

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
AND THE
SENATE COMMITTEE ON FINANCE
JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT**

**Seventy-Fourth Session
May 2, 2007**

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on General Government was called to order by Chair Kathy McClain at 8:08 a.m., on Wednesday, May 2, 2007, in Room 2134 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

ASSEMBLY COMMITTEE MEMBERS PRESENT:

Assemblywoman Kathy McClain, Chair
Assemblyman Tom Grady
Assemblyman Joseph P. (Joe) Hardy
Assemblyman Joseph Hogan
Assemblywoman Ellen Koivisto
Assemblyman David R. Parks

SENATE COMMITTEE MEMBERS PRESENT:

Senator Bob Beers, Chair
Senator Dean A. Rhoads
Senator Bob Coffin

STAFF MEMBERS PRESENT:

Mark W. Stevens, Assembly Fiscal Analyst
Gary Ghiggeri, Senate Fiscal Analyst
Mindy Martini, Program Analyst
Carol Thomsen, Committee Secretary
Patricia Adams, Committee Assistant



Chairwoman McClain stated that before commencing with budget closings, Senator Beers would like to address the Senate members of the Subcommittee.

Chairman Beers stated that he would accept a motion from the Senate to reopen BA 3814, Manufactured Housing, and add a manufactured housing inspector position in Elko to that budget account.

SENATOR RHOADS MOVED THAT THE SENATE REOPEN BA 3814, MANUFACTURED HOUSING, AND ADD A MANUFACTURED HOUSING INSPECTOR POSITION IN ELKO TO THAT BUDGET ACCOUNT.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION PASSED BY THE SENATE.

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Chairwoman McClain indicated that the Subcommittee would commence with an overview of the Judicial Branch budgets.

JUDICIAL BRANCH
BUDGET PAGE—COURTS-1

Mindy Martini, Program Analyst, Fiscal Analyst Division, Legislative Counsel Bureau (LCB), stated that during the previous budget hearing, the Judicial Branch presented reprojections for Administrative Assessment (AA) revenue, which included AA revenue for Specialty Courts. In addition, the Judicial Branch presented its prioritization of decision units contained in The Executive Budget.

Ms. Martini stated that she would present closing issues for individual budget accounts following the overview. The following indicated the closing issues for the Judicial Branch that affected two or more of the budget accounts:

1. Reprojection of administrative assessment revenues, including Specialty Courts.
2. Salary increases for Supreme Court Justices and District Court Judges.
3. Unclassified salary increases.
4. Prioritized decision units.
5. Summary of revisions to The Executive Budget.

Mr. Martini reported that during the previous budget hearing, the Judicial Branch presented a case for increasing the number of assessments for AA revenue projections from 4 percent to 8 percent. In addition, the value of the AA increased from approximately \$21.13 per assessment to \$23.42 per assessment. Ms. Martini explained that the corresponding decrease in General Fund revenue to support the Judicial Branch budgets would be 13.44 percent, or approximately \$2.6 million.

In addition to the projected increase in AA revenue, the Judicial Branch pointed out that the Las Vegas Justice Court recently reported outstanding AA and fine delinquencies that totaled approximately \$25 million. Ms. Martini stated that over the next biennium the Las Vegas Justice Court anticipated collecting about 20 percent, or \$5 million, of the delinquencies. The Judicial Branch would

receive 51 percent of the estimated \$5 million for a total of \$2.5 million over the biennium.

Ms. Martini indicated that the additional AA revenue would be distributed across the Judicial Branch budget accounts that received AA revenue and would provide an additional decrease to the General Fund of \$1.62 million over the upcoming biennium. Using the percentages included in the *Nevada Revised Statutes* (NRS) for the percentage of AA fees received by each budget account, the Judicial Branch suggested the following distribution of the delinquent funds across all Judicial Branch budget accounts that received AA revenue:

- BA 1494, Supreme Court – 60 percent
- BA 1483, Administrative Office of the Courts – 18.5 percent
- BA 1486, Uniform System of Justice Records – 9 percent
- BA 1487, Judicial Education – 9 percent
- BA 1496, Senior Justice & Senior Judge Program – 3.5 percent

Ms. Martini stated that the Judicial Branch also projected an increase from 4 percent to 8 percent in the growth rate of AA revenue from the Specialty Court Program. Ms. Martini indicated that LCB staff had made the adjustment in all Judicial Branch accounts for the increase in AA revenues based upon the 8 percent increase. For those accounts that included both AA and General Fund revenue, staff made a corresponding decrease to the General Fund. Ms. Martini indicated that LCB staff also made corresponding adjustments with regard to the outstanding AA and fine delinquencies discovered by the Las Vegas Justice Court.

The decisions facing the Subcommittee were whether it wished to approve the projected increases in AA revenue based upon the 8 percent increase in the number of assessments each fiscal year of the biennium, and whether the Subcommittee wished to approve the projected increases to AA revenue based upon the outstanding AA and fine delinquencies discovered by the Las Vegas Justice Court.

Ms. Martini stated that another issue was the salary increases for Supreme Court Justices and District Court Judges, Enhancement Unit 810 (E810). The Executive Budget included General Fund of \$2.5 million in FY 2009 to fund an increase in the base salaries of justices and judges. Ms. Martini indicated that The Executive Budget also included funding to increase the maximum longevity percentage for Supreme Court Justices and District Court Judges and provide additional salary increases for the Chief Justice and the Chief District Court Judges.

Ms. Martini indicated that the issue for consideration by the Subcommittee was whether it wished to approve the base salary increase for Supreme Court Justices and District Court Judges as included in The Executive Budget.

According to Ms. Martini, LCB staff recommended that decision unit E810 be eliminated entirely from the budget account and that the issue be decided by legislative action on S.B. 248. The Judicial Branch indicated that it was not seeking increases for longevity pay or augmented pay for the Chief Justice or the Chief District Court Judges, which was not included in S.B. 248 or the budget account. Based upon the elimination of longevity and augmented pay for the Chief Justice and Chief District Court Judges, savings to the General Fund would be \$278,355 over the biennium.

Ms. Martini explained that there had also been a recalculation of the longevity increases for District Court Judges based upon newly elected and appointed officials who were not eligible for longevity. The recalculation created a savings to the General Fund of \$290,868 over the biennium.

Regarding the unclassified salary increases in Enhancement Unit 806 (E806), Ms. Martini indicated that the Subcommittee would not be required to make a decision regarding the unclassified salary increases, as that would be determined by the committee established to review unclassified pay increases.

Ms. Martini noted that the Subcommittee had asked the Judicial Branch to prioritize its decision units. The Judicial Branch did not prioritize the increase in judicial salaries or the funding for Specialty Courts. The prioritization of decision units was presented by budget account and was divided into three priority groupings: high, medium, and low. The following table shows the General Fund amount for each of the priority groupings:

Priority	FY 2007-08	FY 2008-09	TOTAL	Percent to Total
High	\$1,569,401	\$2,249,444	\$ 3,818,845	27.7%
Medium	\$ 671,458	\$ 442,745	\$ 1,114,203	8.1%
Low	\$ 689,528	\$ 727,627	\$ 1,417,155	10.3%
Not Prioritized	\$1,832,206	\$5,584,387	\$ 7,416,593	53.9%
TOTAL	\$4,762,593	\$9,004,203	\$13,766,796	100%

Ms. Martini indicated that the Subcommittee would need to determine whether items prioritized as low by the Judicial Branch should be considered further. If approved, the revisions provided to staff, including the elimination of low priority items, would result in an overall decrease in General Fund dollars for the Judicial Branch budgets of \$7,280,247.

Chairwoman McClain indicated that she would accept a motion to eliminate decision units E806 and E810 from the closing, to accept the revised revenue projections, and to eliminate the low priority enhancement requests.

ASSEMBLYWOMAN KOIVISTO MOVED THAT THE SUBCOMMITTEE APPROVE ELIMINATION OF DECISION UNITS E806 AND E810 FROM THE JUDICIAL BRANCH BUDGETS, ACCEPT THE REVISED REVENUE PROJECTIONS, AND ELIMINATE ALL DECISION UNITS PRIORITIZED AS LOW PRIORITY BY THE JUDICIAL BRANCH.

SENATOR BEERS SECONDED THE MOTION.

Senator Beers commented that recent projections from the Economic Forum were grim, and the budget was not yet balanced with the necessary adjustments. Senator Beers voiced appreciation for the hard work and effort by the Judicial Branch to reduce the General Fund obligation.

Chairwoman McClain agreed with Senator Beers and also commended the Judicial Branch for its hard work.

THE MOTION PASSED UNANIMOUSLY.

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JUDICIAL BRANCH
SUPREME COURT (101-1494)
BUDGET PAGE—COURTS-1

Ms. Martini explained that there were several major closings issues in BA 1494 for consideration by the Subcommittee, and the first concerned the new and reclassified positions. The Supreme Court originally requested funding for 14.5 new positions, but eliminated Enhancement Unit 254 (E254), which included two positions, thereby reducing General Fund support by \$226,446 in FY 2008 and \$267,876 in FY 2009.

Ms. Martini stated there were 12.5 remaining positions for consideration by the Subcommittee. Under Maintenance Unit 200 (M200) and Maintenance Unit 201 (M201), The Executive Budget included \$738,247 in FY 2008 and \$822,087 in FY 2009, which would support five new staff attorneys and two full-time paralegals with related costs. Ms. Martini indicated that the Supreme Court had prioritized the requested positions:

- High priority included three full-time staff attorneys and two full-time paralegals with related costs.
- Medium priority included one full-time staff attorney with related costs.
- Low priority included one staff attorney and a reclassification with related costs.

