

MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND THE  
SENATE COMMITTEE ON FINANCE  
JOINT SUBCOMMITTEE ON PUBLIC SAFETY/NATURAL  
RESOURCES/TRANSPORTATION

Seventy-Fifth Session  
March 17, 2009

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on Public Safety/Natural Resources/Transportation was called to order by Chair Kathy McClain at 8:05 a.m. on Tuesday, March 17, 2009, 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/75th2009/committees/](http://www.leg.state.nv.us/75th2009/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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**ASSEMBLY COMMITTEE MEMBERS PRESENT:**

Assemblywoman Kathy McClain, Chair  
Assemblyman Joseph M. Hogan, Vice Chair  
Assemblyman Marcus Conklin  
Assemblyman Pete Goicoechea  
Assemblywoman Ellen Koivisto  
Assemblywoman Sheila Leslie

**SENATE COMMITTEE MEMBERS PRESENT:**

Senator Joyce Woodhouse, Chair  
Senator Bob Coffin  
Senator Dean A. Rhoads

**STAFF MEMBERS PRESENT**

Brian Burke, Principal Deputy Fiscal Analyst  
Tracy Raxter, Principal Deputy Fiscal Analyst  
Mike Chapman, Senior Program Analyst  
Scott Edwards, Program Analyst  
Anne Bowen, Committee Secretary  
Linda Blevins, Committee Assistant

**INFRASTRUCTURE**

**CRC-COLORADO RIVER COMMISSION-BUDGET ACCOUNT 296-4490**  
**EXECUTIVE BUDGET PAGE-COLORADO RIVER COMMISSION-1**

George Caan, Executive Director, Colorado River Commission of Nevada (CRC), presented budget account (BA) 4490, and submitted [Exhibit C](#), Governance, Programs, and Activities.

Mr. Caan said the mission of the Colorado River Commission (CRC) was to acquire, manage, and protect Nevada's water and hydropower resources from the Colorado River for southern Nevada. The CRC would seek new resources in a manner that would provide for future generations and continue quality growth while remaining a prudent steward of natural resources. Mr. Caan stated the mission was consistent with and mimicked statutory authority.

The Colorado River Basin consisted of seven states that shared the river. The river was also shared with the country of Mexico. It flowed from the Rocky Mountains in Colorado and ended at the border of California, Arizona and Mexico, and was supported by tributaries that contributed to the water supply during its 1,400 mile course.

According to Mr. Caan, the projects that concerned the Colorado River Commission were the dams on the Colorado River: Hoover Dam; Parker Dam; Davis Dam; and Glen Canyon Dam in Page, Arizona.

Mr. Caan stated the CRC was a state agency with a seven-member board. Four of the members were appointed by the Governor, including the Chair of the Commission. Three members of the board were appointed from the Board of Directors of the Southern Nevada Water Authority. The members appointed by the Governor served three-year terms, and the Water Authority members were appointed each year.

The CRC represented the State of Nevada on interstate negotiations involving the Colorado River, on water issues, hydroelectric power issues, and environmental issues. Mr. Caan said the CRC had an extremely strong partnership with the Southern Nevada Water Authority, both in relationship to the board, which was a joint board, but also with both staffs that worked side-by-side on issues representing the State of Nevada. The partnership worked very well, because even though the State of Nevada received a small share of the Colorado River, it had a large strength because its positions on the river were united by the joint responsibilities of the state and the Southern Nevada Water Authority.

Mr. Caan noted that the CRC received no state General Funds. All of the funds provided to the CRC came from either the Water Authority to pay for natural resource issues or from hydroelectric customers as a surcharge on their energy bills.

Mr. Caan reviewed the budget process. Because the CRC did not receive General Funds, there was a strong relationship with the CRC customers who provided funding. Once the budget was developed, the CRC held meetings with power customers and the Water Authority. Once those meetings were completed and the budget was adjusted, it was presented to the Commission. Mr. Caan said the Commission formally adopted the budget at a meeting held during the summer, and it was sent to the Governor's Office for review. After discussions with and review by the Governor's Office, the CRC budget was then included in The Executive Budget.

The CRC provided customers with hydroelectric power from federal projects. The Nevada Power Company and Nevada Energy were the largest recipients of power from Hoover Dam, receiving over 50 percent of Nevada's allocation. The rest was split between wholesale customers, which were utilities, and retail customers, such as the Basic Management Industries (BMI) complex in Henderson and the Southern Nevada Water Authority, which used part of the

hydroelectric power to pump and treat the water that was supplied to Las Vegas.

Nevada had a 300,000 acre-foot allocation, the smallest one on the river, but according to Mr. Caan, the allocation was used very efficiently for municipal and industrial purposes. The CRC was able, through effective conservation efforts, to live within the 300,000 acre-foot allocation. Mr. Caan said it should be noted that 85 percent of the Colorado River went to agriculture. Most of the water in the Colorado River flowed to agriculture in the lower basin of the Imperial Valley, as well as the Coachella and Palo Verde Valleys in California and Arizona.

The CRC spent a great deal of time negotiating with the six other states and with the federal government, according to Mr. Caan. The CRC also consulted with the Department of Energy on energy issues, with the Department of the Interior and Bureau of Reclamation on water issues, and the Department of Fish and Wildlife on environmental issues.

Mr. Caan said the CRC worked with the country of Mexico, which also had a share of the Colorado River, in negotiations to research bilateral efforts to provide beneficial projects for both countries.

Mr. Caan said the CRC had decided more could be learned about their system by studying legal regimes in other water systems, such as common factors, as well as dissimilarities. The CRC had produced two books, one was *Laws of the Rivers*, regarding rivers within the United States, and the second was *World's Major Rivers*, regarding international river systems.

The CRC had hosted two conferences, one on Colorado River conflict concerns and challenges and another workshop on the models that were used to forecast climate change.

Mr. Caan said the CRC had a number of staff devoted to power. The historical function of the CRC was to provide hydropower to utility and retail customers. The CRC had performed that function ever since the construction of Hoover Dam. The CRC also purchased supplemental electricity for retail customers. For the Basic Management Complex, the hydropower was not sufficient to supply all needs, so the CRC went to the market and purchased power on a month-to-month basis. The CRC also purchased electricity for the Southern Nevada Water Authority.

The CRC provided power to both the Southern Nevada Water Authority and one of the local purveyor members, the Las Vegas Valley Water District. That authority was given to the CRC in 2001, according to Mr. Caan. That authority allowed the CRC to provide service to the water agencies of the Southern Nevada Water Authority for their water treatment and transmission facilities.

The CRC also operated a high-voltage electrical system that delivered the purchased electricity to the Southern Nevada Water Authority. The CRC had a staff of communications technicians, electrical technicians, electricians, and engineers, who operated 23 miles of high-voltage transmission system, 11 or 12 substations, underground duct banks, and a full-fledged, high-voltage electricity development system. That was something that the CRC had done since 1997, when it was a brand new function. Mr. Caan said today it was a routine operation of the Commission.

Mr. Caan explained there were endangered species in the Colorado River system. On the lower Colorado River system there were four fish and two birds that had been listed as endangered. The CRC had developed a program to provide protection for those species as well as 26 other species that might be listed in the future. The CRC had partnered with the other states and the federal government to provide the Lower Colorado River Multi-Species Conservation Program (LCRMSCP). The LCRMSCP was a \$600 million program, established to last 50 years, and funded fifty-fifty by the states and the federal government. The program provided the environmental compliance necessary to ensure continued water supplies.

Mr. Caan said the CRC was also part of a program in the Glen Canyon area, the Glen Canyon Dam Adaptive Management Program, which was designed to assess the impact of the dam on resources, specifically the humpback chub, an endangered fish on the Colorado River, through the Grand Canyon.

Senator Rhoads asked how much water Mexico received. Mr. Caan responded that Mexico received, as a result of the 1944 treaty between the United States and Mexico, 1.5 million acre-feet per year, with an additional 200,000 acre-feet in the event of a surplus on the river. The treaty deliveries to Mexico had been met since 1944. Another aspect of the treaty pertained to the quality of the water, according to Mr. Caan. By the time the water arrived in Mexico, it was fairly saline. There was a responsibility under the treaty to provide a quality of water that met the standards.

Chair McClain asked how much of the water Mexico received ended up in the Pacific Ocean. Mr. Caan replied that most of the water delivered to Mexico was diverted west to support agriculture along the border and did not make it to the Gulf of California.

Chair McClain noted three positions that were approved in the 2007 Legislative Session for the CRC were still vacant and she wondered why.

Douglas N. Beatty, Chief, Finance and Administration, Colorado River Commission (CRC), said the accounting position reclassification and the other two positions had been approved in anticipation of more water purveyors requesting to be supplied with power. Mr. Beatty said that meant more staff would have been required in the accounting function to perform billing and to staff the facilities. None of the anticipated new customers had materialized; the approved positions were not needed and had not been filled.

Chair McClain asked whether there was a need to continue retaining the unfilled positions, and Mr. Beatty replied probably not for the 2009-11 biennium.

Chair McClain asked about the vacant administrative aid, special assistant, and manager of regulatory affairs positions. Mr. Beatty explained the CRC had ten positions that had been vacant for a year or longer. Most of the vacant positions had been vacant because of the lack of movement from the other water purveyors.

