Court's 51 percent to the AOC to fund those 3 things. Assembly Bill 531 in 2009 also added domestic violence programs within the Attorney General's Office. They were growing at that point, and the \$35 administrative assessment on domestic violence offenses was no longer necessarily supporting them. That was added as a recipient in the executive branch's 49 percent of the state 100 percent share of administrative assessments. It also created the requirement that any funding over the legislatively authorized amount in one of the permitted uses in the executive branch's amount has to revert to the general fund. In 2009, the percentage change was primarily from the Supreme Court as a way to allow us to better meet the needs within the judicial branch as far as Judicial Education and the USJR.

In 2010, and I think most folks here remember that, the economy was kind of taking a nosedive then, and in the special session, A.B. 6, which was sort of the budget fix bill, increased the administrative assessment schedule by \$5 and sent that \$5 directly to the state general fund. It was also put in collection order, so the collecting court collects, of the administrative assessment collected, \$2 to the juvenile court, \$7 to the local court, then it goes to the state and \$5 comes off of the state portion to go directly to the general fund, if that makes sense, because sometimes this is kind of nebulous and hard to follow.

In 2011, there were no changes regarding administrative assessments of note, though in this session, A.B. 196 was passed, and that bill was primarily directed at district court collections. There is an administrative assessment on felony and gross misdemeanor offenses of a flat \$25, and that goes to the Attorney General's Office for criminal justice-type programs. In 2011, the focus moved sort of away from the collection of misdemeanor administrative assessments to those district court-level fines, fees and assessments.

In 2013, S.B. 224, which was sponsored by then-Senator Cegavske and now-Secretary of State Cegavske, imposed a \$100 fee on misdemeanor DUI (driving under the influence) offenses, so first and second DUI offenses. The proceeds from the fee were directed to specialty court programs. It was included in the collection order for administrative assessments, and I'll keep hitting on that because it allows the courts to know when they're collecting where particularly partial payments go and keep track of that. It initially was set to sunset in June of 2015, but it was reauthorized again in 2017 as part of the Supreme Court budget with that money going to support specialty court programs. Senate Bill 243, Brianna's Law, in 2013 imposed a \$3 administrative assessment on all offenses, so felony, gross and misdemeanors, to fund DNA testing of felony arrestees.

In 2015, this was the first time we had seen the Legislature need to make a general fund appropriation to the Supreme Court's budget to cover a shortfall in administrative assessment revenue. Since particularly 2010, and I've provided an additional sheet that kind of covers administrative assessment revenue since then (Agenda Item VI A-2), we've seen a continuous drop in the amount of administrative assessment revenue collected. In 2015, there was a big gap there and a general fund appropriation was made to cover that.

In 2017, there were no changes.

Since there have been numerous proposed administrative assessments that were not passed by the Legislature, here I highlight a few (Agenda Item VI A-1). In 2005, there was a \$25 administrative assessment only on traffic offenses, not on other misdemeanors, to fund emergency medical services and the treatment of trauma. That didn't pass. In 2007, there was a \$5 administrative assessment added to traffic moving

Committee to Study the Advisability and Feasibility of Treating
Certain Traffic and Related Violations as Civil Infractions

April 30, 2018

Page 8

violations in counties with a population under 100,000 to fund volunteer emergency medical services, and that also didn't make it out of the Legislature. Also in 2007, there was a bill which would have devoted \$25 of every DUI administrative assessment that is in the executive branch's 49 percent to go to DUI-related programs. This bill particularly would have been a big tracking mess for the courts, the State Controller, because then—administrative assessments currently are on misdemeanors, they go in a big pot and they're transmitted to the state. With this, they would have then had to tie the offense type to the specific administrative assessment, so they would have had to track DUI assessments separately from all other misdemeanor assessments to send that to the State Controller, and then the State Controller would have to take \$25 of each of those. That one also didn't pass, and also kind of highlighted I think sometimes what people think is the complexity or difficulty in dealing with this revenue. In 2009, a \$100 administrative assessment was proposed on reckless driving, driving suspended, revoked, DUI, felony traffic issues and traffic violations resulting in death, injury or property damage to go to the State Highway Fund for transportation programs in the jurisdiction in which the violation occurred. In 2009, this is when sort of the nexus argument came back up again, and I'll hit on that just a little bit later towards the end of the presentation, but the idea that the fee being charged and the source of that fee should have some connection to what the fee was being used for, that nexus argument kind of relates to the case law that exists on administrative assessments.

Also, in 2011, a \$5 increase on the felony administrative assessment for child abuse and neglect programs was proposed, and this would have funded truancy prevention programs. That also did not pass. In 2011, this was the first time that an administrative assessment was sought to fund DNA testing of felony arrestees, and that bill ultimately did not pass in 2011. Also in 2011, the Nevada Association of Counties (NACO) proposed a new \$2 administrative assessment, a \$4 administrative assessment schedule increase on misdemeanors and a doubling of the gross and felony administrative assessment to fund the county provision of indigent defense services. That did not pass at that time. That kind of highlights some of the difficulties we in the judicial branch have in thinking about or dealing with administrative assessments. The limited jurisdiction courts feel, and I'm generalizing here and not speaking on behalf of all the judges, but the general feeling is that the limited jurisdiction courts can't really squeeze any more blood out of the turnip of misdemeanor defendants by and large and kind of feel like they're being used as a collection agency, so they have kind of a general opposition to imposing additional fees that they don't think they'll be able to collect. Since 2010, we've seen the ability to collect go down, and a lot more folks have been asking to convert their administrative assessments to community service and that type of thing. It kind of sets up a little bit of a challenge there. Also in 2011, there was a bill to temporarily redirect the executive branch administrative assessment share to fund specific programs to the general fund. This would have obviously been a big hit to the Repository, POST, etc., and that bill did not pass as well.

Committee to Study the Advisability and Feasibility of Treating
Certain Traffic and Related Violations as Civil Infractions

April 30, 2018

Page 9

In 2013, there was a \$500 administrative assessment on solicitation of prostitution of an adult prostitute and \$2,500 administrative assessment on solicitation of prostitution with a child for specialty courts and county programs to prevent commercial sexual exploitation of children that did not pass. Here we see, particularly with the \$2,500 administrative assessment, there kind of is a conflict there between the misdemeanor fine limit, because misdemeanors can have up to a \$1,000 fine. So, if you have a \$1,000 fine and this is a \$2,500 administrative assessment, does someone then challenge that and it can no longer be heard in justice court or it has to become a felony because the penalty's not de minimis? A lot of legal sort of wrangling goes in there, so that again is an issue that's been kind of tossed around and struggled with a little bit over the history of administrative assessments.

There are two Nevada cases dealing with administrative assessments, the first being Board of County Commissioners v. White. In this, the Supreme Court held that money generated by the surcharge or administrative assessment constituted a source of funds for court improvement and capital acquisition in addition to the regular budgeted funds that the county budgets for the operation of the courts. It also set up that administrative assessment revenue when not used could be swept back into the general fund. You'll see a lot of courts and counties working this out to fund projects down the road, like the courthouses I mentioned earlier. But again, it can be swept into the county general fund after a period of time. The final case on administrative assessments is McKay v. City of Las Vegas, and I think the biggest takeaway here is when the Supreme Court said, "We have, however, unequivocally stated that the surcharge revenues are to be used primarily for the improvement of the court system." This is where you really see sort of the nexus argument happening, that the fees collected in the court system should be primarily for the improvement of the court system, not necessarily used to plug general fund holes or for other programs. But again, this is the last sort of substantive case law on administrative assessments that we have. Also in this opinion, the court held that administrative assessments are not a tax and therefore are not unconstitutional as a tax that does not equitably affect all the citizens of the state.

That's a quick history of administrative assessments for the last 35 years. We talk about this in context with the study Committee as administrative assessments primarily derive from those traffic tickets making up the vast majority of misdemeanor offenses, and that revenue funds the judicial branch as well as those executive branch functions. So, any sort of impact that changing these fees from criminal to civil matters and the ability to collect administrative assessments could impact the availability of funding for the Supreme Court, as well as those executive branch functions, at a legislative level. That obviously would then create a dilemma for the Legislature. I additionally provided a little spreadsheet of administrative assessment revenues by fiscal year since 2010 (Agenda Item VI A-2). Just so you know I'm not making it up, you can see there that administrative assessment revenue has basically fallen every year except 2017 since 2010, from \$30,827,000 to \$20,985,000 projected in 2018. This obviously has had an impact not only on the Supreme Court's operations but those executive branch

functions such as the Repository, etc. That also notes that in 2017, which was the first time the Legislature authorized that, it allowed a greater percentage of administrative assessment revenue than 51 to go to the Supreme Court, because in NRS 176.059, it says that at least 51 percent goes to the Supreme Court, so there's not a ceiling on that. In 2017, 56.5 percent of statewide administrative assessment revenue went to fund the Supreme Court, AOC, etc., operations.