According to the Supreme Court, the original request for five staff attorneys and two full-time paralegals was to address an increase in the caseload involving unrepresented litigants. Ms. Martini stated that the Court also noted that it had experienced 15 percent growth in the number of case filings between calendar year 2004 and 2006, which increased the number of filings from 1,885 to 2,171, or an increase of 286 filings. Ms. Martini indicated that the Court expected the trend to continue.

Ms. Martini stated that the question for consideration by the Subcommittee was whether it wished to approve funding as approved in The Executive Budget for five staff attorneys and two paralegals, with related costs, or reduce the requested funding based upon the priority levels. Ms. Martini said that LCB staff recommended, at a minimum, that the request be reduced by the amount of \$121,212 in FY 2008 and \$140,141 in FY 2009 for low priority items, which was approved by the Subcommittee in the previous motion. The Subcommittee might also want to review the projected 15 percent growth rate over two years in case filings to determine whether the medium priority expenditures should be approved.

Senator Coffin asked whether LCB staff had discussed the final budget suggestions to the Subcommittee with Court Administrator Ronald Titus. He wondered whether there were differences of opinion between LCB staff and the Court about the budget closings.

Ms. Martini stated that the Judicial Branch had not previously reviewed the closing document, but representatives from the Judicial Branch had assisted LCB staff in justifying each of the issues presented in the closing document. The questions were for Subcommittee consideration, and staff would make no recommendations about budget closings.

Senator Coffin asked that the Chairwoman allow representatives from the Supreme Court to offer suggestions as the Subcommittee considered the budgets.

Assemblyman Hardy referenced the question before the Subcommittee about whether it wished to approve funding as included in The Executive Budget for five staff attorneys and two paralegals, or whether it wanted to reduce the requested funding based upon priority level. He noted that LCB staff recommended, at a minimum, that the request be reduced for low priority items. Dr. Hardy asked about the recommendation.

Ms. Martini explained that the Subcommittee had already moved to exclude the low priority items from the Judicial Branch budget accounts, and as she proceeded with budget explanations, she would not discuss the low priority items. Ms. Martini said the closing document included decisions for the Subcommittee and information to help it make considerations. Ms. Martini further explained that the low priority items under decision units M200 and M201 included one staff attorney and the reclassification of a position at a cost of \$121,212 in FY 2008 and \$140,141 in FY 2009.

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, stated that Ms. Martini had explained the high, medium, and low priorities as determined by the Court. The Subcommittee previously moved to eliminate the low priority items from the Judicial Branch budget accounts, and the remaining decisions for the Subcommittee involved the medium and high priority items. Mr. Stevens explained that the Subcommittee needed to review the medium and high priority items and determine whether to approve those items; he pointed out that staff had not made recommendations about the items.

Chairwoman McClain indicated that the Subcommittee had to determine what action to take about the medium and high priorities. The high priority included three attorneys and two paralegals and the medium priority included one attorney and two paralegals. Chairwoman McClain pointed out that if the Subcommittee approved only the high priority request, the Court would have three attorney positions and three paralegal positions.

Senator Beers stated that of the \$23.5 million or 32 percent increase in the budget requested by the Supreme Court, the low priority total was slightly less than \$1 million; he noted that less than five percent of the decision units were prioritized as low priority. Senator Beers indicated that the medium and low priority decision units together were \$2.2 million, which was approximately 10 percent of the total budget request increase.

Chairwoman McClain stated that she would accept a motion.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
THE HIGH PRIORITY POSITIONS IN M200 AND M201.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION PASSED WITH SENATOR COFFIN VOTING NO.

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Ms. Martini stated that Enhancement Unit 258 (E258) was prioritized as low by the Court and requested \$68,779 in FY 2008 and \$83,898 in FY2009 to support a new full-time computer electronics position.

Ms. Martini indicated that The Executive Budget included \$19,974 in FY 2008 and \$21,727 in FY 2009 in decision unit E259 for a new part-time clerical position to assist central staff. The request was prioritized as medium by the agency, and the question before the Subcommittee was whether to approve the funding for the part-time clerical position.

Senator Beers said that in light of the previous motion to approve additional attorney and paralegal positions, he would offer the following motion:

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E259.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini stated that The Executive Budget included \$84,704 in FY 2008 and \$105,434 in FY 2009 in decision unit E279 for a new database administrator with related costs. The request was prioritized as high by the agency, and Ms Martini asked whether the Subcommittee wished to approve the funding for the new position.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E279.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini indicated that decision unit E252 concerned settlement conferences. The program was an alternative dispute resolution program that was started in 1997. Decision unit E252 requested General Fund in the amount of \$288,104 in each fiscal year of the biennium to increase the amount payable to settlement conference judges as follows:

- **Current Rate:** \$67.71 per hour up to a maximum of \$650 per case, plus \$35 for expenses per case.
- **Proposed Rate:** \$1,000 per case, regardless of the time to complete, plus \$35 for expenses per case.

Based upon information from the Judicial Branch, a technical adjustment reducing General Fund in the amount of \$25,495 in FY 2008 and \$14,110 in FY 2009 was requested to reflect an overstatement in the number of claims projected for each fiscal year. Ms. Martini pointed out that LCB staff had already made that adjustment.

According to Ms. Martini, the Court also requested that the increase in the maximum per case pay rate be reduced to \$850 rather than the original request of \$1,000. Ms. Martini reported that the Court had prioritized the decision unit as high priority, and reducing the amount to \$850 maximum per case would create a savings to the General Fund of \$98,790 in FY 2008 and \$100,825 in FY 2009. The average cost per case from FY 2000 to date had been:

- FY 2000 = \$369.96
- FY 2001 = \$432.41
- FY 2002 = \$427.74
- FY 2003 = \$444.88
- FY 2004 = \$556.21
- FY 2005 = \$587.08
- FY 2006 = \$592.14
- FY 2007 = \$574.64

According to Ms. Martini, the Court stated that the proposed increase in the pay rate was because of the increase in responsibilities of the settlement attorneys. The decision for the Subcommittee was whether it wished to approve funding to increase the maximum per case to \$850. Ms. Martini noted that the Subcommittee would need to determine whether the request to increase the maximum was justified at the current time because the average cost per case had not yet approached the current maximum of \$650.

Assemblyman Hardy believed that the more cases the Court could settle, the more money the State would save. He stated that he would like to see an increase in settlement cases, and he believed the funding request was appropriate.

Senator Beers asked Ms. Martini whether the Court had proposed middle ground, such as \$61.71 per hour up to a maximum of up to \$850 per case. Ms. Martini replied that the original proposal included in The Executive Budget was for \$1,000 per case regardless of the time to complete, and the Court requested that the maximum be reduced to \$850 per case regardless of the time to complete.

Senator Beers pointed out that most cases were settled without reaching the current maximum of \$650 per case, and he offered the following motion:

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E252 INCLUDING A RATE OF \$75 PER HOUR UP
TO A MAXIMUM OF \$750 PER CASE.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

Chairwoman McClain concurred with Senator Beers and stated that she believed there should be an hourly rate up to an established maximum, rather than a flat fee per case.

Senator Coffin asked about the hourly rate and whether that represented gross or net payment to the settlement judges.

Ronald Titus, Director, Administrative Office of the Courts (AOC), stated that Ms. Bjork would answer Senator Coffin's question.

Deanna Bjork, Manager of Budgets, AOC, stated that the hourly rate was tied to the salaries for District Court Judges, and that was how the hourly amount was determined.

Senator Coffin said that because the rate was tied to the salaries of District Court Judges, perhaps decision unit E252 should be considered along with S.B. 248.

Mr. Titus explained that the proposal was to increase the amount per case to a flat rate because, in most cases, the settlement attorneys spent much more than ten hours on the cases. Currently, a certain amount was available for supplies for the settlement attorneys, and to simplify the procedure and provide a more appropriate compensation, the Court had proposed the flat rate. Mr. Titus explained that there some cases were settled more quickly and included only a few hours.

Senator Coffin pointed out that if the Subcommittee were discussing wages for a plumber, the amount would be greater because the plumber also charged travel time. Senator Coffin stated that he was not aware of how the pay was calculated for the settlement judges, whether it was for time in court, hours logged during negotiation, or whether it included preparation time. Senator Coffin stated that \$67.71 per hour did not seem sufficient for settlement judges.

James W. Hardesty, Associate Justice, Supreme Court, explained that the fee was not being paid to judges, but rather to attorneys who volunteered for the mandatory Settlement Conference Program, without which the Court could not resolve its civil cases. The Settlement Conference Program settled approximately 45 percent to 50 percent of the civil cases filed with the Supreme Court. Justice Hardesty stated that to attract lawyers to the program, the Court offered a flat fee, and the Court was attempting to raise the fee so that attorneys would continue to volunteer and the program could continue. Justice Hardesty explained that one attorney recently spent three days under the old fee rate to settle all the civil cases involved in a recent murder case, and that attorney would be paid a flat rate of \$650.

According to Justice Hardesty, the Court attracted lawyers to handle the civil cases, which sometimes were settled quickly, but that was a rare circumstance. More often, the attorneys were dealing with the most difficult cases to settle because the cases had already been through trial and one side had won and one side had lost; those were the most difficult civil cases to resolve. Justice Hardesty said that to attract attorneys into the program, the Court needed to pay a flat fee, even if the attorney made a little extra on the case. More often, the attorneys lost money when handling civil cases as a service to the Supreme Court. The Court proposed to raise the flat fee to \$850 to recognize the reality of the quality of the people who were providing the service, whose billing rates were as much as \$350 per hour.