Chair McClain asked whether the Governor's hiring freeze was the reason some of the positions were left vacant. Mr. Beatty replied, that while the CRC was subject to the Governor's hiring freeze, it did not fill vacancies unless the funding entities were in agreement with the decision that the need was there.

Chair McClain referred to decision unit Enhancement (E) 351 and asked whether \$25,000 would be enough to support the Water Planning and Development Conference the CRC hosted each year and, in addition, publish booklets and articles. Mr. Beatty replied that the CRC would not be publishing anything new during the biennium, and the annual conferences would be conducted on a smaller scale to save funds.

Decision unit E352 recommended increases in out-of-state and in-state travel. Chair McClain asked whether those increases were necessary. Mr. Caan stated the CRC attempted to anticipate increases in travel based on current travel, as well as issues the agency could be facing in the next biennium. Clearly, there were issues related to transmission and renewable energy. Mr. Caan said there were bills in Congress dealing with those issues and there were new environmental issues arising. The federal stimulus bill contained approximately \$1 billion for the Bureau of Reclamation. Mr. Caan had no idea how many discussions and meetings would be held with various entities relating to the Colorado River. In addition, there was a new administration with a new Secretary of the Interior. The travel budget was important so that representatives from Nevada could participate in the many meetings and conferences being held and receive training. Mr. Caan stated the CRC would work within the travel budget approved by the Legislature and would also attempt to reduce costs in line with the economic climate.

Chair McClain closed the hearing on BA 4490 and opened the hearing on BA 4497.

#### **INFRASTRUCTURE**

#### **CRC-RESEARCH AND DEVELOPMENT-BUDGET ACCOUNT 296-4497** **EXECUTIVE BUDGET PAGE COLORADO RIVER COMMISSION-8**

Douglas N. Beatty, Chief, Finance and Administration, Colorado River Commission of Nevada (CRC), presented budget account (BA) 4497 and stated the Lower Colorado River Multi-Species Conservation Program (LCRMSCP) costs were passed through the budget account pursuant to long-term contracts.

Chair McClain requested information regarding the quagga mussels.

George Caan, Executive Director, Colorado River Commission of Nevada, said it was unfortunate the quagga mussels were not an endangered species because their invasiveness continued to spread. Mr. Caan informed the Subcommittee that he had seen pictures of the dams along the Colorado River that showed the gates of those dams covered with quagga mussels. He said it was a serious problem that was not likely to go away.

Mr. Caan further stated the program had been in place since 2005 in partnership with the federal government and was doing a great job with endangered species. The most important part for Nevada was that the permit received for signing onto the program was intact and would continue to be available.

**INFRASTRUCTURE**

**CRC-POWER DELIVERY SYSTEM 502-4501**

**EXECUTIVE BUDGET PAGE COLORADO RIVER COMMISSION-10**

Assemblyman Goicoechea asked how the Colorado River Commission's budget would be affected should the levels in Lake Mead continue to decline, reducing the ability to generate power at Hoover Dam.

George Caan, Executive Director, Colorado River Commission of Nevada (CRC), replied there was diminished capacity of 15 percent because of the current levels in Lake Mead. The lake level at full capacity was approximately 1,200 feet. Mr. Caan said the lower lake level meant the CRC still received the same amount of water through Hoover Dam, but every drop of water was less efficient. The Hoover Dam Power Plant was a "run of the river system," and the CRC received only what was produced. There was no requirement to purchase power up to the full level. Mr. Caan said every kilowatt hour that was not received from Hoover Dam had to be replaced by a purchase from the market. For the retail customers of the CRC, a purchase from the market was necessary because their needs were greater than Hoover Dam production. The rural utilities receiving the hydro energy from Hoover Dam Power had to purchase additional power on their own to make up the difference.

For the retail customers of the CRC, Mr. Caan said their portfolio of power would cost more because of the purchase of supplemental power, which was two to three times the cost of Hoover Dam power. For wholesale power customers, it would affect their budgets but not the CRC's budget. Mr. Caan said in 2000 and 2001, during the energy crisis, supplemental power was very expensive and affected the CRC's budget, but he did not believe that was currently the case.

Assemblyman Goicoechea remarked that he was concerned because diminished hydro power from both Glen Canyon Dam and Hoover Dam could cause a spike in the market. Assemblyman Goicoechea asked whether the CRC would always have the ability to purchase power from the market, furnish that power to water purveyors, and maintain the cushion of profit.

Mr. Caan explained that new members that joined the CRC's electric system did not receive hydro power because it was already fully allocated. Any new members that were authorized would not be eligible for hydro power until contracts were renewed or reviewed, and it was unlikely the power would be available any time in the immediate future. Those new members would always rely on the market, according to Mr. Caan. The CRC purchased power long-term and very little power was purchased on the real-time market. Mr. Caan emphasized there was sufficient power for purchase in the market. The CRC did not make a profit on any sold power; the revenue received covered the cost of that power and administrative costs to purchase it.

Assemblyman Hogan said one of the significant items in the budget was the use of sales revenue to fund the energy services data warehouse, and he asked Mr. Caan to describe the function and timeline of that project.

Mr. Caan replied that he was not certain what source of revenue was supporting the data warehouse. The CRC had an agreement with the Southern Nevada Water Authority (SNWA) that had been in place since the CRC began building transmission facilities and procuring electricity for the SNWA. Part of the project to supply the electricity involved the setup of a system to manage

risk, manage procurement, and account for the electricity. Mr. Caan said the way the system was set up was referred to as a front, middle, and back office system. He explained there was a front office that purchased electricity, a middle office that managed the risk and assessed the credit risk of the vendors, and a back office that performed the accounting.

The energy procurement industry was very complex, according to Mr. Caan. Electricity was managed on a 24-hour real-time basis. When a generator was running, there had to be a consumer on the other end because there was no place to store the electricity. There was a lot of data. Every delivery point, every generator, and every load had a name. Every place between, as that electron made its journey from generator to load, had what was called a tag and a name. At the end of the month when the different data points were read, they had to be reconciled. Mr. Caan said a lot of them went where they were supposed to go, but when electrons arrived at the delivery point, they often chose the path of least resistance and ended up where they were not supposed to go.

The CRC still had to pay for the electrons that went to the wrong place, so there was a huge reconciliation process that had to be performed with the energy accountants and the generator. Mr. Caan said that was the premise for the energy services data warehouse. In order for the front, middle, and back offices to understand and reconcile the transactions, they needed access to the data. Currently, each office collected and managed data independently. The data warehouse was being designed to populate a common database for each office to use more efficiently.

Mr. Caan said the proposed budget used the assumption that the CRC would have to develop the data warehouse with its own servers. The CRC was working with the SNWA to determine whether its system could be compatible with what the CRC was developing.

Assemblyman Hogan said Mr. Caan had introduced a concept he had not expected and that there might be a possibility that one of the points where these calculations were made could be used to handle the function of a data warehouse, rather than building a new one, and Mr. Caan agreed that was possible.

**INFRASTRUCTURE**  
**CRC-POWER MARKETING FUND BUDGET ACCOUNT 505-4502**  
**EXECUTIVE BUDGET PAGE COLORADO RIVER COMMISSION-14**

Assemblyman Goicoechea asked whether the CRC had a requirement to supply supplemental power to preference power customers such as Boulder City, Lincoln County Power District, Overton Power District, and Valley Electric Company.

Mr. Caan explained the CRC had the authority to supply supplemental power to the wholesale utilities mentioned, but currently those entities worked independently to provide resources.

Chair McClain closed the hearing on budget account 4502 and opened the hearing on budget account 3743.

**DEPARTMENT OF PUBLIC SAFETY**  
**DIVISION OF INVESTIGATIONS-BUDGET ACCOUNT 101-3743**  
**EXECUTIVE BUDGET PAGE PUBLIC SAFETY-108**

Scott D. Jackson, Chief, Investigation Division, Department of Public Safety, began the presentation for budget account (BA) 3743 and introduced Jerry Seevers, Deputy Chief, and Tina Tomasco, Administrative Services Officer (ASO).

Mr. Jackson referred the Subcommittee to page 6 of [Exhibit D](#), a handout entitled Investigation Division Narcotics Control, and stated the Investigation Division currently had 81 authorized personnel, 59 of whom were sworn.

Page 7 of [Exhibit D](#) illustrated the organizational chart for the Investigation Division. Mr. Jackson said the The Executive Budget proposed the elimination of nine positions, six positions from BA 3743 and three positions from BA 3744 (Narcotics Control).

Mr. Jackson referred to page 8 of [Exhibit D](#) and stated the Division was proposing to pursue federal stimulus money in the form of a Community Oriented Policing Service (COPS) grant. The COPS grant would allow the Division to fill the nine positions proposed for elimination. The COPS grant was good for up to three years, and then a commitment had to be made by the agency to staff those positions in the fourth year.

Assemblyman Goicoechea asked whether the state would be responsible for salaries for the nine positions in the fourth year if the state accepted the federal stimulus package. Mr. Jackson said that was correct.