That is kind of the fast history of administrative assessments, and I'm happy to answer questions.

Chair Yeager:

Thank you Mr. McCormick. I have a few questions. On that sheet that we just looked at with the numbers, the administrative assessment revenue, on the left-hand side where you have the number that starts at \$30,000,000 and then drops to \$20,000,000, is that the entirety of administrative assessment revenues collected (Agenda Item VI A-2)? I guess what I mean by that is we talked about the three different kinds of administrative assessment revenue. So, for instance, the \$20,900,000, what portion of the administrative assessment revenue does that reflect?

Mr. McCormick:

That figure is the general, for lack of a better term, administrative assessment, and that is the state portion, so that is the amount after the local money is kept for juvenile courts and the collecting limited jurisdiction court. That \$20,000,000 is what's projected to be sent to the State Treasurer for distribution to the various purposes in 2018. That is just the general NRS 176.059 administrative assessment revenue number. We don't have great numbers for the NRS 176.0611 number, because that \$10 fee stays locally. We can get that fee from the various courts, but the counties are the ones who are keeping that and putting it in a special account for the court and tracking that. The specialty court number I don't have with me, but I can get it to you rather easily.

Chair Yeager:

We're looking at over an 8-year period approximately a 33 percent reduction in administrative assessment collections. Any thoughts on what might be driving that?

Mr. McCormick:

This is totally just my thoughts or anecdotal. I think, obviously in the economic downturn, Nevada was hit hard and it took a long time for our economy to recover. We have a lot of service industry, tourism-type jobs, so people just didn't have the resources to pay administrative assessments. This has been anecdotally reported to me by the limited jurisdiction courts. So, you had a lot more folks asking to have that

administrative assessment along with the fine converted to community service so they could work it off. Also, the courts were just seeing that, despite their collection efforts, and a lot of limited jurisdiction courts have pretty robust collection efforts, they just could not bring in the money. Also, we saw the number of law enforcement officers statewide go down quite a bit with the economic downturn and the difficulty there. At one point, I can't remember specifically what year, the Las Vegas Metropolitan Police quit responding to accidents and that type of thing, so there were just a lot fewer—and I don't know if we can quantify this number as a state, but there were a lot fewer tickets being issued, thus a lot fewer administrative assessments being assessed, and then we had difficulties in collecting. It was kind of a confluence of a number of factors, anecdotally. Again, I think, as it's fallen, the state has looked and kind of reassessed resources going to a different place. Beyond that, I don't really know that I have a great answer for that.

Chair Yeager:

No, that makes sense. I appreciate those thoughts. I have a couple other questions. I haven't gone back and read the statutory history or the committee meeting minutes from the prior bills, although I appreciate you laying those out because that gives me a good roadmap if I can ever find some free time to pull up some of those minutes. I was just wondering if, looking at that, you had any thoughts or you knew why, for instance, the decision was made to do administrative assessments on misdemeanors the way that it is. It seems to me we have quite a few felony offenses—obviously not the volume we have with misdemeanors, but I guess it seems a little odd to me that for felony offenses where they have a \$25 administrative assessment fee. I understand now we have a \$3 fee and maybe we have a specialty court fee in that, but it seems like the bulk of the administrative assessment fees are placed on misdemeanor offenders versus felony offenders. Do you know, was that just a volume issue or a practical issue or why that decision was made?

Mr. McCormick:

Initially when it was proposed, it was on misdemeanor offenses. I think generally, kind of nationwide, we've seen that fees that support the court system are generally assessed on misdemeanor offenses. On felonies, it's harder to collect if you're sending somebody to prison, I think is a big part of it. Also, just the volume issue. There are significantly more traffic tickets than any other type of criminal offense in the state. I think that's kind of why I got started on administrative assessments. If you look, for example, nationwide, you see a lot of fees on the misdemeanor level but not so many on the felony level. I think, like I said, collecting at that level is difficult. I honestly don't remember off the top of my head, I can look it up, when the felony and gross misdemeanor administrative assessment was imposed, but that one has—district courts, and this is kind of a cultural thing within the court system, when they sentence, they send the offender off generally to Parole and Probation or to the prison system and kind of are done with them. The

Committee to Study the Advisability and Feasibility of Treating
Certain Traffic and Related Violations as Civil Infractions

April 30, 2018

Page 12

limited jurisdiction courts have a lot, I think, more involvement with defendants at that level, because the traffic ticket, you're not facing loss of liberty so you don't have counsel, and then you're just paying your traffic ticket or setting up a payment plan as punishment is primarily that fine and fee. I think if you're going to fund something with fees on criminal activity, it makes a lot more sense to put it on a misdemeanor than it does on a felony, just by volume and kind of nature of the offense.

Chair Yeager:

Thank you. That makes sense to me. Just a couple more questions. You might not know this. It might be a question for the Department of Corrections or for Parole and Probation, but in a felony situation when someone is sentenced and they're assessed the \$25 administrative assessment fee and they're sentenced to prison, do you know whether the Department of Corrections tries to collect that money in some way? I'm just thinking that I've heard sort of rumors here and there that if offenders have money on their books that there's perhaps some kind of percentage that I thought went towards restitution, but I don't know if you are aware of whether the prison is in the business of reaching in and grabbing that administrative assessment fee.

Mr. McCormick:

I honestly don't know. Again, anecdotally, it's sort of my understanding that the prison and Parole and Probation concentrate primarily on the restitution aspect of it. I did mention A.B. 196, which was passed in 2009 which let the district court send the judgment of conviction listing the fines and fees, etc., that are assessed against a felony or gross misdemeanor defendant to the county to try to collect, and the county can send that ultimately to the State Controller to try to collect. I don't have any numbers as far as the success of those collection efforts.

Chair Yeager:

I think my last question for the time being, you touched upon it a little bit, and I think at the first meeting I brought this question up, but I don't remember what the answer is so I'm going to ask it again. I represented folks who get misdemeanor fines assessed to them, and let's just say the fine is \$1,000. It seems that some judges are willing to convert that entire \$1,000 to community service, usually at \$10 an hour, so they'll say, "It's 100 hours of community service." But then I notice there are also some judges who say, "Well, I can only convert the part that's not administrative assessment fees," so they'll say something like, "It's 77 hours of community service but you owe \$230," or whatever it may be. I guess I'm just asking you, are you aware of any authority, either statutorily or is there some kind of court policy of procedure from the AOC about how that is to be dealt with, or is that simply just a judge-by-judge determination?

Mr. McCormick:

I think the statute about conversion to community service in Chapter 176 is a little bit nebulous, and generally each individual court or judge has to make the decision as to what they will convert. As far as the AOC promulgating that policy, we don't promulgate a lot of policies like that since we're a non-unified judiciary. Again, it's a decision that's made locally.

Chair Yeager:

Thank you. I think I have exhausted all my questions. Do any other Committee members have questions?

Assemblywoman Dina Neal (Assembly District No. 7):

I have two questions. You said you could pull up the specialty court information fairly quickly, because I have a question on that. You cited S.B. 224, the \$100 fee for the misdemeanor DUI offenses. I was wondering, number one, how much has actually been accrued there, and then the 12 percent that came from 2007, that's the funding? Because, to me—I added those together. It's the \$100 fee plus the 12 percent that was assigned in 2007, so I wanted to know what the total dollar amount is.

Mr. McCormick:

I will pull that up as soon as I get back to the office and send it to staff. I think, if I'm remembering correctly, about \$600,000 a year from that \$100 DUI fee is what's been actualized, but that is just my recollection. I'll pull the exact numbers for you and kind of give you the whole specialty court funding breakdown.

Assemblywoman Neal:

My second question was related to, you were laying out this administrative assessment history and you were very specific to mention what was not in the collection order. So, the way I was interpreting what you were saying, and you can correct me, that there were things that were falling outside of the collection order, and I was trying to get an indication of what was out and how much that was.