Senator Coffin noted that the Supreme Court had suggested \$850, and he asked how the Court had arrived at the \$850 maximum per case. Ms. Martini indicated that the amount was placed into the prioritization by the Judicial Branch. Senator Coffin asked whether that amount was placed in conjunction with other compromises made by the Court. Chairwoman McClain indicated that the Judicial Branch had submitted a list of prioritizations and suggestions.

Senator Coffin asked whether the Subcommittee also wanted to change the hourly rate. Senator Beers indicated that the motion currently before the Subcommittee was to increase the hourly rate to \$75 per hour with a maximum of \$750.

Chairwoman McClain called for a vote on the motion before the Subcommittee.

THE MOTION FAILED.

Chairwoman McClain asked whether there was another motion for consideration by the Subcommittee.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E252 INCLUDING AN HOURLY RATE OF \$85 UP
TO A MAXIMUM OF \$850.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini explained that the Court Interpreter Program certified court interpreters and was addressed in decision units E326, E905, and E906. The Judicial Branch requested funding of \$8,361 in FY 2008 and an additional \$8,367 in FY 2009 to enhance the program. Of that amount, General Fund was requested in the amount of \$5,761 in FY 2008 and \$5,761 in FY 2009.

Ms. Martini stated that the Court had prioritized a portion of the General Fund enhancement as medium, \$2,816 in FY 2008 and \$2,822 in FY 2009, and a portion of the General Fund enhancement as low, \$2,945 in each year of the biennium.

In addition to enhancing the program, the Judicial Branch was requesting to transfer one full-time position for the program and all other associated costs of the program from the Supreme Court budget, BA 1494, to the budget for the Planning and Analysis Division, BA 1484. Ms. Martini said that the transfer would not alter the funding sources, and the agency had prioritized the transfer as high.

The question for the Subcommittee was whether it wished to approve the funding to enhance the program, as well as the transfer of the program to BA 1484.

Chairwoman McClain stated she would accept a motion to approve.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
THE ENHANCEMENT IN DECISION UNIT E326 AND TRANSFER
THE COURT INTERPRETER PROGRAM TO BA 1484, AS
REQUESTED IN DECISION UNITS E905 AND E906.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini explained that the Judicial Branch requested General Fund in the amount \$604,912 in FY 2008 and \$1,056,207 in FY 2009 for information technology (IT) enhancements included in decision units E275, E276, E277, E278, E280, E710, and E720. The Subcommittee should note that the Judicial Branch believed that the costs for the enhancements would be partially offset by the projected receipt of \$1.6 million in delinquent Administrative Assessment (AA) fees from the Las Vegas Justice Court.

Ms. Martini stated that decision unit E275 represented the e-filing program and requested \$248,340 in FY 2008 and \$39,870 in FY 2009 to support the second phase of the program. The Judicial Branch submitted a budget modification asking that decision unit E275 be increased by \$60,000 to fund additional contractual services in FY 2008. The request was originally submitted in the Court's request for a supplemental appropriation for FY 2006-07; however, because of delays the Court was unable to utilize the funding during the current fiscal year and asked that LCB staff include that amount in the enhancements for FY 2008.

Ms. Martini asked whether the Subcommittee wished to approve funding of \$308,340 in FY 2008, which included the budget modification that increased General Fund by \$60,000 in FY 2008 and \$39,870 in FY 2009, to support the second phase of the e-filing program.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E275.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Martini indicated that decision unit E276 addressed the case management system for the Courts. Review of the projects indicated that the largest request for funding was for a new web-based case management system at a cost of \$869,764 in FY 2009. In 2002, the Court requested that the National Consortium for Justice Information and Statistics (SEARCH) evaluate its case management system. After completing the evaluation, SEARCH found the Microsoft SQL Server database acceptable to support the system, but found the Microsoft Access system unable to support the number of users, the complexity of the application, or the amount of data.

According to the Court, based upon cost estimates received, the total cost of the new system could range from \$1 million to \$2 million. Ms. Martini stated that the General Fund request for FY 2009 would support software, hardware, and contractual costs to begin development of the system. The Court projected full implementation of the system in FY 2009-10, with a request to the 2009 Legislature for additional funds.

Ms. Martini asked whether the Subcommittee wished to approve General Fund in the amount of \$869,764 in FY 2009 to begin implementation of a new web-based case management system for the Court.

Senator Beers asked whether a detailed project plan of the system had been received. The concept of purchasing software or hardware for a system that would not be put into place for two years did not make sense because the products became obsolete very quickly. Senator Beers said the issue was the technical implementation of the system because the Court was seeking 40 percent of the money over the upcoming biennium to begin development of the system.

Mr. Titus explained that the project was in the beginning stages, and the spending request was for the second year of the upcoming biennium. The Court submitted initial inquiries to several companies and found that a new web-based case management system would cost between \$1 million and \$2 million. The Court had not issued a request for proposal (RFP) or a request for information (RFI). Mr. Titus noted that the Court planned to issue a RFI regarding the specifications of the system over the upcoming year, and go out to bid with a RFP during the second year of the biennium. The Court expected to award a contract during the second year of the upcoming biennium, with costs spread over the second year of the 2007-09 biennium and into the 2009-11 biennium. Mr. Titus stated that, initially, a test environment would be installed. Most of the funding for the case management system would be expended in the area of licensing and modification of the system.

Senator Beers stated that the Legislature would not fund a project in that embryonic stage for any other state agency. Mr. Titus explained that the Court needed funding to initiate the RFI procedure.

Senator Beers pointed out that the Legislature had transferred four positions from the Department of Information Technology (DoIT) to the Purchasing Division, along with money for training, to help make the RFI and RFP process more efficient for the agencies. Senator Beers asked whether the Judicial Branch could utilize the services of those persons.

Mr. Titus stated that the Judicial Branch had contracted with DoIT to provide services from time to time. However, personnel from the Administrative Office of the Courts (AOC) had prepared RFIs and RFPs through the National Center for State Courts in the past.

Mr. Titus commented that case management systems for courts were unique, particularly the one for the state Supreme Court because it was an appellant court. While there might be thousands of trial courts, there were only hundreds of appellant courts, so the market was smaller. Mr. Titus indicated that the Court was asking for early funding for the project and could request the appropriate funding from the Interim Finance Committee (IFC), should that be required by the Subcommittee.

Senator Beers believed that the Court should provide the Legislature with a proposal and a firm price, and if the Subcommittee set aside the funding, the Court could request a supplemental appropriation from the IFC.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE TRANSFER THE REQUESTED FUNDING TO THE INTERIM FINANCE COMMITTEE (IFC), AND THAT THE SUPREME COURT REQUEST FUNDING TO BEGIN IMPLEMENTATION OF THE CASE MANAGEMENT SYSTEM FROM IFC.

SENATOR COFFIN SECONDED THE MOTION.

Mr. Titus commented that the court would require funding to process the RFI and RFP, and he requested that the Subcommittee approve an allocation of \$200,000 in the second year of the 2007-09 biennium. Senator Beers asked how that funding would be spent. Mr. Titus replied that the Court would use the funds to hire contractors. He noted that the funding could be placed in a separate account for reversion if not spent by the end of the fiscal year, or the remaining funds could be applied to the cost of the system.

Senator Beers again pointed out that the Purchasing Division could provide trained staff to initiate the RFI and RFP process. Mr. Titus stated that if the Court used the services of either the Purchasing Division or DoIT, it would be required to pay for those services.

Senator Beers said that he would be willing to amend his motion to include \$250,000 in the second year of the 2007-09 biennium to address the RFI and RFP process. Senator Coffin concurred with the amendment.

Chairwoman McClain asked Senator Beers to restate the motion.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE TRANSFER FUNDING IN THE AMOUNT OF \$619,764 IN DECISION UNIT E276 TO THE INTERIM FINANCE COMMITTEE (IFC), AND THAT THE SUBCOMMITTEE APPROVE \$250,000 IN THE SECOND YEAR OF THE 2007-09 BIENNIUM IN THIS BUDGET ACCOUNT TO ADDRESS THE RFI AND RFP PROCESS. ONCE THE PROJECT COSTS HAD BEEN DETERMINED, THE COURT WOULD APPROACH THE IFC, AT WHICH TIME A DETERMINATION WOULD BE MADE REGARDING ALLOCATION OF THE REMAINING FUNDS.

SENATOR COFFIN SECONDED THE MOTION.

Dr. Hardy said the funding was being approved for the second year of the biennium for the RFI and RFP process, and he noted that by the time that process was complete, the 2009 Legislature might be in session. He asked why the money was not being made available for the first year of the biennium.

Senator Beers said that the Court had several technology projects to address during the first year of the biennium, and the Court suggested that the new case management system be addressed during the second year of the biennium. The Legislature might be in session by the time the Court determined the cost of the project, which would provide an opportunity to review the costs. Senator Beers believed the cost of the project would be less than the remaining \$619,764 that had been set aside for the project.

Chairwoman McClain called for a vote on the motion before the Subcommittee.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini indicated that decision units E277, E278, E280, E710, and E720, contained the remaining information technology enhancements. The cost for the requests prioritized as high was \$305,190 in FY 2008 and \$146,573 in FY 2009. Ms. Martini stated the medium priority requests totaled \$51,382 in FY 2008.