Page 9 of [Exhibit D](#) recommended the merger of BA 3743 and BA 3744. Mr. Jackson emphasized the narcotics enforcement mission would not be affected by merging the two budget accounts. The merger was for the operational, administrative, and fiscal efficiency of the Division.

Mr. Jackson said there were redundant position control numbers (PCNs) in both budget authorities which caused some confusion. There were personnel in both budget accounts, particularly in BA 3743, who routinely traveled for the narcotics mission and were paid out of BA 3744. Subtracting those operational expenses was difficult and inefficient, according to Mr. Jackson. There were BA 3743 lieutenants overseeing operational aspects of the Division when the employees under them were funded in BA 3744. Mr. Jackson explained that the time that a lieutenant spent in BA 3744 should be charged back to BA 3744 as well, but it was not.

Chair McClain inquired as to how much funding from the narcotics task force, BA 3744, was used in BA 3743, general investigations.

Mr. Jackson said he would attempt to clarify the situation. In BA 3743 there were currently 17 employees that had involvement in narcotics enforcement, primarily sworn officers. He acknowledged not all narcotics enforcement came out of BA 3744, but there was a definite crossover.

The other challenge, according to Mr. Jackson, was that rural taskforces were primarily in BA 3744. However, if a significant event occurred, such as a murder requiring immediate response, employees assigned to the major crimes unit, under BA 3743, would be sent as well.

Mr. Jackson referred to the High Intensity Drug Trafficking Area (HIDTA) reimbursements for travel and field costs which were budgeted in BA 3744, but he noted employees under BA 3743 were also used for HIDTA assignments. Mr. Jackson said the funds had to be moved to BA 3743 from BA 3744.

Another key issue, according to Mr. Jackson, was the proposed COPS grant. The Division was requesting nine full-time equivalents (FTEs) through the COPS grant; six would be under BA 3743 and three would be under BA 3744. Mr. Jackson said the Division would need two grant applications and two work programs to receive two COPS grants, which he believed did not make much sense. That was true of other grants; therefore, the Division had a double set of accounting files, declining balance sheets, and revenue balance sheets.

Mr. Jackson informed the Subcommittee that if BA 3743 and BA 3744 were merged, as recommended by the Governor, the Division would continue to track them as it currently did. Mr. Jackson offered to provide a biennial report to the Legislature to illustrate the tracking mechanism. He commented that it was very important to the Division that the two budget accounts be merged and opined that it was overdue. Both accounts were General Fund accounts, and Mr. Jackson said the Division needed to be able to efficiently assign employees to conduct criminal investigations regardless of budget authority. The merger of the accounts would streamline not only the fiscal administration but the managerial and operational allocation of resources.

Mr. Jackson referred to page 10 of [Exhibit D](#), the budget summary, and said in both BA 3743 and BA 3744, there was a recommended budget reduction of 21 percent.

Page 11 of [Exhibit D](#) proposed the elimination of positions, one of which was a polygrapher. The Investigation Division had four authorized polygraphers, who were also detectives. The Division currently had two polygraphers positions filled, one in the north and one in the south. Mr. Jackson said the polygrapher was an essential position because it provided assistance to the Division of Parole and Probation in the polygraph of sexual offenders and provided pre-employment polygraphs not only to the Department of Public Safety but to other agencies.

Page 12 of [Exhibit D](#) proposed the elimination of 93 percent of overtime in BA 3743 in FY 2010 and 86 percent of overtime in FY 2011.

Mr. Jackson referred to page 14 of [Exhibit D](#) where the Division proposed to transfer the unclassified position of intelligence analyst from the Office of Homeland Security to the Investigation Division for assignment to the Nevada Threat Analysis Center.

Grant funding was shown on page 15 of [Exhibit D](#). The Division had applied for the following grants during the 2007-09 biennium:

- Justice Assistance Grant (JAG)
- Bulletproof Vest Grant
- Marijuana Eradication Grant
- Community Oriented Policing Services Grant (COPS)

Mr. Jackson noted the Division had received awards from only two of the four grants.

Page 16 of [Exhibit D](#), BA 3744, Narcotics Control, proposed the elimination of three FTEs, an 81 percent reduction in in-state travel, a 75 percent reduction in training, and a 100 percent reduction in overtime.

Assemblyman Goicoechea asked whether the Division could reinstate the nine positions and manage 100 percent reduction in overtime without the federal stimulus funding. Mr. Jackson replied it would be very difficult to manage the reduction in overtime. The Division would have to provide compensatory time instead of overtime, which was a fiscal liability to the Department. As compensatory time was accumulated, it became necessary to require employees to take the time off, which took more employees off the street. Mr. Jackson said he was hopeful that some of the stimulus money or Justice Assistance Grant (JAG) money, if granted, would relieve some of the pressure.

Assemblyman Goicoechea said it concerned him that without the nine positions requested by the Investigation Division, the budget would clearly fail. Mr. Jackson stated he would do everything in his power to prevent the budget for the Investigation Division from failing.

Chair McClain asked whether the COPS Grant and the Justice Assistance Grant had been applied for. Mr. Jackson replied that the Division was in the process of applying for both grants. He said the COPS Grant application deadline was early April 2009, and he informed the Subcommittee that Michelle Hamilton from the Office of Criminal Justice Assistance was available to answer any questions. Mr. Jackson said the application deadline for the JAG Grant was April 17, 2009, and he hoped the grant would provide some operational expenses for the new FTEs, as well as vehicles and overtime. Each grant would take a minimum of two months to process before being awarded. If the grants were awarded, the money would be immediately available at that point.

Chair McClain said it was her understanding that the COPS Grant would cover personnel and the JAG would cover operating expenses, and Mr. Jackson replied that was correct. He clarified the personnel costs for COPS by explaining the rules mandated that it only applied to police officers in an entry-level position. Mr. Jackson said it appeared that the Investigation Division qualified for the grant. The Division was somewhat unique because it had DPS officer 2 positions at a plus 5 percent salary adjustment for complex investigations. Technically, for the Department, the entry level was a DPS officer 1 in cadet status. Mr. Jackson said he was confident that the COPS grant would allow the Division the DPS officer 2 with a plus 5 percent and a merit salary increase over the three years of the grant.

Chair McClain asked whether there was a match required for either grant, and Mr. Jackson replied there was not.

Chair McClain asked whether the JAG Grant would last for more than three years and further wondered whether it would become an ongoing funding source as it had been in the past. Mr. Jackson deferred to Michelle Hamilton for the answer.

Michelle Hamilton, Administrator, Office of Criminal Justice Assistance, Department of Public Safety, informed the Subcommittee that the JAG Grant had two pots of money. A portion of the money would be received through the federal stimulus package in addition to the regular 2009 grant money, which was part of the Omnibus spending bill.

Chair McClain asked whether the JAG funding, which Nevada used to receive almost every biennium, would again become a regular funding source. Ms. Hamilton said at this point last year the JAG had been received, but it had been reduced by 60 percent. It had been restored in the 2009 Omnibus spending bill to meet the 2007 level. Ms. Hamilton said it was anticipated that the grant would be restored for at least the next two years and perhaps longer.

Chair McClain asked whether the JAG funding could be used for personnel, and Ms. Hamilton stated that it could be.

Chair McClain said she was a little concerned because the COPS Grant was good for only three years.

Ms. Hamilton explained that the state could not use a federal grant to offset another federal grant. The idea behind the COPS Grant was that the state agreed to retain the positions using state funding. Chair McClain asked whether the JAG could be used to retain personnel hired through the COPS Grant. Ms. Hamilton replied JAG funds could not be used to offset the cost of the new positions hired under the COPS Grant.

Ms. Hamilton said there was no guarantee the state would receive the COPS Grant funding because, while there was \$1 billion available, Nevada was competing against other, larger states. The idea behind the COPS Grant funding was that a state received three years of funding, but at the end of the three years, the state had to continue funding for one year. Ms. Hamilton said the state funding source had to be identified within the COPS application.

Chair McClain asked what had been identified as the state funding source, and Ms. Hamilton explained that the application had been received yesterday and the deadline for submission was April 14, 2009.

Chair McClain questioned what would happen if the federal funding was not received. Mr. Jackson replied that one detective would be laid off.

Mr. Jackson continued his presentation and referred to page 18, of [Exhibit D](#), Task Force Distribution. Mr. Jackson said the Investigation Division had taskforce representation in 14 of 17 Nevada counties.

Mr. Jackson mentioned the elimination of the one-shot request for vehicles and computers in both BA 3743 and BA 3744. The Division had requested 26 vehicles and 53 computers in BA 3743 and 8 vehicles and 29 computers in BA 3744.

Chair McClain requested the Division work with LCB staff to improve staffing ratios in the case of layoffs.

Assemblyman Goicoechea said he was concerned that Nye and Esmeralda Counties had chosen not to participate in the Narcotics Task Force and wondered whether there was a possibility that would change.

Mr. Jackson said he could not speak for Esmeralda County, but Nye County had expressed interest in becoming involved in a multi-jurisdictional taskforce. He commented that the problem was with staffing, and if the Division had the appropriate staffing, it would be a priority to pursue a direct taskforce in Nye County.

Chair McClain requested information regarding the roles of each of the departments under the fusion center.