Mr. McCormick:

In NRS 176.059, there's a collection order set forth. The local money, which is the money for the juvenile court and then the collecting limited jurisdiction court, stays local, then the balance of that is used to pay the general or regular administrative assessment, then the facility fee, then the specialty court assessment, then the DNA assessment. For misdemeanor DUI offenses, it is in the statutorily authorized collection

order, the \$100 misdemeanor DUI assessment. When I say “outside of the collection order,” that means with like the \$35 domestic battery administrative assessment, that’s not included in that statutory order, so there’s no guidance as far as to the local court. Say you get a partial payment. Is that the first thing that the money goes to, or does it come after the regular administrative assessment but before the facility fee assessment, or where does it fall in that order? That kind of presents a challenge to the courts, particularly partial payments and setting up payment plans, how to apply the money that is collected. When I mention that it’s outside of the collection order, there’s no statutory guidance provided on when that money is applied when the defendant makes a payment, if that at all makes sense.

Assemblywoman Neal:

It does. My third question, but this may be for the Chair, the NRS 176 local money, was that already presented to the Committee in February? Because when I was looking through, that’s where I’m getting confused, because I’m listening to you talk about state revenue, which is on this little sheet (Agenda Item VI A-2) which explained from 2010 to 2018 what was collected, and then the years where you were saying there was a struggle, when I looked at the local dates, they seemed to have higher collection, or maybe it was just higher arrests or warrants, for the years in 2012 and 2011. I guess I’m trying to merge what is an apple and an orange so I can get a full picture of what was happening at state and then local, because the narrative is not making sense to me on what was diminished, because there seemed to be extra activity that occurred during the recession to then either issue warrants or issue citations, and they were higher numbers.

Mr. McCormick:

One thing that we struggle with in looking at administrative assessment revenue is that a citation issued does not necessarily correlate to administrative assessment revenue collected, because the citation can be issued or the arrest can be made and the defendant can be adjudicated guilty, but then it’s dependent on the defendant’s ability to pay that administrative assessment. So, if the defendant is indigent, the court obviously needs to make that determination and convert it to community service or find some other method, because if the person can’t pay, they can’t pay. You can’t put them in jail solely for the fact that they can’t pay if they’ve made a bone fide effort to pay. There’s kind of a disconnect there. There could be 10 citations issued, let’s say 75 are convicted. That doesn’t mean all 75 are going to be able to pay the administrative assessment revenue. Also, you’ll see since 2010 with the state portion, that first \$2 and \$7 is kept locally, and then the state portion. Since 2010, \$5 of the state portion has come off the top to go to the general fund, so it’s bumped up the general fund and impacted the remaining amount that goes to the Supreme Court and the executive branch functions. It’s kind of a long chain to get to the state revenue portion. Citation numbers, they can go up, they can go down. Again, it depends on the ability of the

defendant to pay, the court to collect, etc. Then you have that \$5 coming off the top. It's really kind of hard to match the numbers up, for lack of a better term, or match the numbers up as far as "100 citations should mean 100 administrative assessments" because there are so many variables in that. I hope that sort of answered your question.

Chair Yeager:

I can look as well. My recollection was that we did hear from some of the local governments, and I believe there were some numbers associated with those presentations. But we'll take a look back at some of those presentations. I can't remember off the top of my head, but I think probably what Mr. McCormick is referring to as well is, you would anticipate when the economy goes down that there would be maybe more partial payments, but not payment in full. If the money at the beginning is being taken by the local governments before we get to the state portion, that could account for why you see higher numbers locally but lower for the state if folks are making partial but not full payments. But again, that's speculation on my part. I don't know that that was happening, but it could be a reason.

Assemblywoman Neal:

There are two statutory provisions where money is being collected. Can we get those in a chart where we see what's all under NRS 176 and what's all under the other statutes so we can kind of have a side-by-side look? I would like to see 2009 added in there so we can actually compare, because what the locals are doing is—I won't say it's hidden, but we don't readily get it all the time because we're at the state level.

Chair Yeager:

I see Mr. Fernley is furiously taking notes, so we'll follow up and see what we can get. I don't think we have that at the moment, but we'll see if we can get something compiled.

Assemblyman John Ellison (Assembly District No. 33):

I do have one small question. If I look back from where you're starting at A.B. 44 back in 1983 to A.B. 625 in 2007 where this increase and decrease and moved in and moved out, I know that a lot of the smaller areas in Nevada are looking at this and saying, "If we change these formulas again, how are we going to do the makeup for this?" Have you got any ideas? If we make any changes in the way the assessment is right now, if you look at the administrative assessment the way it is right now, that money is coming in, and that little bit they're using, they're using for upgrades to computers and equipment like that. But if we make changes to that formula, what impact is that going to have?

Mr. McCormick:

I think the local set-aside, for lack of a better term, is one of the few funding sources courts do have to make those technology improvements and that kind of thing. Any change there, say that \$7 was reduced or whatever, that could have a significant ability on the ability of courts to keep up to date technology-wise or provide basically the access to justice services that they do. Also, the \$2 from the juvenile justice set-aside helps fund local programs, particularly frontend juvenile probation type of stuff, so you could see an increase potentially in delinquency or child supervision matters if the community has less money to sort of bring to bear on those issues. Those kinds of local activities would be significantly impacted if that was changed to, say, change the collection order or change the apportionment of the administrative assessments.

Assemblyman Ellison:

And I'm not saying they're going to do that at all, I'm just trying to look ahead just in case there are changes in the formula altogether. I appreciate it.

Chair Yeager:

Mr. McCormick, I did have one question I forgot to ask. On the one-page breakdown that you gave us of administrative assessment fees (Agenda Item VI A-2), I noticed on the right-hand side we have 2017 administrative assessments by budget account. We have account numbers listed but not descriptions. Do you know which accounts those are? If you know that now, you can tell us now, or if not, perhaps you could just let us know after the meeting so we can correlate those numbers to the actual budget accounts.

Mr. McCormick:

Account 1483 is the sort of overall AOC account number. Account 1486 is the USJR. Account 1487 is Judicial Education. Account 1494 is the Supreme Court's budget. Account 1495 is the specialty court budget, and Account 1496 I believe is the senior judge budget. I will email that over to you as well.

Chair Yeager:

Well done. I have a feeling you've looked at these accounts more than a couple times to know those. Are there any other questions for Mr. McCormick? Seeing none, thank you for putting this presentation together. I know it took quite a bit of work to sort of dig in to this level, but again, I appreciate particularly the citations to prior legislation and kind of the building blocks of how we got to where we are today. I think that's going to be helpful for us moving forward. Once again, thank you for spending your afternoon with us, and we will follow up with any additional questions.

At this point, I will close agenda item VI and I will go slightly out of order. We're going to go to agenda item VIII, which is a presentation from the Department of Motor Vehicles (DMV).

Jude Hurin (Administrator, Management Services and Programs Division, Department of Motor Vehicles):

With me is April Sanborn, who is the Driver's License Manager for the Management Services and Programs Division, and Ann Liao with the Central Services Division. She is one of our expert managers for Central Services. We just wanted to give you a very high-level overview of the Department's piece of the pie, so to speak, in the conviction-citation system. Just as a very high-level overview, the Department receives the convictions basically from Nevada courts or any other jurisdictions that may have citations or convictions against an individual that may be a resident of Nevada and obtains a citation outside of Nevada (Agenda Item VIII). They provide us those convictions for those individuals, and we actually add those to the individual's records. Not every conviction basically removes the driving privileges, as the Committee probably already understands, but certain convictions actually do cause a driving privilege to be withdrawn or removed, suspended or revoked. Some of the examples are 12 demerit points, which a lot of the Committee members understand that if you get 12 demerit points then your license is basically taken away for a 6-month period under NRS 483.448. That is a tiered program system, so if a number of offenses occur, if that offense occurs again, the consequence even increases more. With some of the withdrawal privileges being taken away, the normal ones that the community usually understands are the DUIs or driving under suspended or revoked privileges. Even failure to appear in court may be some of those.