Ms. Martini asked whether the Subcommittee wished to approve the funding of \$356,572 in FY 2008 and \$146,573 in FY 2009 for the remaining requests related to information technology.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE THE HIGH PRIORITY INFORMATION TECHNOLOGY REQUESTS INCLUDED IN DECISION UNITS E278, E280, E710 AND E720, AND NOT APPROVE THE MEDIUM PRIORITY REQUESTS INCLUDED IN DECISION UNITS E277 AND E720.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

Senator Coffin noted that the cost of the medium priority requests was quite low. He believed that live audio streaming of the Court sessions over the Internet was needed in Nevada. Senator Coffin opined that the people in Nevada needed a window into the Court system and that the live audio streaming should be approved. Senator Coffin stated that the motion should include decision unit E277 for the live audio streaming of court sessions over the Internet.

Senator Coffin believed that the audio streaming for court sessions should be approved because the Legislature had been praised for its audio and video capabilities and for having the most open Legislature in the country.

Senator Beers defended his motion by pointing out that the sum of the low and medium priority decision units was 10 percent of the requested increase in spending by the Court.

Chairwoman McClain reminded the Subcommittee that it had already voted to eliminate the low priority requests.

Senator Coffin opined that live audio streaming might be a small item in the budget, but it was significant in terms of outreach of the Judicial Branch to the citizens. Senator Coffin asked what the court would do if the Legislature failed to approve decision unit E277 and whether there was any way that the Court could provide live audio.

Mr. Titus explained that if decision unit E277 was not funded, the live audio streaming would be curtailed until the next fiscal year.

Chairwoman McClain stated there was a motion and second before the Subcommittee to approve the high priority information technology requests only.

Senator Coffin stated that he would like to offer an amendment to the motion.

SENATOR COFFIN MOVED TO AMEND THE PREVIOUS MOTION TO INCLUDE DECISION UNIT E277.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

Mr. Stevens advised the Subcommittee that it should first vote on the proposed amendment to add \$33,288 in decision unit E277 for live audio streaming and then vote on the original motion.

Chairwoman McClain asked whether Senator Coffin's amendment included the medium priority portion of E720 for a total of \$18,094. Senator Coffin replied that his amendment did not include decision unit E720.

Chairwoman McClain called for a vote on the amendment.

THE MOTION FAILED.

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Chairwoman McClain called for a vote on the original motion to approve the high priority information technology requests only.

THE MOTION PASSED.

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Ms. Martini stated that decision unit E256 requested General Fund in the amount of \$144,760 in FY 2008 to remodel the third floor of the Supreme Court Building in Carson City to accommodate two new chambers. The funding would be used for a remodeling contract, new furnishings, professional services, and supplies. According to the Judicial Branch, Carson City would become the primary location for all Supreme Court Justices. Ms. Martini indicated that the Judicial Branch prioritized the decision unit as high.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNIT E256.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini explained that decision unit E251 concerned court security. The Supreme Court requested General Fund in the amount of \$15,000 in each fiscal year of the biennium to fund the costs associated with obtaining private security services for Justices of the Supreme Court. The Judicial Branch had prioritized \$10,000 in each fiscal year as high priority and \$5,000 as medium priority.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
THE HIGH PRIORITY FUNDING OF \$10,000 IN EACH FISCAL
YEAR INCLUDED IN DECISION UNIT E251.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini explained that other closing issues included vacancy savings. Vacancy savings recognized that each agency had a certain amount of turnover every year. According to budget instructions, vacancy savings were determined by an average of three years, for example FY 2004, FY 2005, and FY 2006. Ms. Martini noted that the Judicial Branch utilized the vacancy information from FY 2005 and FY 2006, and did not utilize the data from FY 2004, as was required of other State agencies. Ms. Martini stated that if the three year average was utilized by the Court, there would be a savings to the General Fund of approximately \$52,391 in FY 2008 and \$56,988 in FY 2009.

Ms. Martini stated that the Judicial Branch requested to transfer the costs of training certain employees from the Judicial Education budget account (BA 1487), which was funded with Administrative Assessment (AA) revenue, to the Supreme Court Budget (BA 1494) to be funded with General Fund. The request would require General Fund in the amount of \$76,779 in each fiscal year of the biennium. The decision concerning the transfer of costs between budget accounts would be made during discussion of the Judicial Education budget account.

The next closing issue, Ms. Martini said, was the training included in decision units E255 and E257, which requested General Fund in the amount of \$1,774 in each fiscal year. The Court had prioritized training for information technology staff as high, with a cost of \$4,087 in each fiscal year, and the remaining expenditures were prioritized as low.

Ms. Martini indicated that the Judicial Branch requested General Fund in the amount of \$19,539 in FY 2008 and \$14,539 in FY 2009 to support the costs associated with the Court's community outreach program. The Court prioritized expenditures of \$7,269 in each fiscal year as high priority and the remaining expenditures as low priority.

Under other replacement equipment, Ms. Martini explained that the Judicial Branch was requesting General Fund in the amount of \$49,840 over the biennium to purchase replacement equipment. Some duplicate items were removed as identified by the Judicial Branch, and some items were prioritized as low.

Senator Beers referred to the closing issue that would require General Fund of \$76,779 in each of the biennium to transfer training costs from Administrative Assessment (AA) revenue to General Fund revenue. He asked whether that was the total of the base maintenance and enhancement costs.

Ms. Martini explained that the amount of \$76,779 included the total costs for transferring the training costs to General Fund revenue. Senator Beers asked whether the training costs were enhanced. Ms. Martini reported that there might be some enhanced training costs that would go along with the transfer.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE CLOSE THE BUDGET AS RECOMMENDED BY STAFF INCLUDING: UTILIZING THE THREE YEAR AVERAGE FOR VACANCY SAVINGS; THE PREVIOUS MOTIONS MADE BY THE SUBCOMMITTEE TO ELIMINATE THE LOW PRIORITY ITEMS; TECHNICAL ADJUSTMENTS; AND THE AUTHORITY FOR LCB STAFF TO MAKE ADJUSTMENTS FOR SALARY INCREASES AS APPROVED BY THE 2007 LEGISLATURE.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
DISTRICT JUDGES' SALARY (101-1490)
BUDGET PAGE—COURTS-17

Ms. Martini stated that the account provided for District Court Judges' salaries, which would be addressed by S.B. 248.

JUDICIAL BRANCH
DISTRICT JUDGE/SURVIVING SPOUSE RETIREMENT (101-1491)
BUDGET PAGE—COURTS-20

Ms. Martini explained that BA 1491 was a pass-through account to the Public Employees' Retirement System (PERS) for the amounts legislatively appropriated to fund the unfunded liability portion of the Judicial Retirement system (JRS). The Executive Budget included a General Fund request totaling \$1,666,900 in FY 2008 and \$1,726,900 in FY 2009 to pay the scheduled payment for the JRS.

As of 2007, Ms. Martini stated that the total unfunded accrued liability for the JRS was \$23,189,309.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE CLOSE THE BUDGET AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
SENIOR JUSTICE & SENIOR JUDGE PROGRAM (101-1496)
BUDGET PAGE—COURTS-21

Ms. Martini explained that BA 1496 funded the costs associated with recalling former judges to expedite judicial business. The major closing issue in the account was the requested new part-time clerical position. Ms. Martini stated that The Executive Budget included General Fund of \$24,493 in FY 2008 and \$27,944 in FY 2009 to support the new part-time clerical position. The position was requested to assist the program coordinator and process assignments for senior justices and judges.

Ms. Martini reported that the Personnel Unit for the Administrative Office of the Courts (AOC) originally acquired the duties prior to the expansion of the program. The duties originally consumed approximately 8 percent of a full-time employee's position, and at the present time the duties were consuming

approximately 50 percent of the full-time employee's position, which was the reason for the request for a part-time clerical position in the budget account.

Ms. Martini asked whether the Subcommittee wished to approve funding for the new part-time clerical position.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE THE PART-TIME CLERICAL POSITION REQUESTED IN DECISION UNIT E255 AND CLOSE THE BUDGET AS RECOMMENDED BY STAFF INCLUDING: ELIMINATION OF LOW PRIORITY ITEMS; ELIMINATION OF DECISION UNIT E810, WHICH WOULD BE INCLUDED IN S.B. 248; AND, TECHNICAL ADJUSTMENTS AS RECOMMENDED BY LCB STAFF.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED.

BUDGET CLOSED.

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JUDICIAL BRANCH
SPECIALTY COURT (101-1495)
BUDGET PAGE—COURTS-26

Ms. Martini commented that there were major closing issues in BA 1495, with the first issue concerning revenue projections. As discussed in the previous budget hearing, the Judicial Branch projected collecting approximately \$3.48 million in FY 2007, which was \$793,401 more than the amount included in the work program year. Ms. Martini indicated that the Judicial Branch also reprojected bond forfeiture revenue and projected receipt of \$160,000 in FY 2007, which was \$66,008 more than the amount included in the work program year for FY 2007. The Judicial Branch projected to balance forward \$1,360,128 in FY 2008, which was \$715,539 more than was included in The Executive Budget.

Mr. Martini stated that by utilizing the projected increase in Administrative Assessment (AA) revenue and bond forfeitures for the 2007-09 biennium, and the projected increase in the balance forward, the General Fund requested by the Judicial Branch could be reduced by \$871,715 in FY 2008 and \$311,662 in FY 2009 for a total of \$1,183,377 over the biennium.

Ms. Martini noted that the Judicial Branch continued to ask that the additional revenue be included and not be subtracted from the budget request. However, based upon direction from the Subcommittee at the previous budget hearing, LCB staff had reduced the General Fund accordingly, but had not made any changes to the expenditure level.

The Judicial Branch requested to expand the Specialty Court Program. Ms. Martini stated that The Executive Budget included General Fund in the amount of \$1.83 million in FY 2008 and \$3.30 million in FY 2009 to expand the program, which included hiring a full-time Specialty Court Program coordinator. Based upon the revised projections for AA revenue, General Fund was requested in the amount of \$960,491 in FY 2008 and approximately \$3 million in FY 2009 to support expansion of the program.