Mr. Jackson referred to [Exhibit E](#), a handout entitled "What is a Fusion Center?" With respect to the Investigation Division, Mr. Jackson said it managed and operated the Nevada Threat Analysis Center (NTAC) which was within the Division of Emergency Management's facility. The Office of Homeland Security had begun that project, and the Investigation Division had assumed management and operation in July 2008. The role of the Investigation Division for the Fusion Center was to collect, analyze, and disseminate intelligence information regarding criminal activity, including terrorism. The function was staffed with a lieutenant, a sergeant, one part-time detective, a management analyst, and two administrative aids. The NTAC was operational and collecting, analyzing, and disseminating criminal intelligence. Additionally, there was a terrorism liaison officer/coordinator, a contract employee, who had trained terrorism liaison officers (TLOs) around the state. Mr. Jackson said there were currently over 100 terrorism liaison officers in Nevada, 60 of whom were trained and exchanged intelligence information with NTAC on a daily basis.

Mr. Jackson said the last component of NTAC was the infrastructure, including the infrastructure liaison officer (ILO). The NTAC was in the process of recruiting for that position and anticipated having the position filled within the next year.

Mr. Jackson explained that the position proposed in the budget for a records and privacy coordinator would take on some of the ILO duties. The NTAC cooperated effectively with the Northern Nevada Counterterrorism Center operated by the Washoe County Sheriff's Department and with the Southern Nevada Counterterrorism Center operated by the Las Vegas Metropolitan Police Department (Metro). Mr. Jackson said the NTAC worked closely with those centers in an exchange of intelligence, as well as other fusion centers across the country.

Chair McClain asked about the other 15 counties in Nevada, and Mr. Jackson replied NTAC's primary role was to provide services to the 15 counties not represented by the fusion centers in Washoe and Clark Counties, to tribal agencies within the 15 counties, and to state agencies. The state brought that resource not only to agencies in the state but nationally as well. Mr. Jackson said there were many state agencies that were part of the critical function that had important information and resources that could be shared with other fusion centers.

Chair McClain asked how many employees were assigned to NTAC, and Mr. Jackson replied there were six. Chair McClain asked whether the NTAC anticipated adding more personnel or needing special equipment. Mr. Jackson responded that staffing was complete with the exception of the analyst position. The analytical function was the heartbeat of the NTAC, according to Mr. Jackson, and the one analyst presently working at NTAC was overwhelmed with work.

In addition to the six personnel assigned to NTAC, there were also three personnel assigned to the All Threats All Crimes (ATAC) Taskforce in Washoe County, which directly supported Washoe County's Northern Nevada Counterterrorism Center and the state's Fusion Center. Mr. Jackson said three personnel were assigned to southern Nevada, one to the Las Vegas Metro

Critical Response Team, one to the Federal Bureau of Investigation (FBI) Joint Terrorism Taskforce, and one to the Las Vegas Metro's Fusion Center (Southern Nevada CounterTerrorism Center).

Chair McClain asked whether there were written agreements between NTAC and the other 15 counties in Nevada for coordination purposes. Mr. Jackson said NTAC was in the process of coordinating with the other counties and had identified and developed a stakeholder's working group to aid in establishing a board of governance. The stakeholders were law enforcement personnel in the 15 counties who would recommend the way the Fusion Center should operate through the existence of the governance board.

Chair McClain wondered what duties and responsibilities would be required of the smaller jurisdictions. Mr. Jackson explained that the smaller jurisdictions primarily brought their own resources to the table, along with the ability to exchange intelligence. The counties had to be participants in the effort, or it would be of no value to the counties or to NTAC.

Mr. Jackson said the main assistance from the smaller counties was the terrorism liaison officers (TLOs) from each jurisdiction. The position of TLO was based upon community-oriented policing principles. A TLO was a police officer in a community or county who "walked the beat" every day and was the eyes and ears of law enforcement. Mr. Jackson explained that the NTAC was requesting TLOs to report suspicious activity, as well as miscellaneous information, to the Fusion Center to be combined with information from the other centers. Those pieces of information became shared intelligence and would lead to a very successful program, according to Mr. Jackson.

Chair McClain stated that she hoped there would be training for the TLOs, and Mr. Jackson stated there was a Peace Officers' Standards and Training (POST) certified training curriculum, and a TLO coordinator, who was a retired assistant sheriff's deputy with Washoe County, to aid in training TLOs. There were 60 TLOs trained out of 109 who had been recruited. Mr. Jackson said the goal was to not only train the rest of the TLOs, but to identify more over the next one-year, three-year, and five-year landmarks.

Assemblyman Hogan asked in what ways the average citizen could obtain some level of confidence that the degree of protection in Nevada was as high as it could be.

Mr. Jackson said the NTAC and most fusion centers were involved in an "all threats, all crimes, all hazards" approach. The theory was that if it was predictable, it was preventable. The NTAC was focused on agroterrorism, ecoterrorism, and narcoterrorism, as well as domestic and international terrorism. Mr. Jackson said it was difficult to share some of that intelligence with persons outside the law enforcement circle, because it was law enforcement sensitive, if not confidential. There were also some privacy concerns. If a case was completed and the result could be shared with the public, Mr. Jackson said the NTAC attempted to release that information.

Senator Coffin remarked that the issue that concerned him the most was the intrusion of the Mexican drug cartels into the southwest United States and into Nevada. He asked how many sworn officers of the Investigation Division were bilingual and could infiltrate into groups in the rural areas.

Mr. Jackson acknowledged that the lack of bilingual employees had always been a challenge for law enforcement in general and the Investigation Division in particular. Currently, the Division employed three detectives that were bilingual. Mr. Jackson said the ability to speak Spanish had been a goal of recruitment in the past but often with less than successful results. In addition, NTAC's focus had also been on recruiting informants who were bilingual or Hispanic. Mr. Jackson said that program had been very successful for the Division.

The recruitment of informants who knew individuals involved in drug operations, were able to infiltrate groups, talked not only the language but could use appropriate slang, and lived where they were knowledgeable about the area, was critical to an investigation. Mr. Jackson said, typically with Mexican drug-trafficking organizations, outsiders were not trusted. The drug cartels usually recruited members who were related or had been known since childhood. It was difficult to infiltrate drug cartels at the highest levels; however, drug cartels were much like terrorist organizations and had "cells" that operated throughout the United States. Mr. Jackson said there were "cells" in Carson City with respect to Mexican drug-trafficking organizations. The cartels insulated themselves by operating in smaller "cells" that were responsible for different segments of the drug distribution network.

The goal, from the street perspective, was to infiltrate those organizations through a variety of traditional and new investigative means. Mr. Jackson said at some point that required an informant the members of the cartel knew and trusted and who could speak the language.

Senator Coffin asked whether the Division was losing any bilingual employees because of the reduction in staff. Mr. Jackson replied that no bilingual employees had been eliminated during staff reductions.

Senator Coffin reiterated his concern regarding the threats in Nevada posed by drug cartels from Mexico, believing the threats to be far greater than those posed by foreign and domestic terrorists. He was troubled over the possibility of bribery of law enforcement officials similar to that occurring in Mexico. Senator Coffin noted that the inability to recruit officers who spoke Spanish meant that law enforcement would lose its eavesdropping capabilities, which was a particular problem in the rural areas of the state. Senator Coffin continued by asking for an add-back list of needs from the Division, without regard to cost, that would produce a stronger agency to stop the drug-trafficking problems before they occurred. He noted there was nothing being done to reduce the demand for drugs and believed the costs would be enormous regardless of how those drug-related threats were handled.

Mr. Jackson replied that he agreed with Senator Coffin that the number one threat to public safety were the drug cartels. He said his responsibility as administrator of the Investigation Division was to focus on drug trends, and he followed the trends very closely. In 2008 alone the Mexican army lost 18,000 soldiers that defected to work for the drug cartels, according to Mr. Jackson. The NTAC would aid in monitoring the drug trends and events in Nevada.

Mr. Jackson said recruiting Spanish speaking detectives was a goal of NTAC. He further remarked that currently Nevada law did not prohibit the cultivation of marijuana, but that was being addressed through a bill draft request. However, that bill would not affect growing marijuana for medicinal purposes. The proposed bill was designed to locate and prosecute growers who were cultivating marijuana for a profit. Mr. Jackson stated marijuana groves were a

significant problem and the goal of the Investigation Division was to address the problem through appropriate legislation in enacting a law that would prohibit cultivation.

Chair McClain asked how the Office of Homeland Security (OHS), NTAC, and the Division of Emergency Management (DEM) all coordinated within one Fusion Center and which agency was in charge.

Mr. Jackson replied that the Investigation Division managed and operated NTAC, which was currently the only participating agency, although the OHS had an individual who acted as a program manager for databases. The DEM worked closely with the Investigation Division on a number of matters. Mr. Jackson said according to the State Comprehensive Emergency Management Plan (SCEMP), the Investigation Division was the lead crisis agency for response to terrorist incidents.