As an overview, just from an iconic view, basically the officer on the street cites the individual, goes through the court process and then it comes to the DMV once the conviction is completed in the court system. The DMV has been working under a program called the Nevada Citation and Accident Tracking System (NCATS). We're also in great partnership with the AOC. This program here allows us to have an electronic, or the beginning of an electronic, process with a lot of the courts to receive these convictions from the court electronically. The majority of our courts—we have 21 out of 88 courts already on electronic processes right now. This helps in a lot of ways, not only for efficiencies but it also helps in regard to being in compliance with certain commercial driver laws under the code of federal regulations, which requires that any commercial offenses actually have to be reported to the Department, entered into the system and into their record within 10 days. That 10 days includes the court process as well as the DMV process in entering that information. With the slow process of working with the courts and NCATS and all the stakeholders, we have over the years increased our success rate to about 50 percent of getting that compliance level to 50 percent. We continue to work with our AOC partners to get more and more of the rural courts online as well as through other electronic conduits. The Las Vegas Municipal Court and some

others we're working with right now to actually obtain their citations electronically. In regard to the out-of-state citations that we receive from other jurisdictions, it's basically the same overview process, but usually once the conviction is taken care of, we receive that from the other jurisdiction and enter that into that individual's record at the Nevada level.

At this point, I'm going to hand it over to April Sanborn, our Driver's License Manager, and she can go over the next few slides for you.

April Sanborn (Driver's License Manager, Management Services and Programs Division, Department of Motor Vehicles):

I just wanted to go over some of our withdrawals that the Department will cancel, suspend or revoke a driving privilege and just some of the reasons. I'm not going to get into complete detail in the interest of time, but if you have questions regarding specific withdrawals, I'm happy to answer those. Some of the things for cancellation, revenue recovery or bad debt, as we call it, or passing a bad check (Agenda Item VIII). If we make an error at the Department, say a technician makes a mistake on the contents of the card or forgets to collect certain fees or testing is required. If there is medical documentation required, and this is in conjunction with a commercial driver's license (CDL)—and we send out renewals for those postcards a couple of times, roughly 100 days in advance, then 45 days in advance and then we actually cancel the driving privileges on the day that that medical certificate expires. Other items are a civil penalty, which is for compensation for driving under the influence. We have verification of immigration status that we still issue a card in office, but we still have to verify immigration's documents that are provided with the Department of Homeland Security, so pending that information, if we get incorrect dates returned from the Department of Homeland Security or they returned saying that the documents are no longer valid, that we'll go ahead and cancel the driving privilege. Then, we go into suspension. We have all kinds of things for suspension, but just to name some of them, truancy—obviously, 14 to 18 years of age, they have to meet the Nevada school attendance requirements. If they're declared habitually truant, then that equals the suspension of their driving privilege. A security deposit for not having insurance at the time of accident, if the damage is more than \$750. We have a medical suspension. That typically comes from either a report from the doctor or if a yearly medical letter is required and we haven't received it, it will result in a suspension. Of course, the revocation dealing with alcohol-related offenses. The illegal per se, which is an administrative action which is a 90-day revocation period, and then also for refusal to submit to the evidentiary testing is a 1-year revocation period.

With the Department process, just basically going into it very quickly, I know Mr. Hurin did allude to some of this, but the DMV will receive a conviction. The conviction is added to the driver's record, so either nothing more will happen because either it results in points added to the record or we will withdraw the record for certain violations such as

major offenders, which are things such as reckless or careless driving, DUI, fatalities, items such as that. A habitual offender is typically somebody who ends up with a points violation and then that happens again within a certain time period. For no insurance, that's a suspension. Driving on a suspended or revoked driving privilege, and then the points violation that I mentioned and Mr. Hurin had mentioned earlier, then we have other items such as medical reasons that we'll withdraw a driving privilege. Other things such as testing may be required at the time of reinstatement or renewal, or the demerit points can also be reduced by attending traffic school. You can have three points reduce per calendar year for taking approved traffic safety courses. Again, we're going back to the Department process. I'm just going to basically get into the fees that are assessed for reinstatement of a driving privilege. If they are withdrawn—the fees, as you see, are different for commercial and noncommercial, so right here it's all laid out (Agenda Item VIII). A suspension is \$75, revocation is \$120 and then we collect the victim's fee for DUI-related offenses of \$35. I'm not going to go into each of these, but as you can see, they're all laid out here as to how much we take in for reinstatement of driving privileges.

These were some of the offenses that the DMV had recommended that continue to be reported to the DMV. I do apologize, some of these we're actually going to be removing off of this list, because as we looked into them a little bit more, the process does not actually require the DMV to take action on a record. I'll just go down the list: DUI; failure to appear; driving on a suspended or revoked privilege, reckless driving; these two items, fictitious plates and fraudulent registration, these were two of the ones that we noted that really don't require DMV to take action on a driver's license; failure to surrender a driver's license or registration upon demand from a police officer; school violations such as failure to obey a crossing guard; leaving the scene of an accident; failure to yield the right-of-way to an emergency vehicle; passing a stopped school bus; and vehicular manslaughter. Obviously this list is not inclusive, so that just gives you a rough idea. I'm going to go ahead and turn it over to Ann Liao to talk about some vehicle items.

Ann Liao (Central Services and Records Division, Department of Motor Vehicles):

I'm just going to go through a little bit of history and what we do as far as registrations are concerned. By far, not a huge list compared to driver's license registration, and insurance just has a little bit of action that we take. The Department will cancel vehicle registration based on unpaid parking tickets in Clark County. A lapse or termination of insurance will result in a suspended vehicle registration and driver's license privilege. Vehicle registration suspensions for the second or following DUIs, the duration is for 5 days and a \$33 reinstatement fee to the vehicle. Administrative sanctions the Department may take include smoking vehicles and bad debt or revenue recovery and a security deposit for not having insurance at the time of an accident, and that's that \$750 or more in damages or bodily injury.

Mr. Hurin:

Sean McDonald is here with me as well. He is Administrator of the Central Services Division, and he will finish the rest of the slides here. The next screen is basically just a very high-level overview of some consequences that we were thinking of as a very high-level negatives and positives that if this went forward—and I just put a disclaimer there that until we understand totally what the Committee's intent is and which offenses are deemed civil, we really won't know the full impact of that and won't be able to understand how that affects the Department and provide you more information at that point. Just from a very high level, on the negative end, there could be some loss of revenue received from reinstatements. Again, that's dependent upon which offenses are deemed civil. We need to make sure that the possible CDL offenses are not affected by this because of certain federal requirements in regards to a CDL, 49 CFR (Code of Federal Regulations) 384.226 in regards to masking or deferring a judgment of a conviction under a commercial driver's license. Programming would be needed under the Department depending on which offenses are deemed civil, but that is also—from a fiscal note position, it is a one-time cost. But until we understand what those offenses are, we would not know how much programming time it would take to make those adjustments.

Sean McDonald (Administrator, Central Services and Records Division, Department of Motor Vehicles):

Some of the positives you would see obviously would be some cost savings for any certified mailings that would have to go out regarding the withdrawal of any driving privileges. Obviously, some of the possible decrease in the back office workload. The back office actually is more or less referring to my division. We kind of consider ourselves the back office function of the DMV. A lot of the processing of any of these driver's license piece components, as well as some of the registration pieces, would actually go through our division, so there could be a change in the workload as far as our division is concerned. But that being said too, there would be a decrease likely to occur of people coming into the offices who need to reinstate their licenses.

Mr. Hurin:

Sharing the information with courts and law enforcement on the next slide—basically the Department has had a long-standing partnership with the Department of Public Safety through their Justice Link (JLink) electronic process of sharing our information with them in regards to an individual's driving record. There was a question in regard to addresses and some issues there. The situation we have is, as with any day, that our data that we share with the Justice Link—which, by the way, goes out to a variety of criminal justice agencies, not just law enforcement, the courts, federal and state agencies. There are 100-plus of those criminal justice agencies that the DMV oversees on that. The address end of that we provide only the address that the individual

provides to us verifying their address through the driver's license transactions. But it is only as good as the person updates it. There's always going to be a constant issue with addresses because not everybody is in compliance with that address requirement under statute. But we do have a long-standing partnership with them and providing that information, so I believe that was one of the issues in regard to addresses.

On the last slide here, we do have—and I believe our management analyst, Wayne Bahmiller who's coordinating this on behalf of the Department with you—provided a lot of information from the American Association of Motor Vehicle Administrators (AAMVA). They're basically a national hub for motor vehicle agencies. That information is provided to the Committee as well. They did a best-practice approach on this subject, so we hope that will be very informative to the Committee as well as they're looking at that information and determining the path that they take. One of the interesting notes that the AAMVA Committee came out with, just to add a little bit of information, their findings were that basically 75 percent of the drivers that have been suspended on an average will continue to drive on a suspended license. A person who actually has a driving offense that results in a suspension is three times more likely to actually get into a car crash. One of the interesting things is they said if all the jurisdictions actually confirmed to this type of program, you would have approximately about a 40 percent reduction in suspensions. That's their estimate at this point. But again, this is a best-practice approach that AAMVA has taken, and that is based on research on committee members that are from a variety of jurisdictions throughout the nation.