Ms. Martini stated that if the requested funding level for the Specialty Court Program was approved by the Subcommittee, there would be a 299.6 percent increase in Specialty Court funding from FY 2005 to FY 2009. The Subcommittee should also note that with revised AA revenue projections, the program would experience a 27.6 percent increase in expenditure levels, less reserve, in FY 2008 over those in FY 2007, of approximately \$3.8 million without any General Fund appropriation. Ms. Martini explained that for FY 2009 there would be a 14.6 decrease in the expenditure level without additional General Fund.

During the previous budget hearing, the Subcommittee questioned whether General Fund should be considered in the budget account because it was currently funded entirely through AA revenue. Ms. Martini stated that if the Subcommittee wished to expand Specialty Courts, the percentage of AA revenue that currently flowed through the Supreme Court budget could be reduced, and those revenues could be directed to increase the Specialty Court Program. Ms. Martini said the corresponding shortfall in AA revenue for the Supreme Court would need to be made up with General Fund revenue.

Ms. Martini asked whether the Subcommittee wished to approve additional funding support to expand the Specialty Court Program, and if additional funding was approved, there were several decisions for the Subcommittee's consideration:

- a. How should the approved increase in expenditures for Specialty Courts be funded? Should General Fund revenue be appropriated or should additional funding come from AA revenue included in the budget account for the Supreme Court (BA 1494)?
- b. What percentage or dollar amount increase would the Subcommittee like to approve for each fiscal year of the 2007-09 biennium for Specialty Court expenditures? For example, if 5 percent of the AA revenue projected at \$14,107,843 were directed to Specialty Courts, the program would receive \$705,392 in additional AA revenue.
- c. Did the Subcommittee wish to authorize funding of \$86,871 in FY 2008 and \$108,738 in FY 2009 to support a new full-time Specialty Court Program coordinator position, with related costs totaling \$12,131 in FY 2008 and \$5,280 in FY 2009, for in-state travel, office furniture, a laptop computer with software, and training?

Chairwoman McClain commented that the Subcommittee should not approve General Fund revenue for the Specialty Court Program, and she recommended that additional funding be approved from AA revenue. The increase in the balance forward of approximately \$5.2 million during the first year of the biennium would provide almost a 30 percent increase. Chairwoman McClain suggested that the Subcommittee add \$1 million in AA revenue in the second year of the biennium, which would increase the budget to approximately \$6.2 million. That would represent a 40 percent increase over the biennium for the Specialty Court Program.

Chairwoman McClain called for a motion that would:

- Utilize the balance forward for the Specialty Court program for the first year of the biennium;
- Add \$1 million in AA revenue to the budget in the second year of the biennium;
- Change the percentage of AA revenue in the Supreme Court budget to provide the additional revenue in the Specialty Court Program;
- Add General Fund dollars to the Supreme Court budget to address the reduction in AA revenue and authorize staff to make that percentage change; and,
- Approve the Specialty Court Program coordinator position and related costs.

ASSEMBLYMAN PARKS MOVED THAT THE SUBCOMMITTEE APPROVE THE MOTION AS OUTLINED BY CHAIRWOMAN McCLAIN.

SENATOR BEERS SECONDED THE MOTION.

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB) explained that the motion as outlined by the Chairwoman would include using the balance forward and additional AA revenue in the first year of the biennium, which would provide approximately \$5.3 million in expenditure authority in the first year of the biennium. In the second year of the biennium an additional \$1 million would be provided in AA fees, which would increase the expenditure to approximately \$6.3 million. In addition, in lieu of General Fund revenue, the motion would change the distribution of AA revenue, with a larger portion being distributed to the Specialty Court Program to provide the additional funding. The loss of AA revenue in the Supreme Court budget would be addressed with General Fund dollars. The motion also included approval of the position and related costs as requested by the Judicial Branch.

Senator Coffin noted that the motion would allow the Judicial Branch to distribute funds to the various specialty courts. Chairwoman McClain explained that the Subcommittee could direct staff to work with the Judicial Branch to categorize budget expenditures by type of Specialty Court.

Senator Beers suggested that the Subcommittee include the request for categorized budget expenditures in its motion and that the Judicial Branch categorize the expenditures by district and type of specialty court.

Chairwoman McClain stated that the original motion would be amended to include:

- Direct staff to work with the Judicial Branch to categorize approved budgeted expenditures by district and type of Specialty Court.

Senator Coffin asked whether the Judicial Branch should report expenditures to IFC to ensure that there was sufficient funding to adequately address all the specialty courts, particularly the mental health court.

Chairwoman McClain asked whether Senator Coffin would prefer that the Judicial Branch report to IFC regarding the distribution of funds. Senator Coffin stated that was correct. He also noted that there was a possibility that one specialty court might be shorted on funding because of the need of other courts. Senator Coffin pointed out that the caseload of the mental health specialty courts should be increased to address the need for treatment.

Chairwoman McClain believed that the Judicial Branch had the expertise to distribute the funding equitably and to determine where the needs existed.

Chairwoman McClain assumed that the balance forward would also carry over to the second year of the biennium, which was the reason that only \$1 million in additional AA revenue was added to the Specialty Court Program budget in the second year of the biennium.

Senator Coffin asked, should additional AA revenue be realized, whether the Judicial Branch could approach IFC to request authorization to expend additional AA revenue in the Specialty Court Program.

Mr. Stevens explained that the Judicial Branch did not need to approach IFC for approval to expend additional AA revenue. If the motion currently before the Subcommittee was approved, the entire Specialty Court Program budget account would be funded through AA revenue, and because it was a non-General Fund account, the additional AA revenue could be placed in the Specialty Court Program budget and expended without IFC approval.

Senator Coffin said the motion authorized less funding than requested by the Judicial Branch, and he asked whether it was possible that the program would realize additional funding based on AA revenue. Mr. Stevens replied that was correct, providing that additional AA revenues were realized. The Judicial Branch would have authority to expend the additional AA revenue without IFC involvement.

Chairwoman McClain called for a vote on the motion before the Subcommittee.

THE MOTION PASSED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
LAW LIBRARY (101-2889)
BUDGET PAGE—COURTS-30

Ms. Martini explained that there were no major issues in BA 2889, and LCB staff recommended closing the budget as recommended in The Executive Budget. Ms. Martini indicated that staff requested the authority to make technical adjustments based upon decisions concerning unclassified salary increases in decision unit E813.

ASSEMBLYMAN HOGAN MOVED THAT THE SUBCOMMITTEE
CLOSE THE BUDGET AS RECOMMENDED BY THE GOVERNOR
INCLUDING TECHNICAL ADJUSTMENTS.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
JUDICIAL TRAVEL AND SUPPORT (101-1493)
BUDGET PAGE—COURTS-35

Ms. Martini stated that BA 1493 was funded entirely with preemptory challenge fees pursuant to Supreme Court Rule 48.1. There were no major issues in the account. Ms. Martini stated that funding of \$20,000 was requested in each year of the biennium for outreach and public education initiatives. The outreach services requested by the Supreme Court were related to oral arguments and en banc meetings in rural areas, rather than the education of citizens concerning the judiciary.

Ms. Martini asked whether the Subcommittee wished to approve funding of \$20,000 in each fiscal year of the biennium for public outreach and public education initiatives.

ASSEMBLYMAN GRADY MOVED THAT THE SUBCOMMITTEE
APPROVE \$20,000 IN EACH YEAR OF THE BIENNIUM FOR PUBLIC
OUTREACH AND PUBLIC EDUCATION INITIATIVES.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION PASSED. (Senator Coffin was not present for the
vote).

BUDGET CLOSED.

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JUDICIAL BRANCH
JUDICIAL SELECTION (101-1498)
BUDGET PAGE-COURTS-39

Ms. Martini stated that BA 1498 had not been previously presented to the Subcommittee. The major closing issue was a request for funding for a third judicial vacancy. Ms. Martini explained that the Judicial Branch was requesting an increase in General Fund of \$6,112 in each fiscal year to support the cost of the third vacancy. Although funding for two vacancies had historically been budgeted in the account, the Judicial Branch had to request a Contingency Fund allocation from IFC each year since FY 2003-04 because three vacancies had occurred. In FY 2006-07, the Judicial Branch requested a supplemental appropriation for a fourth vacancy through A.B. 556, which was amended and passed by the Assembly Committee on Ways and Means on April 26, 2007.

Ms. Martini asked whether the Subcommittee wished to approve funding of \$6,112 in each year of the biennium to support the cost of a third judicial selection process.

SENATOR COFFIN MOVED THAT THE SUBCOMMITTEE APPROVE \$6,112 IN EACH YEAR OF THE 2007-09 BIENNIUM TO SUPPORT THE COST OF A THIRD JUDICIAL SELECTION PROCESS.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION PASSED. (Senator Rhoads and Assemblymen Parks and Hardy were not present for the vote.)

BUDGET CLOSED.

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JUDICIAL BRANCH
ADMINISTRATIVE OFFICE OF THE COURTS (101-1483)
BUDGET PAGE—COURTS-42

Ms. Martini explained that there were no major closing issues in BA 1483, which was entirely funded through Administrative Assessment (AA) revenue. There were other closing issues, with the first being the Article 6 Commission. Ms. Martini explained that The Executive Budget included funding of \$87,116 in FY 2008 and \$81,292 in FY 2009 to fund the travel and associated costs of the Article 6 Commission. The Commission was formed by the Supreme Court in November 2006 and consisted of 27 members. The purpose of the Commission was to study the aspects of the Nevada Judiciary and report back to the Legislature and the Supreme Court.