Mr. Jackson stated an example of the coordination between the DEM, the Investigation Division, and NTAC by citing the recent white powder incident in Carson City affecting the Governor's Office and the state Mail Room. The Investigation Division responded to the state Mail Room incident as the crisis agency and immediately worked with the DEM to supply appropriate resources. The DEM provided the civil support team from Las Vegas and aided in resolving the situation. The DEM further aided in providing training to state employees in appropriate protocol for handling state mail to prevent these types of incidents.

Frank Siracusa, Chief, Division of Emergency Management (DEM), Department of Public Safety, explained the coordination of agencies involved with the Fusion Center. Mr. Siracusa said there were two basic areas that the DEM worked in cooperation with the Investigation Division. One area was serving as the state administrative agency for the management and oversight of the State Homeland Security Grant Program. Mr. Siracusa said the DEM provided a sub-grant to the Investigation Division toward the management of NTAC. Each year the DEM received an allocation from the federal government, which was about \$18 million in fiscal year (FY) 2009. Those grant funds were allocated based on eight national priorities and 37 target capabilities. Two of those national priorities were information sharing and critical infrastructure protection. The DEM provided investment justifications or, in other words, projects.

The project lead for intelligence management in Nevada was the Las Vegas Metropolitan Police Department (Metro). Metro was not the project lead because it was the biggest, according to Mr. Siracusa; Metro was the project lead because it had volunteered. Each year, representatives from all three fusion centers in Nevada met and jointly compiled an application regarding the needs, capabilities, and shortfalls of each center. That grant application was submitted to the Homeland Security Commission for review and approval, and returned to the DEM, which then submitted the application. When the funding was awarded, the sub-grants were initiated. One sub-grant went to Metro, one to Washoe County, and one to the state.

The other investment justification was for critical infrastructure, according to Mr. Siracusa. Again, Metro had agreed to become the project lead over the last few years. Metro had a contractor and a program that was developing a statewide critical infrastructure plan. As part of the grant for FY 2009, there was a position that NTAC had requested which was an infrastructure liaison officer (ILO). That position would be assigned to NTAC. Mr. Siracusa remarked that was how the DEM helped support NTAC through grants.

The DEM had the responsibility to coordinate and manage the state's emergency operation center. Mr. Siracusa said the DEM worked in crisis management and consequence management. The consequence management portion was managed by the DEM. The DEM would coordinate all the state agencies if an incident occurred, whether that incident was the result of a terrorist event, fire, or flood. Mr. Siracusa said that was the connection between the Division of Emergency Management (DEM) and the Investigation Division. Because the DEM and the Investigation Division were located in the same facility and interacted on a day-to-day basis, it made the collaboration efficient and effective.

Assemblyman Goicoechea asked whether it was correct that there was \$18 million available in the federal grant process, and Mr. Siracusa replied that was correct.

In answer to a question from Assemblyman Goicoechea about how the Investigation Division accounted for grant proceeds in its budget, Mr. Siracusa explained the grant process began in late December of 2008. The DEM received guidance from the federal Department of Homeland Security (DHS) regarding the appropriate use for the grant dollars. In 2009, 25 percent of the entire grant was required to be used for law enforcement-related issues. Mr. Siracusa said the three fusion center representatives would meet and determine from the guidelines what each center needed to sustain operations and submit an "investment justification." The investment justification went through a complex and elaborate vetting process. Once the process was completed and approved, it was submitted to the DHS for approval. When approval was received, each project lead would review the budget submission, make modifications, and arrive at a consensus as to how to budget the funding. The grant awards would be issued sometime in October to each agency. Mr. Siracusa added there was a three-year performance period, with two years allowed for initiation of the project.

Chair McClain requested information regarding the Office of Homeland Security and its association with the Nevada Threat Analysis Center (NTAC).

#### **ELECTED OFFICIALS**

#### **GOVERNOR'S OFFICE OF HOMELAND SECURITY**

#### **BUDGET ACCOUNT 101-3675**

#### **EXECUTIVE BUDGET PAGE ELECTED-19**

Rick Eaton, Director, Office of Homeland Security (OHS), stated the Office of Homeland Security handled the overall planning for the entire state as well as the interface with the U.S. Department of Homeland Security (DHS), adjacent states, and the rest of the country.

Mr. Eaton said the information about the white powder incident in Carson City came from the OHS first, which gave the state several days lead time. Another incident with white powder had been handled at the national level, which enabled the OHS to provide information to NTAC immediately.

Mr. Eaton noted that Senator Coffin had mentioned the border issues and said he had spent 15 years of his 30 years with the federal government working on the border. He stated he had briefed President Barack Obama's transition team regarding the border and immigration matters and had identified Nevada's issues in the briefing.

Senator Coffin commented that he was not sure the public understood that law enforcement needed to hire more bilingual employees to aid in performing its duties.

Mr. Eaton remarked that the U.S. Border Patrol had a requirement that officers must be proficient in Spanish. He said he had run several multistate narcotics taskforces and language was critical. Mr. Eaton agreed with Scott Jackson that one of the prime resources was informants developed in the field who would provide the language crossover. He said he did not underestimate the importance of having multilingual officers or agents in any endeavor that included a border state or narcotics.

Senator Coffin noted there were many facets to recruiting the right people.

Mr. Eaton stated the border areas were completely different than anywhere else in the United States and had their own rules and mores.

Senator Coffin opined that the border was once a defined area on a map which now had become very flexible, and Nevada was part of the border.

Mr. Eaton said, unofficially, that there were probably as many undocumented workers in Nevada as there were in Arizona.

Chair McClain asked where the OHS was physically located and how many employees worked there. Mr. Eaton said his Office was in the Capitol Building in Carson City and had five employees, including himself.

**DEPARTMENT OF PUBLIC SAFETY**  
**DIVISION OF PAROLE AND PROBATION- BUDGET ACCOUNT 101-3740**  
**EXECUTIVE BUDGET PAGE PUBLIC SAFETY-146**

Bernard W. Curtis, Chief, Division of Parole and Probation, Department of Public Safety, presented budget account (BA) 3740. Mr. Curtis introduced Susan Sieber, Administrative Services Officer (ASO), Division of Parole and Probation, and Major Mark Woods, Deputy Chief, Division of Parole and Probation.

Mr. Curtis referred to [Exhibit F](#), a handout entitled Division of Parole and Probation 2010-2011 Biennial Budget.

Mr. Curtis stated the Division of Parole and Probation was a part of the Department of Public Safety and had a unique mission in the State of Nevada. The Division's statutory mandates were Chapters 176, 176A, 209, and 213 of the *Nevada Revised Statutes*.

Mr. Curtis referred to pages 3, 4, and 5 of [Exhibit F](#), which outlined the different programs the Division facilitated and demonstrated the role the Division played within the Nevada criminal justice system.

Pages 6 to 9 of [Exhibit F](#) showed the breakdown of the four geographic areas of the Division. The Northern Command supervised approximately 3,400 offenders and encompassed western Nevada. Mr. Curtis noted the majority of the Division's population resided in the Southern Command, which covered Clark County and had over 9,000 offenders on the rolls.

The remainder of the state made up the Rural Command, which had the fewest number of offenders, approximately 700. The Rural Command covered approximately 90,000 square miles, the largest geographical area.

Mr. Curtis explained that the Carson City Headquarters Office handled nearly 6,000 offenders that were monitored by specialists in 3 different units, which included the Interstate Compact Unit, the Fugitive Apprehension Unit, and the Pre-Release Unit.

Page 10 of [Exhibit F](#) demonstrated the allocation of staff within the Division with a chart that identified 451 employees. An additional 24 sworn officers would be proposed in 2 separate enhancements, according to Mr. Curtis.

Bar graphs on page 11 of [Exhibit F](#) reflected the reduction in staff from the 2007 approved budget to the proposed 2009 budget. Mr. Curtis explained the reduction in staff numbers did not account for the additional 24 officer positions being requested in enhancements in the proposed budget.

Mr. Curtis said the major funding source for the Division was the General Fund. Supervision fees accounted for approximately 7 percent of the Division's funding. The total funding request for fiscal year (FY) 2010 was \$43,564,000, and for FY 2011 the total request was \$44,859,000.

Page 13 of [Exhibit F](#) indicated the success rate regarding the Division's supervision of offenders. Mr. Curtis stated overall the Division was above the national averages in parole and probation success. According to the Bureau of Justice statistics, national averages for success on parole were about 46 percent and for probation about 60 percent.

Mr. Curtis referred to page 14 of the exhibit which showed the collection of supervision fees and restitutions. Page 15 indicated that the Division showed no growth in the number of offenders supervised. This was confirmed through JFA Associates' projections which indicated a reduction of 18 sworn positions. The reduction in staff due to the current budget crisis added an additional 46 sworn personnel for a total overall reduction of 64 officer positions. Through enhancements, Mr. Curtis said the Division was requesting 24 of the positions be restored to meet current needs.

Page 16 of the exhibit was an enhancement requesting one-shot funding to allow the Division's Reno office to move out of its current location on State Street. The proposed site was located off U.S. Highway 395 and Parr Boulevard on Spectrum Boulevard in north Reno.

Page 18 of [Exhibit F](#) depicted the new Las Vegas office, which was on schedule to be completed in October 2009.