That concludes our overview, and I appreciate your time. We'll be able to take any questions you may have.

Chair Yeager:

Thank you for the presentation and for the information. I think it's very helpful. I have a few questions, so I'll just throw them out. I don't know who might be best to answer them, but maybe you can designate somebody. I want to go first to one of the slides we just covered, which is the sharing of information with courts and law enforcement. I just wonder if you can tell me a little bit more about JLink. It looks to me from this slide that this is not a Nevada-based database. Correct me if I'm wrong, but is this a national database that DMV reports to? And then how do our local courts access the information?

Mr. Hurin:

As I'm looking at the screen here—my friend Julie Butler is with me. Justice Link is a state-run database. It is under the DMV. If I can yield it to Ms. Butler, she can provide a better overview than I could.

Julie Butler (Division Administrator, Records, Communications and Compliance Division, Department of Public Safety):

In our previous meeting on the Advisory Commission on the Administration of Justice (ACAJ), we had kind of an overview of Justice Link and the message switch and the capacity that it serves the state. Justice Link is basically a software tool that routes all the incoming and outgoing messages not only between DMV and the law enforcement agencies in the State of Nevada, but then between our state and the various federal system. It's through Justice Link that DMV passes its information to the state and the law enforcement agencies also get shared nationally with the DMVs of all the other states through Nlets, and we access Nlets through the International Justice and Public Safety Network. We access that through JLink. If you'll go back to your previous JLink diagram in the ACAJ hearing, you'll see that Nlets is one of those systems accessed through JLink, so through JLink, it's basically the hub that allows the state to communicate both intrastate and interstate with DMVs and criminal justice agencies nationwide and internationally.

Chair Yeager:

Thank you, Ms. Butler. I see we've kept you here all day as well, so thanks for sticking around for this presentation. I guess another question, I don't know if it's on JLink in particular, but it looks like when we talk about on that particular slide being a snapshot in time, we have the legal name, the address, basic information. Is that the information that comes directly off of the person's driver's license?

Mr. Hurin:

Yes. That is from the driver's license itself.

Chair Yeager:

A follow-up question I would have, one of the things we talked about with the courts was you touched on one of the issues which was making sure that when the courts are sending notices to offenders that they've missed a court date or they have a warrant that they want to makes sure they have the right address, and I think there was some confusion about whether mailing address can be accessed. It looks, like based on the information provided here, that it can, and I think that's going to be helpful. But I guess my other question would be, we talked a little bit about the fact that it might be nice for courts to have email addresses or even cellphone numbers to be able to provide notification that way instead of having to send things by mail. My question, and I won't hold you to it today, but I just wondered if at the time someone is applying for a driver's license here in the State of Nevada, does the DMV capture emails, cellphone numbers? Could the DMV capture that stuff voluntarily? If someone wanted to provide that information, would there be a way that DMV could capture that and potentially get that

into JLink? The hope there would be that maybe instead of so much returned mail, people don't change their email addresses and cellphone numbers quite as often, I think, as we see folks not updating their address with the DMV. Is that something that would be possible and something you'd be willing to continue to have conversations about?

Mr. Hurin:

Yes, we do on a partial basis collect that information, the email as well as some cellphone information. It's not straight across the board, but we would definitely be willing to entertain those discussions. It does take probably some updates between our interfaces between our systems to make sure that can be transferred effectively, but we would have to look at those situations within the Department where we just capture it here but maybe not in those situations. But definitely open to discussion on that for sure.

Chair Yeager:

Thank you. Just a couple more questions. On the very first slide, the Department of Motor Vehicles, you talked about suspending driving privileges sometimes without adjudication. You listed failure to appear in court, and I just wondered if you could tell me a little bit more about that particular issue. Are we talking about traffic citation failures to appear that would result in a suspension, or is this sort of any failure to appear in court? Does the DMV get notice, and then when does that actually trigger a suspension of the license?

Mr. Hurin:

I believe it is any citation that we have failure to appear on. It is basically a link to the original citation. The original citation could have been a variety of things, but the individual failed to appear in court so we would receive that and at that time suspend the license.

Chair Yeager:

When that suspension happens, do you then send notice to the license holder?

Mr. Hurin:

That is correct.

Chair Yeager:

Is that typically by certified mail?

Mr. Hurin:

Yes.

Chair Yeager:

I know I'm kind of asking for this on the fly, but any good estimate of how much of that certified mail gets returned as not deliverable or not picked up?

Mr. Hurin:

None. We are perfect here at DMV. Just kidding. No, I don't have any of that information, but we can look into that to see if there's any return information that they collected.

Chair Yeager:

Thank you. Just a couple more—I know I keep saying “a couple more,” but I promise, just a couple more. On registration and insurance, you had indicated that the Department would cancel a vehicle registration based on unpaid parking tickets in Clark County. Is there a threshold? Does someone have to accrue a certain amount of unpaid parking tickets in Clark County for that vehicle registration to be cancelled, or how does that work exactly?

Mr. McDonald:

I know that obviously certain counties, in this case Clark County does, but other counties throughout the state do not follow that same methodology. We have Doreen Rigsby coming up. She is the manager over our driver's license side of the Central Services and Records Division. She might have a little more insight than I do.

Doreen Rigsby (Central Services and Records Division, Department of Motor Vehicles):

To answer that, I really have to look a little bit deeper to get the true answer for it, but I know that Clark County is the only one that does that, so I believe there's an NRS associated to it. But we can look into that for you.

Chair Yeager:

Okay, thank you. The final question I have before I hand it off, there's a slide called “Department Process” and it talks about demerit points can be reduced by attending traffic school, and I think what I heard was that you can have three points a calendar year reduced. My question there is, I'm assuming that once the citation or the violation

gets reported to the DMV, that's where the points accumulate. Would the offender sort of voluntarily take that course, present it to you, the DMV, and the points come off, or is the court involved in that process in some way?

Ms. Sanborn:

Once we receive notification and determine that they are eligible to take the traffic safety school, we do send out a postcard to the cardholder to let them know that they are eligible to do that, then they can make the choice as to whether or not they want to take the traffic safety school.

Chair Yeager:

Okay. I guess one follow up on that, which doesn't count as a new question, just in case anyone's wondering. There are situations where offenders will go into justice court or municipal court here on the frontend, and this would be before the citation gets reported to the DMV, where sometimes with prosecutor involvement they can work out a deal where somebody can take traffic school and maybe it gets reduced to illegal parking or a point reduction. But this slide that we're talking about, it sounds like it's something different. This is on the backend after the reporting has already happened. Do I have it right?

Ms. Sanborn:

You're absolutely correct. Our process for the Department, if there is a deal made with the court, then they are not eligible for traffic school from our end because they're making a deal with the court.

Chair Yeager:

I guess one more follow up. Here's what I'm sort of getting at. I'm not trying to hold anyone's feet to the fire, but it sounds like there are situations where the court comes up with a negotiation, traffic school is done and then what gets reported to the DMV would be—maybe nothing gets reported, but if it's illegal parking, then there wouldn't be any points associated with it. I guess I'm just trying to figure out what the communication level is, because it seems like—for instance, if the statute says you get one traffic school per year, how would the DMV know that an offender already did traffic school with the court to get a reduction? I'm not necessarily bothered by the fact that someone might do traffic school twice, but I'm just trying to figure out if there's maybe a breakdown in communication about who's doing traffic school when.

Ms. Sanborn:

The only way that we can monitor that is we actually have a form that we have the applicant fill out to ask them if they're under some sort of plea agreement with the courts. If they are, then they're not eligible. Otherwise, we don't have a follow-up process to see if they have an agreement with the court. We rely on the applicant.

Chair Yeager:

That makes sense. I will stop asking questions.

Assemblywoman Neal:

I actually only have two questions. Chair Yeager asked one of mine. I had a question on the first slide where you have the withdrawal of driving privileges associated with the revenue recovery. I'm super curious about how someone can get their driving privileges, I guess, restricted or withdrawn. What's the revenue recovery? I guess it's a threshold question. I want to know what kind of debt collection, I guess, can get your license suspended or withdrawn.

Ms. Sanborn:

Revenue recovery is what we also previously called bad debt, so if somebody passes a bad check, we would cancel their driving privilege.