Ms. Martini said the decision for the Subcommittee was whether it wished to approve funding for the Article 6 Commission as included in The Executive Budget.

Ms. Martini explained that The Executive Budget included funding of \$35,255 in FY 2008 and \$46,637 in FY 2009 to support a new full-time accounting clerk position and related costs. According to the Administrative Office of the Courts (AOC), the position would assist the Accounting Unit in processing increased numbers of transactions.

Ms. Martini indicated that the decision for the Subcommittee was whether it wished to approve the funding for a new full-time accounting clerk as included in The Executive Budget.

The next closing issue for consideration by the Subcommittee was funding for employee training. Ms. Martini stated that the request included funding of \$24,623 in each fiscal year of the biennium for training of employees, including technical training for the computer network specialist, and training for the manager of budgets and the Judicial Branch auditor.

In response to questions from the Subcommittee regarding training for the new accounting clerk, the Judicial Branch noted that internal training was provided, but external training would also be needed.

Ms. Martini stated that the decision for the Subcommittee was whether it wished to approve funding for employee training as included in The Executive Budget.

The last closing item was replacement equipment. Ms. Martini stated that The Executive Budget included \$38,328 in FY 2008 and \$30,700 in FY 2009 for the purchase of replacement computer equipment, which was replaced on a four-year cycle.

Chairwoman McClain called for a motion.

ASSEMBLYWOMAN KOIVISTO MOVED THAT THE
SUBCOMMITTEE CLOSE THE BUDGET AS RECOMMENDED BY
THE GOVERNOR INCLUDING TECHNICAL ADJUSTMENTS.

SENATOR COFFIN SECONDED THE MOTION.

Chairwoman McClain asked when the Legislature would receive a report from the Article 6 Commission.

Chief Justice A. William Maupin explained that when formed in November 2006, the Commission had been given an open-ended charge to study all aspects of the Nevada Judiciary. The Commission was reconfigured in March 2007 when the Supreme Court Justices withdrew as chairs of the Commission and allowed the Commission to select its own chairperson and subcommittees.

Chief Justice Maupin stated that the Commission would study the entire judicial system from top to bottom, including the mechanics of electing judges and fundraising. The main issue for the Commission was to study what would be asked of the judicial system over the next 20 years, such as what type of new dispute resolution modalities would be used in addition to traditional dispute resolution in civil cases.

Another issue that would be studied was the penology issue. Chief Justice Maupin indicated that the Commission would ask the National Center for State Courts to conduct studies, conduct actual polling of customers of the court system, and aid the Commission in making recommendations. The Commission would make a series of interim reports, and hopefully, the 2009 Legislature would have a new prism to look into the future of the court system.

Senator Coffin asked Ms. Martini to provide a list of the names of persons on the Article 6 Commission. Ms. Martini stated that she would provide the requested information.

The Chairwoman called for a vote on the motion.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH

DIVISION OF PLANNING & ANALYSIS (101-1484)

BUDGET PAGE—COURTS-48

Ms. Martini explained that BA 1484 was funded with General Fund dollars and federal funding. The General Fund support for the upcoming biennium was requested to increase a total of 70.2 percent.

Ms. Martini stated the first closing item was the Domestic Violence Program. According to Ms. Martini, Senate Bill (S.B.) No. 77 of the 73rd Session authorized the courts, until June 30, 2009, to allow a person to participate in counseling sessions for domestic violence on a biweekly basis rather than a weekly basis, if the person lived more than 70 miles from the nearest location where counseling services could be obtained.

The Subcommittee should note that the domestic violence study sunsets on June 30, 2009. Ms. Martini said the legislation did not provide additional funding for staff, travel, or equipment for the Judicial Branch to complete the study. However, review of minutes from the March 10, 2005, Senate Committee on Judiciary hearing indicated that the Deputy Director of the Administrative Office of the Courts (AOC) testified that if the full-time rural court coordinator position requested by the Judicial Branch was approved, that position could perform the duties required by the study. Ms. Martini noted that the rural court coordinator position was approved by the 2005 Legislature. Ms. Martini stated that for the 2007-09 biennium, the Judicial Branch was requesting General Fund revenue of \$178,644 in FY 2008 and \$204,106 in FY 2009 to fund the costs associated with the study on domestic violence and for the second phase of the Uniform System of Judicial Records (USJR).

According to Ms. Martini, the Judicial Branch indicated that the need for the position was partially because of the new reporting requirements for the domestic violence study through S.B. No. 77 of the 73rd Session. In addition, the Judicial Branch indicated that once the second phase of the USJR was implemented, collection and data entry efforts would increase. Ms. Martini stated that the Judicial Branch expected the second phase to be completed in three to four years, but the timeframe would be reduced if the new position was hired. Ms. Martini pointed out that the Judicial Branch had prioritized the need for the position as high.

In discussing the need for the position with the Judicial Branch, Ms. Martini noted that hiring could be delayed; however, that action would cause the timeframe for completing the second phase of the USJR to remain at three to four years. With regard to the effect on the domestic violence study if the position was not approved, the Judicial Branch reported that the study might not be completed.

Ms. Martini said the decision for the Subcommittee was whether it wished to approve the full-time senior court research analyst position requested in decision unit E255. Taking into account information provided by the Judicial Branch that implementation of the USJR would continue without the new position, and noting that the study sunsets on June 30, 2009, the Subcommittee would need to determine whether the position was justified for the upcoming biennium. Ms. Martini said if the Subcommittee approved the new position, it might wish to delay the starting date by one year to October 2008.

Senator Beers asked about the total number of positions associated with the domestic violence study. Ms. Martini said there were no positions specifically tied to the 2005 legislation. However, the Judicial Branch indicated to the 2005 Legislature that the requested rural court coordinator position could complete the reporting requirements, and that position was approved by the 2005 Legislature.

Senator Beers remarked that the request for the upcoming biennium was for two full-time positions—one senior court research analyst and one clerical position—along with related costs such as travel, supplies, printing, contracts, and consultants. Ms. Martini explained that the contracts and consulting services were designated by the Judicial Branch as low priority and those costs were eliminated with the Subcommittee's previous motion to eliminate all low priority requests.

Ms. Martini stated that the new full-time clerical position requested in decision unit E255 would support six current research analysts in the Division. There was currently one full-time administrative assistant, but the workload for that position was already at the maximum. Therefore, only part of the duties of the new clerical position and the new senior court research analyst position would be tied to completion of the study.

Chairwoman McClain wondered whether the Judicial Branch needed the senior court research analyst to complete the study.

Senator Beers asked whether the Subcommittee could request a bill to immediately sunset the provisions of S.B. No. 77 of the 73rd Session. Ms. Martini believed that the Subcommittee could take such action.

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB) explained that the Subcommittee had the authority to request a bill draft request (BDR) that would implement any budgetary decisions recommended by the Subcommittee.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE REQUEST A BILL DRAFT REQUEST (BDR) TO SUNSET THE PROVISIONS OF S.B. NO. 77 OF THE 73rd SESSION IMMEDIATELY, NOT APPROVE THE COSTS OR POSITIONS ASSOCIATED WITH COMPLETION OF THE DOMESTIC VIOLENCE STUDY, AND RESUBMIT THE LEGISLATION WITH THE PROPER FISCAL NOTE FOR REVIEW BY THE LEGISLATURE.

Senator Beers stated such action would allow the provisions of the legislation to be considered by the appropriate legislative committees, and properly be considered as a budgetary item. The original legislation was not considered to have a budgetary impact by the 2005 Legislature.

Senator Coffin believed that S.B. No. 77 of the 73rd Session passed the Senate without controversy. Senator Coffin stated that BA 1484 was an important budget for the Judicial Branch, and the Subcommittee should consider the long-term applicability of the study. The Legislature was not bound by the 2005 legislation, but Senator Coffin believed that the 2007 Legislature should follow through with the actions of the 2005 Session. Senator Coffin opined that the budget should be reviewed by the full committees if changes were to be made in the original legislation.

Chairwoman McClain asked whether the Subcommittee wanted to approve the budget with a sunset on the position. Senator Coffin was not in favor of that action. Senator Coffin pointed out that the Legislature often admonished agencies that it was possible that a position might not be funded in the future. Senator Coffin stated that the Legislature could admonish the Judicial Branch that the position might not be funded in the future.

Chairwoman McClain indicated that there was always the option that the Subcommittee could approve the senior court research analyst position with a starting date of October 2008 to work on the USJR project. The current rural court coordinator position approved by the 2005 Legislature could complete the domestic violence study. Senator Coffin stated that he would support approval of the budget with a 2008 starting date for the position.

Senator Beers stated that he was not willing to change his motion, and he believed that the Subcommittee should request a BDR to immediately sunset the bill and not approve the costs associated with completion of the domestic violence study. Senator Beers opined that the bill was passed by the 2005 Legislature under false pretenses because it was not considered by the Assembly Committee on Ways and Means or the Senate Committee on Finance. The motion currently before the Subcommittee would allow the requirements of the legislation and associated costs to be reviewed from a budgetary standpoint.

Senator Coffin suggested that the budget be reviewed by the full committees.

Chairwoman McClain asked whether there was a second to the motion currently before the Subcommittee.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION PASSED WITH SENATOR COFFIN VOTING NO.

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Mr. Stevens said that, if he interpreted the motion correctly, LCB staff would request a bill draft request (BDR) from the Legal Division to sunset the provisions of S.B. No. 77 of the 73rd Session, and the full-time senior court research analyst position and the full-time clerical position, and related costs, were not approved.