Mr. Curtis stated that since the 2007 Legislative Session, the Division received a Legislative Counsel Bureau (LCB) audit that identified numerous deficiencies within the Division. Mr. Curtis commented that he was proud to say that the Division staff had accepted the audit as a wake-up call, and to date 21 recommendations had been addressed, and 17 had been fully implemented. The other four recommendations were awaiting computer programming changes for full implementation.

The Division had also begun the process of obtaining Justice Assistance Grant (JAG) Program grants to fund six new counselors for the Division, four in

the south and two in the north. Mr. Curtis said if the JAG was obtained, it would be a three-year grant. The grant did not require a mandate for future funding. The counselors would be utilized as a triage group in which offenders at intake would be evaluated for the level of counseling needed and placed accordingly. According to Mr. Curtis, the Division was also partnering with local counselors willing to work with offenders on a sliding fee scale to make needed help available.

The Division was also in the process of strengthening its ability to work with offenders who had issues with controlled substances. Mr. Curtis said the Division was attempting to secure \$250,000 via the Omnibus Spending Bill from the federal government through the office of Senator Harry Reid. The money would be used for offenders who needed counseling but could not afford it. The program would allow the Division to contract with providers throughout the state to offer services to offenders. The Division was also involved with the Religious Alliance in Nevada (R.A.I.N.) in developing a program through Office of Criminal Justice Assistance (OCJA) grants that would offer parolees in-patient counseling. The program would be used in cases where an offender continued to use controlled substances, and instead of recommending immediate revocation of parole, the Division would request the Parole Board place the offender in one of those programs. The R.A.I.N. was anticipating over 300 beds in southern Nevada and over 100 in the north. Mr. Curtis remarked that with all the pieces in place, it was believed that the Division would realize a reduction in the need for revocations and see an increase in success rates within community corrections.

On pages 20 and 21 of [Exhibit F](#), the Division provided a glossary of terms for the Subcommittee.

Chair McClain referred to the JAG and asked Mr. Curtis why the Division was not pursuing a Community Oriented Policing Service (COPS) grant. Mr. Curtis replied that the Division was applying for a COPS grant to fund ten additional personnel.

Chair McClain asked whether the Governor's recommendation to reinstate 14 officers was contingent upon receiving the COPS grant. Mr. Curtis explained the COPS grant was in addition to the Governor's recommendation.

Chair McClain asked whether the additional 24 personnel would put the Division in compliance with the JFA Associates' projections, and Mr. Curtis replied that they would.

Chair McClain requested that Mr. Curtis talk about the timeline for the COPS grant funding. Mr. Curtis stated the Division of Parole and Probation had the same time requirements as the Investigation Division.

In answer to a question from Chair McClain regarding the JFA Associates' projections, Mr. Curtis said the Division would meet the JFA Associates' guidelines without the federal grant funding.

Chair McClain said the numbers supplied by LCB staff indicated the Division could not meet the JFA Associates' projections without the federal funding. According to JFA Associates' projections the Division would be short 10 positions in fiscal year 2009-10 and 13 in fiscal year 2010-11.

Mr. Curtis said he understood there were funding problems with the current economic climate. The Division was requesting 14 positions and the opportunity to apply for 10 additional positions.

With just the additional 14 positions, Chair McClain said the Division would not be able to maintain the ratio of offenders to officers approved by the Legislature. Mr. Curtis remarked that it was not a position that the Division was unfamiliar with.

Senator Coffin requested help understanding the various numbers that had been discussed. He said he kept hearing about the personnel shortage. Senator Coffin emphasized that the Division was going to have to ask for what was needed, not what someone said should be asked for based upon a target budget number. He said he had been hearing the Division was 90 to 100 officers short, and when the Division was applying for a grant that might provide 10 positions, it did not sound like enough. Senator Coffin remarked, that what he wanted to discover, was what was needed based on a best practices model for good supervision. He said he was aware, for instance, that category E probationers were not being properly supervised.

Mr. Curtis agreed and commented that gross misdemeanants were not supervised as well as possible either.

Senator Coffin said that many times those were the people who had received their first criminal conviction and more intensive supervision might prevent them from committing even more serious crimes. He believed, without supervision, they would become repeat offenders. Senator Coffin reiterated that he was concerned that the Division of Parole and Probation was not requesting enough personnel.

Mr. Curtis said he appreciated Senator Coffin's support on that particular issue. Mr. Curtis stated that based upon the decreasing number of offenders JFA Associates was predicting, and the fact that the Division had not hired all positions approved in the 2007 Legislative Session, the Division was attempting to recover some positions lost through attrition and retirement. The Division had significant openings for personnel, but Mr. Curtis said the openings did not indicate positions approved for hire.

Senator Coffin said the Division was meeting the budget goal, but was not requesting what was needed. He asked whether the 90 to 100 officer shortage was a correct figure or way off. Mr. Curtis said the figure was off from what was projected and approved in 2007, 532 total personnel, which included all support staff. The present level of personnel was 429, according to Mr. Curtis. He said the Division was 103 total positions down, but those were not all sworn officers. Mr. Curtis emphasized that the Division could do the job with ten additional officers.

Senator Coffin noted that the Division was 103 positions down, although not all were sworn officers. Mr. Curtis explained the Division was 63 sworn officers and 40 unsworn personnel short.

Senator Coffin said it appeared to him that if the Division was short clerical personnel, officers would be doing clerical work instead of supervising probationers and parolees in the field. He said intensive supervision for first time offenders was critical to breaking the criminal spiral. Senator Coffin also mentioned the problem of the administrative bank skewing the ratios.

Mr. Curtis acknowledged that supervision, along with counseling and reentry programs were very important.

Senator Coffin requested the Division supply an add-back list that would illustrate raising the Division to the strength necessary to perform at the optimum level, and Mr. Curtis agreed to provide the list.

Assemblyman Hogan noted the references to the reintegration effort and other "program-type items" that could help break the criminal spiral that Senator Coffin had referred to. He asked whether there were additional programs that could be used to provide employment assistance to reintegrate parolees into the work force that were not necessarily related to the number of personnel. He requested the Division include that information with its add-back list.

Major Mark Woods, Deputy Chief, Division of Parole and Probation, Department of Public Safety, stated the Division could provide the requested information.

Major Woods said he wanted to address the subject of the administrative bank in Las Vegas. There were approximately 2,100 offenders on the banks and with an ideal ratio of 70 to 1, 30 personnel were needed to handle the administrative bank. With the current open positions that were being held open for salary savings, along with an additional 14 positions, the bank could be brought to the 70 to 1 ratio. Major Woods commented that the Division might have the positions, but had always had a minimum of 10 percent open. That was what created the bank, and that is where the relief factor came in. If the Division were able to hire 14 people today and put them on the streets today with 70-man caseloads, the bank would disappear. Major Woods pointed out, however, that tomorrow someone would retire, and the next day three employees would be hired by Metro, skewing the bank ratio.

An example, according to Major Woods, was that presently the Division had two employees in the academy who were training to be Parole and Probation officers. On paper, those two employees were responsible for 140 offenders. Major Woods said obviously those employees were not watching those offenders because they were in the academy. That was why the numbers could be misleading.

Assemblyman Hogan remarked that Major Woods had offered the Subcommittee a reminder of something to keep in mind as budgets were closed, and that was the state had long had a disadvantage in competing with Metro and some of the large local governments. There was a likelihood that disadvantage was going to get much larger if state employees were subjected to the proposed salary, benefit and insurance cutbacks, according to Assemblyman Hogan. He said the Legislature needed to continue to attempt to reduce or minimize limitations on what state employees could anticipate earning short-term and longer term.

Chair McClain requested clarification of the function of the administrative bank in Las Vegas. Mr. Curtis explained that the Division did not have the staffing to monitor offenders at the recommended 70 to 1 ratio; therefore, lowest conviction level offenders in the Clark County area were placed in a large bank where an offender was supervised by tracking systems. The offenders in the administrative bank were gross misdemeanants and E-level felony offenders.

Chair McClain asked whether the *Nevada Revised Statutes* regulated the class of offender that was placed in the administrative bank, and Mr. Curtis replied, no, it was Division policy.

Chair McClain wondered what happened if the Division lost 20 officers at one time. Mr. Curtis acknowledged that could happen, and it could become a problem for the Division. He further commented that Assemblyman Hogan had brought up a significant problem, which was the ability of cities and counties to compensate employees at a much higher rate than was available with the state. Mr. Curtis said competing with cities and counties that paid more was a recruitment and retention problem.

If Assembly Bill 259 passed, Chair McClain said, it would give more good-time credits to prisoners which could increase offender to officer ratios even more. She wondered how that would affect staffing.

Major Woods said the bill would give a prisoner more good-time credit, theoretically allowing for earlier release, but those who were released would leave supervision sooner. He had determined that A.B. 259, if passed, would not present a problem for the Division.

Senator Coffin commented that 20 percent to 24 percent of the population of Clark County spoke Spanish. He said he did not know what the bilingual capability of employees was at the Division of Parole and Probation, but he would like to know the capability, as well as what the Division was doing to improve that capability.

Mr. Curtis stated that currently the Division was not having a problem with the bilingual issue. He said he did not know the number of bilingual officers in the Division. Senator Coffin said he would like to have the figure, and Mr. Curtis agreed to provide it.

