

**BDR 14-67**  
**AB 369**

LOCAL GOVERNMENT  
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 30, 2023

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses  
**A.B. 369 / BDR 14 - 67**

**City/County: City of Boulder City**  
 Approved by: Angela Manninen, Acting Finance Director  
 Comment: This bill creates several issues by imposing responsibilities on the court in the form of time while at the same time limiting the ability to collect fines and fees. The passage of this bill draft would place the burden on the court to provide notice to defendants regarding their eligibility for waiver/reduction of fines. Further the burden to calculate household income of defendants falls on the courts. The additional time for court staff to calculate percentages due for fines and fees based on percentages of income limits in relation to family size is something that cannot realistically be assessed at this time. An estimate would be at a minimum an added 1 hour of staff time per day.

The limits placed on collection of fines would also be of impact. Installment payments not exceeding 2 percent of the annual income of the defendant would require more time for court staff to make these determinations. Without requiring proof of income, figures could be misleading. Also lowering the time frame of collectability from 10 years to 5 years further reduces accountability for offenders. This results in less payments made to the court.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

**City/County: City of Elko**  
 Approved by: Kelly Wooldridge, City Clerk  
 Comment: Unable to determine due to the definition of "indigent" which could include some of those selling/using illegal substances. The potential decrease in the collection of fines will impact the ability of the rural areas to participate in POST.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

**City/County: City of Henderson**  
 Approved by: Mike Cathcart, Business Operations Manager  
 Comment: The fiscal impact of this legislation would consist of salary and benefits for additional employees and software enhancements to accommodate the new processes. The Municipal Court would need to hire four new employees and the City Attorney's Office would need three new employees. The initial cost of these added positions would be \$727,417. Also, software enhancements would need to be completed at an estimated cost of \$500,000.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$1,227,417	\$749,240	\$771,717	\$1,613,582

City/County: **City of Las Vegas**

Approved by: Jackie Bruno, Management Analyst I

Comment: At minimum city of Las Vegas anticipates costs incurred for three additional clerks, new equipment, and technology system upgrades to comply with existing bill language. The HOME program is an intricate rental assistance program that operates differently than a local court municipality. For city of Las Vegas to determine a complete fiscal impact, including lost revenue from fines and fees that would no longer be eligible for collection, the language in the bill needs to be more explicit to ensure the courts are able to implement program changes and adhere to the bill requirements.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$362,148	\$260,594	\$271,018	\$563,715

City/County: **City of Reno**

Approved by: Jordan Hosmer-Henner, Urban Economist

Comment: In 2022, Reno Municipal Court set up approximately 2,990 payment plans. With a low estimate of each case amount as \$200, the total for payment plans for the year would be \$672,750. While it is likely the vast majority would be eligible, if a quarter obtained the waiver the court would lose almost \$170,000.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Sparks**

Approved by: Tiffany Pugh, Accounting Manager

Comment: This bill would negatively impact the Spark's Municipal Court revenues as it is expanding the ability for defendants to be eligible for fee waivers or reduction of fines. The future impact cannot be predicted, but it is roughly estimated this bill could reduce revenues by 1/3.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of West Wendover**

Approved by: Alina Ceballos, Chief Financial Officer

Comment: per Teresa Naranjo

Currently, we only inform a person that they may complete community service instead of making payments, which most decline. But with this bill, we would have to offer them the option of completing an application to have their fees and assessments reduced or waived, and not only for traffic offenses but for “an offense punishable as a misdemeanor”. I think most people would apply for this, and with the percentage of the low income guidelines going up from 200% to 400%, most would qualify for a reduction or full waiver of any assessments and fees. We are hopeful, however, that a reduction of the fees would be better than no action at all. With the removal of the option to issue a bench warrant and suspend driver’s licenses, it greatly reduces the incentive for a person to comply with their citations.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Carson City**

Approved by: Sheri Russell-Benabou, Chief Financial officer

Comment: The City would need a new FTE at the Courts to help verify documents to determine if a person qualified as indigent. Additionally, the City would have lost revenue.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$0	\$90,000	\$90,000	\$180,000