Assemblywoman Neal:

Is that the only action, moving a bad check, or are there other activities?

Mr. Hurin:

It is only in relationship to the bad debt for the Department.

Assemblywoman Neal:

My second question is on the NCATS system where you guys were talking about the 21 out of 88 Nevada courts. I guess I'm curious as to why the number is so low. The system is not new. I found a report that cited that NCATS, I guess, has been in use since 2009, maybe even earlier, but that was the earliest report I could find. Why are there so few courts transmitting convictions?

Mr. Hurin:

That's a great question. It is a very lengthy answer, but at the same time, to put it in a very high level, this has been going on for several years. A variety of reasons, but for the most part, I can give you probably the best answer that I have is that we have still a lot of courts that have their own case management systems. There is some slowness in courts accepting, in my opinion, a partnership of interfacing with NCATS to make this an electronic process. Some courts may not have a court case management system that is robust enough to do this, or it may have a manual process still, but a lot of the courts, I believe—our opinion is, regardless of the court case management system they have, we are striving together with the AOC to work with those courts individually and as a group as well to make sure that they understand that that interface and the benefits of that interface would best serve the public and the State of Nevada and quickly get that information into the database for law enforcement and for everybody else. It is a slow process, and unfortunately I don't have a great answer. Each court has its own unique challenges for that.

Assemblywoman Neal:

Okay, thank you. Just a quick follow up to that. So, for the remaining courts that send their convictions, how many DMV staff do you have designated to this activity, I guess, of dealing with the convictions, and I don't even know how that's processed on your side, and what's the lag time?

Ms. Rigsby:

We currently have in our Driver's License Unit that take citations and failures to appear, there are 16 technicians. Another group of ours, we have seven technicians to do the non-withdrawing citations, so anything that's a speeding ticket or traffic school, they do process those. So, together, 23.

Assemblywoman Neal:

What's the average time that it takes them to process this information?

Ms. Rigsby:

For processing, we have about a 10-day turnaround. If it's a CDL, it only has a 5-day turnaround. It depends on the date of receipt. There are some courts that keep the citation until the individual has paid that citation, so sometimes we may have a speeding ticket that comes in probably 8 months later because they kept that citation until it was paid. There's not authority of what they consider the conviction date. To clarify that, conviction date can be either when you are found guilty for that speeding or when the citation is completed at the time of payment.

Mr. Hurin:

In short, basically the Department can't enter any record until we receive it from the court, so if they delay for whatever purpose on their end, that's out of our control.

Assemblywoman Neal

So, a quick follow up. Are there any times where you have that delay where the court has held onto it and it's been paid, and now you're getting it as a conviction and there is some kind of, I don't know, misrepresentation or information is not securely done where somebody's license is then suspended and then we find out on the paper trail that it shouldn't have happened with one of these, I guess, rural courts? I'm saying, like, somehow—you know how you send something in the mail and then the action is cured, but you have now taken an action as the DMV to suspend or withdraw someone's license. Does that happen often?

Ms. Rigsby:

It doesn't happen very often. Once in a while, a court may send us, let's say, a speeding that is maybe a three or four-point ticket, but they went to school for the court and they've amended it down to parking. They send us an amended citation and then we will reverse that prior conviction. For withdrawals, we very seldom have it. What we find can cause the problem is a possible DUI and then it's delayed and there are a couple of failures to appear during that time period. We may get a DUI which causes a revocation a year, 2 years, sometimes 5 years later. That does cause problems for the individual.

Assemblyman Ellison:

Thank God you hit on the failure to appear. That's a lot of my questions. But one of the things is, what happens—you keep getting these repeaters, failure to appear. They get pulled over, they have no driver's license, no insurance, no nothing, and they're supposed to go to court. They don't show up to court. They get caught again. At which point in time do you incarcerate, or do you, or do you have to depend on the courts to do that?

Ms. Rigsby:

When we have repeat offenses, failures to appear, they start a payment plan again and then their failure to appear again. The Department does not incarcerate them. We pretty much rely on maybe their inability to fail a traffic law, get pulled over and then the individual from law enforcement may find through our records that there have been multiple offenses.

Assemblyman Ellison:

Can they be incarcerated at that point in time or not?

Ms. Rigsby:

That wouldn't be a DMV decision. For that we rely upon law enforcement or Highway Patrol.

Assemblyman Ellison:

It seems like if you keep breaking the law, then at which point in time are you going to be held accountable? That's my problem. Then, the other thing was fictitious plates. You said there was no penalty. Is that what you said? When you get pulled over and you've got fictitious plates, what do you do then?

Ms. Liao:

There is a penalty through the court. If somebody gets pulled over and has a fictitious registration, law enforcement is usually going to cite them, possibly tow the vehicle and so on and so forth. There will be accountability through the court, but there is nothing with the Department that we take that conviction and then apply a sanction to the registration or anything like that.

Assemblyman Ellison:

But there are no demerits, is that correct?

Ms. Liao:

There are no demerits on a fictitious registration.

Assemblyman Ellison:

That seems to be the big trend going on right now. People steal plates off a car and stick it on another car. That seems to be a big trend, because it seems like to me that the DMV would look at that and say, "This is the second time you've been busted for this," and the court should contact you. It seems like to me that at that point in time, that would be demerits against their license or something. There's fraud in the vehicle that's on the road to begin with.

Ms. Liao:

I completely agree. I would think that a fictitious registration conviction would be a nonmoving violation and conviction, and we only apply moving violations to the driver's record.

Assemblyman Ellison:

But if it's on the road driving, that's still a non-drivable offense then? Okay, thank you.

Chair Yeager:

While I've got you here, I have one other question I want to ask. It's somewhat unrelated, but I think it will help maybe illustrate some of the out-of-state interplay. If a driver here with, say, an out-of-state license plate, say an Illinois license, gets pulled over and, I guess, arrested for a DUI, I'm assuming what happens then—and maybe you can just tell me, how precisely does Illinois learn about the offense that's been committed here to be able to do something with the license? Because my understanding is, it's not a Nevada license, so the Nevada DMV can't do anything about an out-of-state license. How is that communicated? Can you just maybe walk me through that time frame and how that happens to their in-state license wherever they're from actually gets suspended?

Ms. Liao:

Absolutely. Great question. What usually happens is if a person is arrested here or gets convicted of a DUI and has an out-of-state license, the citation or the conviction does come to the DMV. We will enter or record that conviction on what is called a future driving privilege for that person. We will then take a withdrawal action on their driving privilege, not their driver's license but their driving privilege, and then we will forward that conviction to their state of record, which in this situation would be Illinois. Illinois would then go ahead and apply whatever laws they have to take action on their actual driver's license.

Chair Yeager:

Just as one follow up, I take it they would have to then go to Illinois and remedy whatever issue they have there before they could then either have the privilege of driving here with their Illinois license or applying for a Nevada license?

Ms. Liao:

Absolutely correct. Not only would they need to clear up their issue with Illinois, but they would also need to clear up their issue with Nevada as well because they were found to be on a Nevada roadway with an illegal blood alcohol content.

Mr. McDonald:

If I could add to that too, I think it's also important to note along the same lines that if somebody has some violation in another state, then of course we have access to that information as well. If they've had a license that has been revoked in another state, Illinois in this case, we of course would not grant them a license in Nevada.

Chair Yeager:

Seeing no additional questions for the DMV, I want to thank you all for being here with us today and for bringing your whole team. I think it was really helpful to be able to get answers to the questions, so thank you.

Mr. Hurin:

Thank you. Our team is going on the road, so let us know if you want to see us again.

Chair Yeager:

Thank you so much. At this time, I will close agenda item VIII and open agenda item VII, which is a presentation from the Legislative Counsel Bureau (LCB) concerning the use of revenues derived from fines and certain related violations and other misdemeanor violations. We have our own Mr. Fernley here in Las Vegas. I think we might also have some support for him in Carson City. Mr. Fernley, thank you for putting this together.

Bryan Fernley (Senior Principal Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau):

I am Committee Counsel for this Committee. Just as an initial matter, the Legal Division and the Fiscal Division have kind of put together the information in this presentation. As employees of the LCB, we are nonpartisan staff to the Legislature. As nonpartisan staff, we don't advocate or oppose any particular policy or law, so we are just here to provide an analysis of what happens with criminal fine revenue when a fine is imposed and paid in the State of Nevada. To start out, Mr. McCormick presented on the administrative assessments. This is just another part of what a person who gets a traffic ticket would have to pay. They'd pay the administrative assessment and they also would have to pay a fine in most cases.