Senator Beers believed that the proper way to handle the situation would be to sunset the provisions of S.B. No. 77 of the 73rd Session immediately, and provide that the BDR reinstate the provisions of the legislation with the appropriate fiscal note for review by the Legislature.

Mr. Stevens advised the Subcommittee that the BDR would sunset the provisions of S.B. No. 77 of the 73rd Session effective June 30, 2007, and reinstate the legislation effective July 1, 2008, with the appropriate fiscal note.

Ms. Martini stated that the second decision for the Subcommittee was the request for a new full-time Court Improvement Program (CIP) coordinator position, as contained in decision unit E326. The budget included \$111,862 in FY 2008 and \$112,690 in FY 2009 to support a new full-time CIP coordinator. Ms. Martini explained that the position would be three-fourths funded by

CIP federal grant funds and one-fourth by General Fund dollars. The Subcommittee should note that the Judicial Branch had received a letter from the federal government requesting that the coordinator be hired. Ms. Martini stated that the request was based upon a review of the program by the Federal Region IX representative.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE THE FULL-TIME CIP COORDINATOR POSITION AS REQUESTED IN DECISION UNIT E326.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Martini noted that other closing items included new equipment, decision unit E720, which requested funding for two additional Statistical Package for the Social Sciences (SPSS) modules in FY 2008 and maintenance for the modules in FY 2009. The cost of the modules was \$39,200 in FY 2008 and \$2,400 in FY 2009. However, Ms. Martini informed the Subcommittee that one of the SPSS modules was prioritized as low by the Judicial Branch, and the decision for the Subcommittee was whether it wished to fund one additional SPSS module in decision unit E720.

Under training, decision unit E252, Ms. Martini explained that the request was for General Fund of \$7,692 in FY 2008 and \$4,027 in FY 2009 for the senior court research analyst to participate in phase II, phase III, and phase IV of the National Center for State Court's Institute for Court Management. The decision for the Subcommittee was whether it wished to approve funding for staff training as included in The Executive Budget.

Ms. Martini stated that under decision unit E710, replacement equipment, the request was for General Fund of \$7,192 in FY 2008 and \$2,480 in FY 2009 for replacement hardware, software, and office furniture.

Ms. Martini indicated that the Judicial Branch had requested that transfer of the Court Interpreter Program, and associated costs of the program, from the Supreme Court Budget, BA 1494, to the Division of Planning and Analysis, BA 1484. Ms. Martini advised the Subcommittee that it approved the transfer of the program in its motion to approve the Supreme Court Budget, BA 1494, and therefore, no additional action was necessary.

Regarding transfer of training costs, Ms. Martini noted that the Subcommittee would make a decision regarding decision unit E901 in the budget account for Judicial Education, BA 1487.

Ms. Martini also noted that the unclassified position salary increases in E806 and E813 would be determined by the committee established to review unclassified salary adjustments.

Senator Beers asked whether the SPSS module was requested to accommodate the domestic violence study. Ms. Martini stated that she could not answer that question.

Robin Sweet, Deputy Director, Planning and Analysis/Court Services, Administrative Office of the Courts (AOC), explained that the intent for the modules was to assist with the study and provide the base module for the new position. However, because the Subcommittee did not approve the positions, the module was no longer necessary.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE CLOSE BUDGET ACCOUNT 1484, ELIMINATING THE FUNDING FOR DECISION UNIT E720, AND AS RECOMMENDED BY STAFF, INCLUDING THE AUTHORITY TO MAKE ADJUSTMENTS FOR SALARY INCREASES AS APPROVED BY THE 2007 LEGISLATURE.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
UNIFORM SYSTEM OF JUDICIAL RECORDS (101-1486)
BUDGET PAGE—COURTS-58

Ms. Martini indicated that there were several major closing issues in BA 1486. The first concern was the budgeted reserve levels and judicial grants. To have a budgeted reserve level of \$213,996 in FY 2009, the Judicial Branch reduced the requested level of judicial grants from \$150,000 in each fiscal year to \$50,000 in each fiscal year. Ms. Martini stated that the Subcommittee should note that with the increase in the projected Administrative Assessment (AA) revenue, the reserve was now budgeted at \$648,583 in FY 2008 and \$805,071 in FY 2009.

On November 22, 2006, the Judicial Branch issued an order to seek public comment in relation to the adoption of statewide technology standards. Ms. Martini reported that the order was finalized on March 14, 2007. Because the order had now been finalized, and there was a projected increase in the budgeted reserve levels, the Judicial Branch had requested that the authority for judicial grants be increased to \$75,000 in FY 2008 and \$125,000 in FY 2009.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE INCREASING THE LEVELS OF JUDICIAL GRANTS TO \$75,000 IN FY 2008 AND \$125,000 IN FY 2009, AS REQUESTED BY THE JUDICIAL BRANCH.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Martini said that decision unit E275 requested a new full-time computer network specialist position. The Executive Budget included \$84,224 in FY 2008 and \$106,672 in FY 2009 to support the new position. Ms. Martini pointed out that an additional new computer network specialist position had been approved by the Supreme Court on April 1, 2006.

Based upon questions from the Subcommittee, the Judicial Branch explained that the increase in staff was necessary because 18 additional courts were projected to participate in the Multi-County Integrated Justice Information System (MC-IJIS) during the 2007-09 biennium. Ms. Martini stated there were currently 21 courts in the system. The decision for the Subcommittee was whether it wished to approve the new network specialist position.

Ms. Martini indicated that The Executive Budget included \$621,117 to support several enhancements for the Nevada Court System and MC-IJIS. The question for the Subcommittee was whether it wished to approve funding as included in The Executive Budget for the program enhancements.

Remodeling of the Supreme Court file server room included funding of \$63,250 in FY 2008 to fund one-half of the costs associated with the remodel. Ms. Martini stated that the remaining one-half of the costs were included in the Supreme Court budget, BA 1494. The remodel would increase the size of the server room and correct the heating problems.

Ms. Martini stated that other closing items included decision unit E250, technical training. The Executive Budget included costs of \$15,734 in each fiscal year for technical training of staff on various information technology applications. Approval of the decision unit would increase training funds by over 100 percent from the FY 2005-06 levels. The Judicial Branch noted that technical training for one position could run \$3,000 to \$3,500 to enroll in classes, plus travel expenses.

The final closing item, Ms. Martini stated, was the administrative expenses for the Uniform System of Judicial Records (USJR) Committee, as requested in decision unit E282. The Executive Budget included funding of \$11,526 in FY 2008 and \$11,862 in FY 2009.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE THE COMPUTER NETWORK SPECIALIST POSITION, E275; THE PROGRAM ENHANCEMENTS FOR THE NCS AND MC-IJIS; ONE-HALF OF THE FUNDING FOR THE REMODEL OF THE SUPREME COURT'S FILE SERVER ROOM, E280; TECHNICAL TRAINING, E250; USJR COMMITTEE ADMINISTRATIVE EXPENSES, E282; AND TECHNICAL ADJUSTMENTS DEEMED NECESSARY BY LCB STAFF.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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JUDICIAL BRANCH
JUDICIAL EDUCATION (101-1487)
BUDGET PAGE—COURTS-66

Ms. Martini stated that the Judicial Branch was requesting to transfer the costs of training certain employees from BA 1487, which was funded with Administrative Assessment (AA) revenue, to either the budget account for the

Supreme Court, BA 1494, or the budget account for the Division of Planning and Analysis, BA 1484, to be funded with General Fund revenue. The cost of the transfer would total \$156,378 in General Fund revenue.

Ms. Martini said the Judicial Branch indicated that the transfer was justified because the costs of training would occur in the budget account where employees were paid. The question for the Subcommittee was whether it wished to approve the transfer of training costs from BA 1487 to be funded with General Fund revenue. Ms. Martini indicated that the Subcommittee should note that the revised AA revenue projections provided more than sufficient funding in BA 1487 to support the training.

Continuing her presentation, Ms. Martini stated that The Executive Budget included \$58,341 in FY 2008 to support a full-time administrative assistant, as requested in Enhancement Unit 253 (E253). Ms. Martini stated that the Judicial Branch indicated that the position was needed to support the expansion of judicial education offerings. The Subcommittee should note that the Supreme Court approved a full-time administrative assistant 3 position in FY 2006, and the position was filled in April 2006. Ms. Martini stated that approval of the position requested in decision unit E253 would provide two full-time administrative assistant positions to support three full-time staff in the Judicial Education Program.

Chairwoman McClain said she would accept a motion regarding the transfer of training costs (E900, E901, E902, and E903) and the requested administrative assistant position (E253).

ASSEMBLYMAN HOGAN MOVED THAT THE SUBCOMMITTEE NOT APPROVE THE TRANSFER OF TRAINING COSTS FROM BA 1487 TO ANOTHER BUDGET ACCOUNT TO BE FUNDED WITH GENERAL FUND AND THAT THE SUBCOMMITTEE NOT APPROVE THE REQUEST FOR A NEW FULL-TIME ADMINISTRATIVE ASSISTANT, E253.

SENATOR BEERS SECONDED THE MOTION.

Senator Coffin asked for clarification of the motion. Chairwoman McClain explained that the training costs would not be transferred to another budget and would continue to be paid with AA revenue, and the requested administrative assistant position would not be approved.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Martini stated that The Executive Budget included funding of \$229,392 to enhance training for certain judicial staff. During the previous budget hearing, it was noted that decision unit E254, requesting \$36,825 in each fiscal year for training three court executives, appeared high at \$12,275 per executive. In response, the Judicial Branch noted that the training was for a master's level course that took place over the course of a year. Ms. Martini indicated that the question for the Subcommittee was whether it wished to approve training enhancements as included in The Executive Budget.