City/County: **Clark County**

Approved by: Damon Harris, Deputy Director of Finance

Comment: Bill requires courts to use the guidelines prescribed by the HOME Investment Partnerships Act to calculate household income. To assess a person’s ability to pay, based on the volume of projected applicable citations, LVJC (alone) estimates it would need an additional 14.0 FTEs along with new technology to verify income. Bill significantly increases the household income level to be presumed indigent (i.e., anyone who makes less than \$114,600 per year would be considered indigent) which would qualify an individual to have their fines/fees waived or reduced. Additionally, the bill would require courts to cap payment plans at 2% of the defendant’s annual income while decreasing the number of years courts have to collect a fine/fee from 10 years to 5 years on all offenses handled by the courts. LVJC estimates 98% of all criminal defendants would qualify under the proposed thresholds and limitations, significantly negatively impacting court revenues.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$0	(\$10,739,660)	(\$10,733,908)	(\$21,467,813)

City/County: **Elko County**

Approved by: Susan Paprocki, Comptroller

Comment: This bill could potentially have tremendous impact on our local courts. Currently, our courts inform a person that they may complete community service instead of making payments, which most decline. But with this bill, the courts would have to offer them the option of completing an application to have their fees and assessments reduced or waived, and not only for traffic offenses but for "an offense punishable as a misdemeanor". Most people would likely apply for this, and with the percentage of the low income guidelines going up from 200% to 400%, most would qualify for a reduction or full waiver of any assessments and fees. A reduction of the fees would be better than no action at all. With the removal of the option to issue a bench warrant and suspend driver's licenses, it greatly reduces the incentive for a person to comply with their citations. In our smaller courts, this could potentially affect 70-80% of cases.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **Humboldt County**

Approved by: Gina Rackley, Comptroller

Comment: We are unable to determine the fiscal impact of this bill due to the uncertainty of the number of individuals who would qualify.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Lincoln County**

Approved by: Denice Brown, Administrative Assistant

Comment: The actual fiscal impact could not be determined

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **Lyon County**

Approved by: Josh Foli, Comptroller

Comment: The presumption of indigence in this bill will require a public defender to be appointed in every case, increasing costs.

The parts of the bill that revise the definition of indigence and waiving and collectability of fines are anticipated to reduce revenues to the County.

<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Has Impact	\$0	\$100,000	\$80,000	\$150,000

City/County: <b>Pershing County</b>				
Approved by: Karen Wesner, Administrative Assistant				
Comment:				
<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: <b>Washoe County</b>				
Approved by: Cadence Matijevich, Government Affairs Liaison				
Comment: This bill would require Justice Courts to inform all defendants who have committed a misdemeanor offense of their option to complete an ability-to-pay assessment for the potential reduction/waiver of fines, administrative assessments, and fees. Additionally, the changes to the statute determining the threshold recognizing an indigent defendant and reducing the time allowance for write-off is changed from 10 years to 5 years. The loss of revenue with each of these events cannot be determined as it is unknown how many defendants would take advantage of these provisions.				
If a significant number of defendants were to request a determination, the Reno and/or Sparks Justice Courts may each need to hire one new FTE (deputy clerk III) in their criminal department. The cost of each position would be \$102,442, including benefits, plus one-time ancillary costs of \$6,632. It is assumed that the position(s) would be entitled to an annual cost-of-living adjustment of 3.5% and an annual merit increase of 5%. Again, because the number of defendants that would take advantage of the provisions is unknown, a reliable estimate of the financial effect on Washoe County cannot be determined.				
<b>Impact</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

The following cities/counties did not provide a response: City of Caliente, City of Carlin, City of Ely, City of Fallon, City of Fernley, City of Mesquite, City of North Las Vegas, City of Wells, City of Winnemucca, City of Yerington, Churchill County, Douglas County, Esmeralda County, Eureka County, Lander County, Mineral County, Nye County, Storey County, and White Pine County.