Chair McClain referred to the presentence investigation specialists and asked whether the Division would have enough specialists to maintain the approved ratio for preparing presentence investigation reports (PSIs).

Mr. Curtis replied there was an issue in Clark County pertaining to PSIs, and the Division was planning to address that problem as soon as possible. It would help the situation if the Division could be fully staffed in certain areas, according to Mr. Curtis. Some officers were being utilized to write PSIs.

Chair McClain asked whether any officers could be shifted from the north to the south, and Mr. Curtis replied that he did not get many volunteers, but when an employee wanted to transfer from the north to the south, they were accommodated.

Chair McClain asked how the GPS tracking system was working as well as the effectiveness of the two positions added in the 2007-09 biennium to implement GPS monitoring.

Major Woods stated that two officers had been allocated for the GPS pilot program in the 2007 session, one in the north and one in the south. The two new positions were a result of the new sex offender bill. The new positions were implemented in October 2007, with 14 cases in the south and 10 in the north. Major Woods said just as the program was about to be implemented, the law was challenged in federal court resulting in a stay of the program. Everyone

assigned to the program had been removed, and the officers were assigned to regular house-arrest duties. Major Woods said the program had not been used long enough to provide any type of data regarding its success.

In answer to a question from Chair McClain regarding the federal injunction, Major Woods said it was his understanding the case was still pending and would be heard before the Ninth Circuit Court of Appeals in late spring of 2009.

If the injunction was lifted, Chair McClain asked whether the two people originally assigned to the GPS pilot program would be returned to the program leaving two vacant positions elsewhere, and Major Woods replied that was correct.

Chair McClain asked about the relocation of the Reno office. She said her concerns were how the relocation would affect the agency's operations in terms of an officer's ability to supervise offenders, how the move would affect the level of services provided to the courts that were still in downtown Reno, and how the move would affect offenders' ability to get to the new place if they did not have vehicles of their own.

Mr. Curtis replied that public transportation was accessible to the new location. Over 60 locations had been considered in the Reno-Sparks area to determine suitability for many items. Mr. Curtis stated he did not believe the new location would adversely affect the Division's working relationship with the courts. There would be some transportation issues, but with public transportation, Mr. Curtis said it could be quicker for many offenders to report since many lived in the north valleys. The new location would provide a significant partner with Washoe County because the Washoe County Training Center was next door, and the Washoe County Sheriff's Department was across Highway 395.

Chair McClain asked whether the new facility would be completed before the lease for the old building ran out. Mr. Curtis said it would be close, but he believed the facility would be finished.

Chair McClain closed the hearing on budget account 3740 and opened the hearing on budget account 3800.

**DEPARTMENT OF PUBLIC SAFETY**  
**PAROLE BOARD-BUDGET ACCOUNT 101-3800**  
**EXECUTIVE BUDGET PAGE PUBLIC SAFETY-158**

Connie Bisbee, Chairman, State Board of Parole Commissioners, Department of Public Safety, introduced Becky Mabray, Management Analyst, and Kathy Thompson, Management Analyst. Ms. Bisbee submitted a handout entitled Board of Parole Commissioners, [Exhibit G](#).

Ms. Bisbee read the following statement into the record:

The Parole Board has adopted a new risk assessment instrument that needs to be revalidated. The original validation and the weights applied to our risk instrument were based on the inmate population leaving prison in Nevada in 1999. However, due to many changes to the law since the original validation, it is important that we revalidate the instrument based on more current data relating to inmates leaving prisons to ensure that risks assigned are proper. Otherwise, we could be assessing high-risk

offenders to low, thereby risking public safety, and low-risk offenders to high that would otherwise be released, which is expensive to the state to keep them incarcerated.

The funding requested in E250 will allow the Board to contract for an independent comprehensive review of our standards and to revalidate the risk assessment. Additionally, E250 includes funding for the ongoing program needs for the Parole Board's component of the Nevada Offender Tracking and Information System (NOTIS). Without the continued funding to enhance, change, and update the data components, NOTIS will fail to be able to move forward and increase our effectiveness and efficiencies and likely encounter more problems in our ability to capture and report valuable data.

You will note on the bottom of page 3 our budget reductions overview, and these are directly from the Governor's recommended budget. Those are the only changes that we are requesting.

Chair McClain asked whether the Parole Board had eliminated its backlog of cases, and Ms. Bisbee stated she was happy to report the backlog had been eliminated in October 2008. Ms. Bisbee further stated that although the Board had operated in absentia for a period of time to get caught up, it began live hearings in December 2008, and 100 percent of the hearings were live via videoconference.

Chair McClain asked how well the videoconferencing was working, and Ms. Bisbee replied it worked very well. Videoconferencing had been placed in all institutions in the state, which had eliminated scheduling issues.

Chair McClain noted that the Subcommittee was interested in the parameters set by the Parole Board relating to factors such as timing. It appeared that parole hearings were being set less than three months in advance of an inmate's eligibility date. Chair McClain asked whether the Board could continue to remain on track given the timing of the hearings.

Ms. Bisbee replied the Parole Board was on track with hearings being set three months before the eligibility date of an inmate. The only thing that would be different would be a probation violator who had already earned time, and they frequently came into an institution parole-eligible, according to Ms. Bisbee. Because of notice requirements, those inmates would not be seen for approximately 60 days. Ms. Bisbee said inmates falling under that category would always have a hearing after their eligibility date.

Chair McClain inquired about inmates moved from a medium-custody facility to a minimum-custody facility who became past eligible for mandatory parole because of additional credits earned in minimum custody. Ms. Bisbee indicated the Parole Board was not having a major problem with those inmates.

Chair McClain asked whether the Parole Board was in compliance with Senate Bill No. 471 of the 74th Session. Ms. Bisbee replied the Board would not be in full compliance until it completed the noticing provision which was delayed because the Board's notice coordinator had transferred to another state agency.

Assemblyman Hogan asked whether there were any correction facilities which did not have videoconferencing capability. Ms. Bisbee replied she did not

believe there were any facilities that did not have the videoconferencing capability.

In response to a question from Chair McClain regarding how differing noticing requirements changed parole approval rates, Ms. Bisbee stated that the hearings had always been open public meetings, which were posted in many places, including the Parole Board website. She maintained the parole grant-rate had not significantly changed.

Chair McClain asked whether there was an explanation for the decline in the parole grant-rate that had occurred in 2008. Ms. Bisbee explained that there were approximately 1,500 inmates that had immediately become parole-eligible because of additional credit. The Parole Board had been unable to comply with every requirement such as noticing. The Board had also been seeing inmates at the camps in absentia, and then the Board was required to see those inmates in person, which was a lengthier process. Ms. Bisbee said that knowing the Board could not see everyone at once, it chose certain inmates, such as conservation campers with a higher possibility of being granted parole, and saw them first. The Board then spent six months interviewing the high-risk inmates. Of those high-risk inmates, 40 percent were able to move to a consecutive sentence or out of prison. Ms. Bisbee said that was the reason for the dip in the parole grant-rate for a period of time.

Chair McClain inquired about the request for \$49,000 to conduct a review of the Parole Board's standards and to validate the Board's risk assessment instrument. She also asked about the programming changes for the Nevada Offender Tracking Information System (NOTIS).

Ms. Bisbee replied that she believed the Parole Board had requested \$25,000 for the risk assessment. She also stated NOTIS was always being changed and those changes would be dependent upon changes to the law implemented by the Legislature.

Chair McClain asked whether the Parole Board was receiving the correct information, because JFA Associates had some difficulty extracting information to make projections.

Kathy Thompson, Management Analyst, State Board of Parole Commissioners, explained the Board had cleaned up problems regarding data integrity and had recently submitted new data to JFA Associates.

Chair McClain asked when JFA Associates planned to have the new projections released to the Parole Board. Ms. Thompson replied that while she could not speak for JFA Associates, she believed the figures would be available soon.

Assemblyman Hogan asked whether Ms. Bisbee believed the state was on track for continuing reductions in the number of inmates in the corrections system.

Ms. Bisbee replied that the Nevada Parole Board for the past many years had one of the highest parole grant-rates throughout the nation, as well as one of the lowest recidivism rates. Ms. Bisbee said the state was already doing things correctly in how it paroled and supervised inmates. There was no one on the Parole Board who believed in incarceration for the sake of incarceration. Ms. Bisbee said if an inmate was ready to leave prison, and the Board believed the inmate could safely leave, that inmate would be paroled.

Chair McClain closed the hearing on BA 3800 and opened the hearing on BA 4689.

**DEPARTMENT OF PUBLIC SAFETY**  
**BICYCLE SAFETY PROGRAM-BUDGET ACCOUNT 201-4689**  
**EXECUTIVE BUDGET PAGE PUBLIC SAFETY-198**

Traci Pearl, Chief and Highway Safety Coordinator, Office of Traffic Safety, presented budget account (BA) 4689. Ms. Pearl submitted a handout of the PowerPoint presentation, [Exhibit H](#).