The place to start with this is the State Permanent School Fund (Agenda Item VII A-1). This is really created by Article 11, Section 3 of the Nevada Constitution. This provision of the constitution requires certain revenue to be pledged to the state for educational purposes. The revenues are placed in the State Permanent School Fund. Interest only may be apportioned to the counties for education purposes or appropriated for support of the state university. The Legislature has implemented that limitation that interest only be spent through NRS 387.030, which provides the interest from the State Permanent School Fund must be placed in the State Distributive School Account (DSA). This provision of the constitution really creates this fund with revenue sources, and it's a fund that kind of grows and the interest only on that fund is then spent for educational purposes by transferring the interest to the State DSA.

The sources of revenue for the State Permanent School Fund are certain public lands and the proceeds of those lands, estates that escheat to the state and the proceeds of those estates, property given or bequeathed to the state for educational purposes and the proceeds of that property, and fines collected under the penal laws of the state. That last requirement has been implemented through a couple of statutes, the first being that fines paid in justice court are paid over to the county treasurer on the fifth day of each month—that's through NRS 176.285—and the full amount of those fines collected for violation of state criminal law must be paid into the State Treasury, and that's NRS 176.265. In this area, there's a distinction that needs to be made between state law and local ordinance. This distinction was spelled out in a case in the nineteenth century, State ex. rel. Rosenstock v. Swift. This case addressed the constitutionality of an act of the Legislature that incorporated Carson City. One particular aspect of this act said that taxes, fines, forfeitures or other moneys collected by a city officer under city ordinance must be placed in the city general fund. The court had to address whether this deposit of fines for violations of city ordinance fell under the requirement to place all penal fines in the State Permanent School Fund. The court said that Article 11, Section 3 of the Nevada Constitution "has no application to fines recoverable for violations of city ordinances, but applies solely to fines recoverable under the general laws of the state. There is a broad distinction between the penal laws of the state and penalties prescribed by the ordinances of municipal corporations, and this provision of the constitution manifestly means such fines only as are collected under the penal laws prescribed by the lawmaking power of the state, and cannot, by any legal or constitutional rule of construction, extend to penalties incurred for violation of the ordinances of municipal corporations." With this case, it's only fines collected for violations of laws passed by the Legislature and signed by the Governor that are required to be placed in the State Permanent School Fund. Those violations of law under local ordinance are not covered by this constitutional provision.

This is just a list of some of the state laws that would be subject to Article 11, Section 3 (Agenda Item VII A-1). I think we've seen a slide like this before, but again, these are laws passed by the Legislature, signed by the Governor. They would be subject to the

restriction in Article 11, Section 3 that fines for a violation of these provisions would have to be transferred to the State Permanent School Fund.

With respect to local ordinances, counties and cities in Nevada—and this is under NRS 244.146 for counties and NRS 268.0035 for cities—have all the powers expressly granted to them by state law, all powers necessarily or fairly implied in or incident to the powers expressly granted to govern the body of the county or city, and all powers necessary or proper to address matters of local concern for the effective operation of local government, whether or not the powers are expressly granted to the governing body. The limit on this is except as prohibited, limited or preempted by the State or Federal Constitution, statute or regulation. Even with this last aspect of powers necessary or proper to address matters of local concern for the effective operation of local government, that authority could be limited, preempted by statute, constitution or regulation. The Legislature could in effect limit that power or take it away in some aspect. State law does expressly grant counties and cities the power to enact ordinances relating to vehicular traffic, and you'll see a few of them listed here (Agenda Item VII A-1): NRS 244.357 authorizes boards of county commissioners to regulate all vehicular, pedestrian and other traffic within the unincorporated area of the county; NRS 266.277 authorizes the city council of a city organized under the general incorporation laws to regulate vehicular, pedestrian and other traffic in the city. You'll also see for cities created by the Legislature by special legislative act the particular city charter would contain authority to regulate traffic. There are a couple of examples there from the Las Vegas City Charter, the Reno City Charter and the Henderson City Charter (Agenda Item VII A-1). With respect to unincorporated towns, NRS 269.185 authorizes the town board or board of county commissioners, whichever of those entities is the governing body, to regulate traffic on the streets of the town. Finally, NRS 484A.400 authorizes counties, cities and towns to enact traffic regulations which cover the same subject matter as the state traffic laws I referenced on the previous slide, to the extent that the county, city or town ordinance is not in conflict with state law. One aspect I wanted to mention is, at the last meeting, Judge Dorothy Nash Holmes mentioned NRS 268.019 which authorizes cities to impose civil fines in lieu of a criminal penalty, and that section would only apply to a violation of a local ordinance. That wouldn't cover or authorize a city to kind of change the state law. It would only apply to the ordinance of that particular city.

Those above provisions expressly authorize local regulation of vehicular traffic, but there are other provisions of NRS that do expressly limit that authority: NRS 244.357 does prohibit county regulation of state or federal highways or roads, and NRS 484A.400 prohibits local regulation of vehicle registration or licensing of drivers and the duties and obligations of persons involved in traffic crashes other than the duty to stop, render aid and provide information. While a local government would be preempted from regulating the duties of a person involved in traffic crashes, they would be able to regulate that duty to stop, render aid and provide information. They're prohibited from

regulating traffic violations that are gross misdemeanors or felonies, and they are prohibited from providing for permits to operate a vehicle on a state highway.

For the methods by which local governments have exercised this authority to enact traffic regulations, one way is they've incorporated by reference all provisions of state law that make a particular act a misdemeanor, thus making the act a misdemeanor under the local ordinance. You'll see a couple of examples listed. They are from Clark County, Las Vegas and Elko County. There also are ordinances that enact specific traffic regulations, and you'll see Title 14 of the Clark County Ordinances, Title 11 in Las Vegas and Chapter 70 in Washoe County. You might remember that there are areas where local governments are prohibited by state law from regulating, and yet there's also this incorporating of all state law misdemeanors. The Nevada Supreme Court has not addressed that particular issue of whether an incorporation by reference of everything would be unconstitutional because it would go into those areas where the State Legislature has prohibited the local government from acting, but there have been cases in other states where cities have enacted similar ordinances and courts have upheld those. The one example I can think of is in Alabama in the early nineteenth century, the Alabama Supreme Court did say that an incorporation was constitutional. It would just be interpreted to mean that it only covered things that the local government was authorized to regulate by state law. If there was some aspect that the state prohibited the local government from acting in, that would not be covered by the incorporation ordinance.

With fines for local violations, you'll remember that the fines for the violations of local ordinances are not required to be distributed to the State Permanent School Fund. The distribution of that money is actually governed either by a state law or a particular local ordinance. County ordinances dictate distribution of fines for violations of county ordinances. You'll see Clark County Code 1.04.010. Those fines would go into the county general fund. Washoe County Code 125.060 also places fines for violations of county ordinances in the county general fund. City ordinances dictate the distribution of fines for a violation of city ordinances. For General Law Cities, NRS 266.620 dictates that result, and the city charters of various cities also have that language for cities, and you'll see the Henderson City Charter, Las Vegas City Charter and Elko City as well. In unincorporated towns, NRS 269.095 provides that fines are paid over to the county treasurer and kept separate as a fund solely for the benefit of the town where it was collected.

That is my overview of the distribution of fines for violations of traffic and a few other related offenses. You also have a table here that was prepared by the Fiscal Division that lists the actual revenue from district court and justice court fines that was deposited in the State Permanent School Fund ([Agenda Item VII A-2](#)). You can see that back to Fiscal Year 2001 up to Fiscal Year 2017. The Fiscal Division was able to get this data from the State Controller's Office. I'm happy to answer any questions, and I believe the

Fiscal Division is also available to answer any questions that the Committee may have.
Thank you.

Chair Yeager:

Thank you, Mr. Fernley. I have a couple of questions you may or may not know the answer to. The State Permanent School Fund itself, if I understand correctly, that's a set fund that moneys are put into, and we're just talking about the interest that's generated that would then go into the DSA. Do I have that right?

Mr. Fernley:

Yes, that's correct.