The budget included new equipment request in decision unit E720. Ms. Martini stated that The Executive Budget included funding of \$40,000 in FY 2008 to purchase an audience response system for use in education courses. According to Ms. Martini, the Judicial Branch indicated that the expected benefit of the response system was that the system would identify the variances between judges in interpretation of statute and common law and would track those variances so that discussion could occur between judges. Ms. Martini stated that the question for the Subcommittee was whether it wished to approve funding for the audience response system as included in The Executive Budget.

Ms. Martini stated that other closing items included security for judges, decision unit E251. The Executive Budget included funding of \$5,000 in each fiscal year for Judges at Judicial Education conferences.

Ms. Martini indicated that The Executive Budget included \$1,080 in FY 2008 and \$4,506 in FY 2009 in decision unit E710 for replacement hardware, software, and office furniture.

Chairwoman McClain stated she would accept a motion regarding training enhancements, E250, E252, E254, and E255.

SENATOR COFFIN MOVED THAT THE SUBCOMMITTEE APPROVE
TRAINING ENHANCEMENTS AS DEPICTED IN DECISION UNITS
E250, E252, E254, AND E255.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

Senator Beers informed the Subcommittee that he would oppose the motion because he believed that the training costs per person were too high.

Chairwoman McClain concurred that the cost per person was quite high, and she asked Senator Coffin whether he would like to amend his motion. Senator Coffin asked Mr. Titus to explain the training costs. Chairwoman McClain asked Mr. Titus about the possibility of amending the motion to eliminate decision unit E254.

Ronald Titus, Court Administrator, Administrative Office of the Courts (AOC), pointed out that BA 1487 was funded entirely with AA revenue. Even though the Subcommittee had voted to eliminate the requested full-time administrative assistant position in decision unit E253, Mr. Titus explained that the position would not necessarily support three full-time staff, but rather would support numerous conferences held throughout the State to train judges. He emphasized that the position was not tied to the three full-time staff, but to the number of conferences required by legislatively mandated training and other training for judicial officers.

Regarding decision unit E254, Mr. Titus explained that the program would provide partial scholarships for court executives in State trial courts to receive professional training. The program had been very successful, and Mr. Titus explained that the Court brought in persons from the Institute for Court Management of the National Center for State Courts to provide the training. The program was very cost-effective because the cost for the executives to attend outside conferences was in the vicinity of \$750 to \$1,000 per person, and when the Court brought in persons for the training, the cost was \$300 to \$400 per person.

Mr. Titus further explained that the Court offered scholarships for three court executives on a rotating basis to attend the executive management program offered by the National Center for State Courts. Attendance at the program had been extremely effective in improving administration of justice in Nevada.

Senator Coffin asked whether travel costs were included in the funding requested in decision unit E254.

In response to Senator Coffin's question, Deanna Bjork, Manager of Budgets, AOC, said the costs included travel costs of the individual from their court to the conference and also included a substantial amount for tuition.

Senator Coffin said his point was that the cost for travel was quite high, along with training costs. Mr. Titus explained that the costs in the training enhancement decision units included travel and contract costs for bringing in instructors. Decision unit E254 included partial scholarships, and trial courts also contributed to the cost for their employees to attend the training because the courts benefited greatly from the program. Mr. Titus believed that the State and the Judicial Branch also benefited greatly from the program. Mr. Titus reiterated that the budget was funded entirely with AA revenue.

Senator Beers asked why the training was being requested in an enhancement unit. Ms. Bjork explained that the Court wanted to add an additional three partial scholarships in each year of the biennium.

Senator Beers asked how many scholarships had been provided in the past. Ms. Bjork stated that she did not have that information with her at the hearing.

Mr. Titus stated that the enhancement units had been included in The Executive Budget to report the training costs because the budget was entirely funded with AA revenue. The Court had awarded two scholarships for the current year and would provide two or three scholarships during the upcoming year.

The Chairwoman called for a vote on the motion.

Senator Beers stated that as the urgency of expanding specialty courts was contemplated, he did not believe it was wise to approve additional training with the funding from BA 1486 simply because it was funded entirely with AA revenue. Senator Beers stated that he remained opposed to the motion.

THE MOTION PASSED WITH CHAIRWOMAN McCLAIN AND
SENATOR BEERS VOTING NO.

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Ms. Martini indicated that decision unit E720 included the funding of \$40,000 in FY 2008 for the audience response system.

Chairwoman McClain asked for an explanation of an audience response system.

Mr. Titus explained that an audience response system included handheld devices for audience participation in voting on various issues. Discussion would be held and questions posed, and the audience would immediately respond, which aided in the discussion. The purchase of the system was being proposed to assist at judges' conferences to ferret out and vet various issues of law in an

attempt to bring the individuals involved to a common understanding of the issues. Mr. Titus said the audience response system would be used as an aid during conferences.

Senator Beers said that a more appropriate tool would be a pre- and post-test to measure the effectiveness of the instruction of the material at the courses, and he asked whether testing was conducted during the courses.

Mr. Titus said it was his understanding that surveys were sent out to participants of conferences and training sessions. The audience response system would allow live-time interaction at conferences or training sessions.

Chief Justice A. William Maupin informed the Subcommittee that the Court would withdraw decision unit E720.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE NOT
APPROVE DECISION UNIT E720.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Martini stated that the two remaining closing items were decision unit E251, security for judges, which included funding of \$5,000 in each fiscal year of the biennium, and decision unit E710, replacement equipment, which included \$1,080 in FY 2008 and \$4,506 in FY 2009 for replacement of hardware, software, and office furniture.

SENATOR BEERS MOVED THAT THE SUBCOMMITTEE APPROVE
DECISION UNITS E251, SECURITY FOR JUDGES, AND E710,
REPLACEMENT EQUIPMENT, INCLUDING TECHNICAL
ADJUSTMENTS.

SENATOR COFFIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Senator Beers questioned the reserve level in BA 1483, Administrative Office of the Courts (AOC). He asked staff for an estimate of the balance forward of Administrative Assessment (AA) revenue in the account. Senator Beers said there had been discussion of a bill to change the percentages of the proceeds of AA revenue.

Ms. Martini indicated that the increase in AA revenue, including the \$1.6 million that was distributed across the accounts, was \$474,226 in FY 2008 and an additional \$740,822 in FY 2009.

Senator Beers asked what percentage of AA revenue was utilized by the AOC. Ms. Martini explained that the AOC currently received 18.5 percent of AA revenues.

Senator Beers stated that the Subcommittee might consider an adjustment of the percentage of AA revenue received by the AOC and redirect that funding to the Specialty Court Program, which was an exceptionally high priority for the Judicial Branch.

Chairwoman McClain asked whether the Subcommittee could take that action. Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB) said the Subcommittee could take that action, but the percentages would need to be determined for the various programs. Mr. Stevens did not know how the Judicial Branch felt about changing the percentage of AA revenue received by the AOC. Ms. Stevens indicated that staff had discussed changing the AA revenue percentages with the Supreme Court, but that discussion did not include changing the percentage allocated to the AOC. Mr. Stevens stated that the Subcommittee could change the percentages of AA revenue distribution.

According to Mr. Stevens, a bill draft request (BDR) had been requested by the Subcommittee to change the Supreme Court percentage of AA revenue, and if the Subcommittee desired to change a combination of percentages for the Supreme Court and the AOC, LCB staff would require direction from the Subcommittee regarding how to proceed with the BDR.

Chief Justice A. William Maupin informed the Subcommittee that the Judicial Branch was against changing the percentage of AA revenue received by the AOC.

Senator Beers remarked that when the bill to change the percentage of AA revenue received by the Supreme Court was heard by the Legislature, the possibility of changing the allocation of AA revenue to the AOC could also be discussed at that time.

Senator Beers asked whether the reserve would be \$1.2 million. Mr. Stevens replied that the reserve in the AOC budget was approximately \$30,000, but the AA assessments would increase to approximately \$1.2 million, based on the reprojection of revenues. Mr. Stevens stated that he would attempt to determine the change in percentages for the Supreme Court and the specialty courts. The Subcommittee could then review the percentages when the bill was heard by the Legislature.

Chairwoman McClain believed it would be prudent to take that action.

Chief Justice Maupin emphasized that AA revenue was a traditionally unstable funding source. The Judicial Branch presented what it believed was a conservative and justifiable projected increase of 4 percent, but based on other projections, the projection increased to 8 percent. Chief Justice Maupin indicated that the Judicial Branch did not advocate a change from its original projections for AA revenue distribution. Because AA revenue was an unstable funding source, and because the projections had been ratcheted up, the Judicial Branch had serious concerns about the effect a change in percentages might have on the operations of the AOC.

Chairwoman McClain thanked Chief Justice Maupin for his comments.

Chairwoman McClain asked whether there was further business to come before the Subcommittee, and there being none, the Chairwoman adjourned the hearing at 10:22 a.m.

RESPECTFULLY SUBMITTED:

Carol Thomsen
Committee Secretary

APPROVED BY:



Assemblywoman Kathy McClain, Chair

DATE: _____

Senator Bob Beers, Chair

DATE: _____

Assembly Committee on Ways and Means
Senate Committee on Finance
Joint Subcommittee on General Government
May 2, 2007
Page 37

EXHIBITS

Committee Name: Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on General Government

Date: May 2, 2007

Time of Meeting: 8:00 a.m.

Bill	Exhibit	Witness / Agency	Description
* * *	A		Agenda
* * *	B		Attendance Roster