Ms. Pearl said the mission of the Office of Traffic Safety was to reduce injuries and save lives on Nevada's roadways. The organizational chart of the Office was on page 4 of [Exhibit H](#). Page 5 illustrated budget account 4689 for the Bicycle Safety Program. Ms. Pearl said the Office of Traffic Safety was funded with 50 cents from every driver's license fee. Sixty-five percent, or \$0.325, went to the Nevada Bicycle and Pedestrian Safety Program, and 35 percent (\$0.175) went to the Nevada Department of Transportation (NDOT), which had a funded position for bicycle safety.

The primary role of the Bicycle Safety Program was to educate the public on how to ride safely on a bike and how to safely cross the street. The Safe Routes to School Program was administered through NDOT, but the Office of Traffic Safety was a significant partner in that process. Ms. Pearl said the Bicycle Safety Program worked with elementary schools, community groups, bicycle coalitions, and walking groups. The Program's demographics included both children and adults, and the Office was working on a program to institute safe walking practices for adults who had heart problems and diabetes.

Ms. Pearl introduced the program coordinator, Laurie Anne Grimes, who had reactivated the program. The agency had revamped education materials to make them more current and create some in Spanish. The agency had two mobile trailers, one in the north and one in the south, which were used for the Bicycle Safety Program. The trailers were also loaned to persons who had passed a 16-hour training course called The Nevada Elementary Instructor Course, which taught Physical Education teachers and community advocates how to conduct a bicycle rodeo for kids. Ms. Pearl said the trailers housed the materials instructors needed for training, such as bicycles, helmets, stop signs, and yield signs. Ms. Pearl referred to page 8 of [Exhibit H](#) which depicted a bicycle rodeo. The trailers were purchased in 1995 and 1997 and were beyond their useful life. Ms. Pearl noted the agency would need to write a work program to replace those trailers and the 15 bicycles within them, because they were very old. She commented that the trailers had been serviced multiple times over the years.

Chair McClain noted the elimination of four performance indicators in BA 4689 and asked whether they were being replaced. Ms. Pearl explained the four performance indicators were not being eliminated. The National Highway Traffic Safety Administration and the Federal Highway Administration had instituted standard performance indicators for all the states to begin using in 2010. Ms. Pearl commented that the agency believed it could do more than required by the standard performance indicators, and the old performance indicators were still being referred to along with the new ones.

Chair McClain commented that the national standard provided little information and did not indicate whether the program affected fatality rates.

Ms. Pearl stated the Bicycle Safety Program was striving to provide at least six more elementary education courses per year and increase bicycle helmet use by 5 percent annually.

Chair McClain inquired as to what the Office of Traffic Safety was doing for senior citizens. Ms. Pearl replied that with the baby boomers retiring and being a high portion of the population, senior drivers had become a national priority. Ms. Pearl said there would be a seminar/workshop in Las Vegas with a senior citizens' group addressing safe driving and safe walking. Chair McClain said she would like to see the Office of Traffic Safety focusing more toward helping senior citizens.

Chair McClain closed the hearing on BA 4689 and opened the hearing on BA 4691.

**DEPARTMENT OF PUBLIC SAFETY**  
**MOTORCYCLE SAFETY PROGRAM-BUDGET ACCOUNT 201-4691**  
**EXECUTIVE BUDGET PAGE PUBLIC SAFETY-204**

Traci Pearl, Chief and Highway Safety Coordinator, Office of Traffic Safety, Motorcycle Safety Program, said the program was established by statute in 1991. The Motorcycle Safety Program was established by motorcyclists for motorcyclists. The funding for the program was \$6 from every motorcycle registration through the Department of Motor Vehicles (DMV).

Ms. Pearl noted there was a large balance forward in budget account (BA) 4691, solely because in federal fiscal years 2007, 2008, and 2009, the program received federal funds specifically to address motorcycle safety. Motorcycle crashes had become a major problem nationwide and in Nevada, according to Ms. Pearl.

Chair McClain asked Ms. Pearl how she felt about the attempt to repeal the motorcycle helmet law every session, and Ms. Pearl replied that the Office of Traffic Safety was an advocate of both helmet and seatbelt laws. Ms. Pearl stated she had been asked to testify regarding Assembly Bill (A.B.) 300 and would be providing data from states that had repealed the law and then reenacted it.

Chair McClain asked how many motorcycles were available for the motorcycle training conducted by the Motorcycle Safety Program. Ms. Pearl replied the program had 177 motorcycles in inventory, 24 ranges throughout the state, and a mobile classroom that traveled to the rural areas. There were permanent sites in Las Vegas, Carson City, and Reno. Fourteen motorcycles were required to conduct one class, with a maximum of 12 students per class.

Chair McClain asked how many motorcycle safety classes were offered in a year.

Ken Kiphart, Program Coordinator, Motorcycle Safety Program, Office of Traffic Safety, Department of Public Safety, informed the Subcommittee that in 2008 the Motorcycle Safety Program had conducted 584 classes.

Chair McClain asked whether there had been a spike in motorcycle class participants when gasoline prices had been so high, and Ms. Pearl acknowledged that was true. She said the demand for classes had remained

high even after gas prices went down. There had been an increase in motorcycle purchases as well as demand for the motorcycle safety courses.

Ms. Pearl commented that if A.B. 300 was passed and the motorcycle helmet law was repealed, there was language in the bill that allowed anyone to not wear a helmet who was over 21 or who had taken and successfully completed the motorcycle safety course. Ms. Pearl said that if A.B. 300 passed, there would be even more demand for the motorcycle safety course.

Chair McClain asked whether the 177 motorcycles in the motorcycle safety program were on a replacement cycle. Ms. Pearl said the motorcycles were on a 10-year replacement cycle. Because the program had been behind in replacing motorcycles, the plan was to use federal funding to replace them. Ms. Pearl said the replacement schedule would be current by 2011.

Chair McClain asked what the charge was to take a class offered by the Motorcycle Safety Program. Ms. Pearl explained the fee was \$100 and was set by statute in 1991. It would take legislation to increase the fee. The program was losing money on the rural classes because of additional expenses for gasoline and lodging for instructors.

Chair McClain inquired about the temporary position needed for registrations. Ms. Pearl stated the Motorcycle Safety Program had a temporary position from March to June for the purpose of filling out questionnaires. Chair McClain asked whether the temporary position was provided with a computer and Ms. Pearl said it was.

Chair McClain asked what type of advertising the Motorcycle Safety Program would be doing for the bikers that went to Laughlin, Nevada. Mr. Kiphart said that in Laughlin as well as Reno, Sparks, and Las Vegas, there were major motorcycle riding events. The Program set up billboards telling car drivers to watch for motorcycles and set up booths to inform motorcycle riders about various topics.

Assemblywoman Koivisto said it appeared the Program would be purchasing 40 motorcycles for \$148,000, and she said that seemed very inexpensive and wondered what kind of motorcycles were being purchased. Mr. Kiphart agreed that the motorcycles were inexpensive, at approximately \$3,200 per motorcycle. He further stated that when the motorcycles were sold for surplus, each would garner \$100 to \$200.

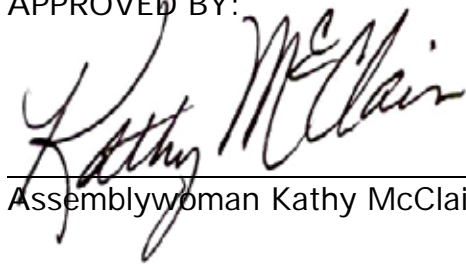
Chair McClain adjourned the meeting at 10:57 a.m.

RESPECTFULLY SUBMITTED:

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Anne Bowen  
Committee Secretary

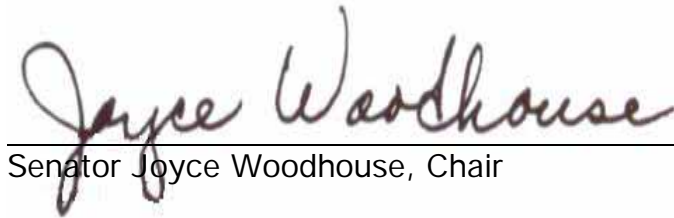
APPROVED BY:



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Assemblywoman Kathy McClain, Chair

DATE: \_\_\_\_\_



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Senator Joyce Woodhouse, Chair

DATE: \_\_\_\_\_

<u>EXHIBITS</u>			
Committee Name: <u>Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on Public Safety/Natural Resources/Transportation</u>			
Date: <u>March 17, 2009</u>		Time of Meeting: <u>8:05 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Sign-in sheets
	C	George M. Caan, Executive Director, Colorado River Commission	Colorado River Commission Governance, Programs, and Activities
	D	Scott Jackson, Chief, Investigation Division, Department of Public Safety	Investigation Division Narcotics Control, Budget Accounts 3743/3744
	E	Scott Jackson, Chief, Investigation Division, Department of Public Safety	What is a Fusion Center?
	F	Bernard W. Curtis, Chief, Division of Parole and Probation, Department of Public Safety	Division of Parole and Probation 2010-2011 Biennial Budget
	G	Connie Bisbee, Chair, Board of Parole Commissioners	Board of Parole Commissioners
	H	Traci Pearl, Administrator, Office of Traffic Safety, Department of Public Safety	Office of Traffic Safety FY 2010-2011, BA 4689 and 4691