Chair Yeager:

Presumably, there would be a rather large balance in the State Permanent School Fund. Do you know, are there other ways that the state can reach into that fund and transfer money, or is this just a fund that continues to grow? As a follow up to that, maybe for a future meeting, if we were able to get sort of a breakdown of a balance of what's in the fund, because I think what we have here is how much money was allocated to the fund from district court fines and justice court fines, but I would be interested to know what the balance has been over the years, because it would seem like it would just continue to increase unless the state reaches in and grabs that money somehow.

Mr. Fernley:

Yes. I'm happy to work on getting that information on what the principal of the State Permanent School Fund is. But I believe that you're correct, it has just been kind of gathering money since statehood and growing and growing, and then the interest gets distributed.

Chair Yeager:

I think with respect to that, it would also be helpful, I think, to know if we could maybe go back, like you did on this sheet to 2001 (Agenda Item VII A-2), just what the interest was. What was actually distributed out of that fund to the DSA over the years? I'm assuming you don't have that now, but I think for a future meeting, that would be helpful to see. This isn't really a question, it's more of just a comment, but it's kind of interesting when you look at the numbers that you provided for the amounts going into the fund. It looks like the district court fines have been relatively flat. I mean, they've decreased somewhat, but I notice on the justice court side, since 2010, it looks like we've had about greater than a 50 percent reduction. That obviously tracks with collection of

administrative assessment fees that Mr. McCormick talked about, but I would be interested to know, maybe in a future meeting, if we could find some way to break that down. I guess I'm just trying to figure out why the decrease would have been so dramatic, say from 2010 to 2017 on the justice court side. I don't know if it's possible to break those numbers down a little bit further. I know you don't have that information today, but I think it might be helpful for a future meeting to help us understand essentially why in Fiscal Year 2001 we had \$3,200,000, then you ramp all the way up to 2010 where it's \$6,400,000, and then back in Fiscal Year 2017 it looks like we're at one of the lowest amounts in the last 16 or 17 years. Any light that additional research might shed on that I think would be helpful.

Mr. Fernley:

Yes, I will look into that and see if we can come up with a potential explanation for that.

Chair Yeager:

I don't think I have any other questions.

Assemblywoman Neal:

This is really interesting, what you put together, but I guess what I'm trying to figure out is, within the limitations of power, when we talk about the local ordinances and the state law which has expressly granted the power to the counties, it looks like we delegated a lot of authority over, because the city charters come through the Legislature. We amend any changes. Basically any adoption that they do, it has to come through our body. If there's anything that's in conflict, we would at that time say, "Hey, Title 14 in your charter, this is actually in conflict with state law and I actually want to strike that provision out." I'm trying to figure out where the limitations are, because it seems like a lot of this has been delegated over. I just want more of that constitutional discussion around this, because I've been sitting on Government Affairs since 2011, so we get a lot of the charters and we get almost everything that's related to the governance of a city. I'm just curious, because when I was looking at Clark County ordinance, it Title 14, it's on accidents, and then they have their penalty provisions, which is Title 14.64080, which allows them to do the \$1,000 fine for any provision that's under Title 14, which includes accidents, and then we have our designated for crashes. It seems like we have kind of passed over a certain amount of activity to them. Can you address that?

Mr. Fernley:

Yes. I think the limits on the local power would be found in state statute, and the example that I pulled out would be NRS 484A.400 does limit local governments from regulating in certain areas. But at the same time, if the Legislature hasn't taken that power away, the local governments do have the power to enact vehicular ordinances on

vehicular traffic, and sometimes that can overlap with the state law. So, you could have a state law and a local law apply to the same situation. I think there are cases where that happens and is authorized by state law, because the state laws do say local governments can enact ordinances on vehicular traffic. We also have state laws on vehicular traffic, but the local governments can have their ordinances too. Sometimes those might be the same. It's just a question of whether somebody is charged with violating the local ordinance or violating the state law.

Assemblywoman Neal:

And that's what I'm trying to figure out, how do we carve that out? Because when we had the bill in 2015, the home rule bill which then gave them all the necessary powers in areas of local concern, and if we had not legislated in that space, then it allowed them to then act. It's almost like going back into—like you have your kid that you let go play, and then you say, "Hey, matter of fact, I'm going to take this toy away from you because I realize I don't want you to have it because I didn't legislate in this space," but now I want to because I want to capture these particular dollars for crashes that you are now collecting, potentially \$1,000 an accident in your jurisdiction. I know how it works. We just pass a law and we take it away, but what then are their arguments on the other side saying that you actually allowed this power to exist for X amount of years?

Mr. Fernley:

I guess that would be ultimately the fight in the Legislature. If the Legislature wanted to pass a law to do that, they would have that power, and local governments would try to make that case to the Legislature and the Legislature would ultimately decide.

Chair Yeager:

Seeing no additional questions, thank you, Mr. Fernley, for your presentation. I will close agenda item VII and open agenda item IX just in case. I don't know that we're at the point yet where we're ready to make any concrete recommendations, but I would open up agenda item IX just in case any of the Committee members here wanted to say something in that regard. Again, agenda item IX is a discussion of potential recommendations of the Committee. Is there any discussion point on that for the time being?

Senator Donald Gustavson (Senatorial District No. 14):

No, I don't believe we're ready to make any recommendations at this time.

Chair Yeager:

Thank you. Seeing no recommendations, I will close agenda item IX. I will move to agenda item X. I did want to let the Committee know a couple of things. We have settled on a meeting date for our next meeting. I believe that's June 26 at 9 a.m. I think that was a time that everyone who is here had said was a good time to have a meeting, and I do anticipate that meeting will probably go a little bit longer than some of our meetings in the past have. That is going to be our last real, substantive meeting before we have a work session. Anything that we need to cover will be covered in that meeting. I expect that I would say for planning purposes, expect that to go into the afternoon. I don't think we'll be in a position to be able to finish by lunchtime on June 26. We can always hope, but with the amount of material we still need to cover, I think that meeting is going to be a little bit longer. I will open it up. I think we have some good information so far that came up today about presentations or topics we'd like to hear at the June 26 meeting, but if there are any other topics or areas of concern from Committee members, now would be the time to throw out those ideas for our next meeting.

Assemblywoman Neal:

I'll just say it to you, Chair Yeager. I was interested in the Treasurer or the Controller presenting on their collection activities since that came up, that they are going and retrieving these fines or assessments.

Chair Yeager:

Thank you for that suggestion. I note that Mr. Fernley is again furiously taking notes, so I think we'll have that at the next meeting as well. Are there any additional topics members would like to see covered in the June 26 meeting?

Assemblyman Ellison:

I'm working on some stuff, Chair Yeager. If I may, if I could call you later on and give you my ideas, what I'm working on. I'm looking at some of the charters in the state right now, if that's possible.

Chair Yeager:

Absolutely, Assemblyman Ellison. That would be fine. I welcome your phone call, and as long as you can get to me a couple weeks before the next meeting, we should have enough time to get that on the agenda and get things arranged. Please, when you're ready, just give me a call.

Assemblyman Ellison:

Thank you.

Chair Yeager:

As far as the location of the meeting, we're still not sure. I may be up in Carson City for that meeting, I may not, so I'm not sure where we're going to run the meeting from. I think most members will probably participate where they normally are, but we may have a change that I may be in Carson City, so I'll let you know when we get a little bit closer to June 26.

I will close agenda item X. That brings us to our second round of public comment under agenda item XI. Seeing none, I will close agenda item XI. I want to thank the Committee members for your attendance today and for your participation, and thank those of you who are here listening. Feel free to grab any of us on the way out if you have comments or suggestions. With that, I will adjourn this meeting at 4:23 p.m.

RESPECTFULLY SUBMITTED:



Jordan Haas, Interim Secretary

APPROVED BY:



Steve Yeager, Chair

Date: 6/26/18

Exhibit	Witness/Agency	Description
A		Agenda
B		Attendance Roster
Agenda Item IV	Jordan Haas, Interim Secretary	Draft Minutes from the February 2, 2018 Meeting
Agenda Item VI A-1	John McCormick, Assistant Court Administrator, Administrative Office of the Courts	A Brief History of Administrative Assessments
Agenda Item VI A-2	John McCormick, Assistant Court Administrator, Administrative Office of the Courts	Administrative Assessment Revenue
Agenda Item VII A-1	Bryan Fernley, Senior Principal Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau	Presentation on Criminal Fine Revenue
Agenda Item VII A-2	Bryan Fernley, Senior Principal Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau	Revenue Deposited in the State Permanent School Fund
Agenda Item VIII	Jude Hurin, Administrator, Management Services and Programs Division, Department of Motor Vehicles	Presentation by the DMV