

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 28, 2015

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

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

Local Government Responses
A.B. 281 / BDR 43 - 243

City/County: **Carson City**

Approved by: Nickolas A. Providenti, Finance Director

Comment: Carson City anticipates this bill would cause a major reduction in revenues.

Traffic matters applicable to AB281 account for approximately 56.5% of fines and 96.5% of forfeitures. Calculating these percentages to fiscal year 2013-2014 revenue, the fiscal impact would be \$548,515.

$\$342,148 \text{ (City Fines revenue FY 14)} \times .565 = \$193,313.62$

$\$368,085 \text{ (Forfeiture revenue FY 14)} \times .965 = \$355,202.02$

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	(\$548,515)	(\$548,515)	(\$1,100,000)

City/County: **Churchill County**

Approved by: Eleanor Lockwood, County Manager

Comment: BDR 43-243 would have a significant fiscal impact on Churchill County in the form of lost revenues. Currently, all citations that are paid are forfeited and the County receives the bail/fine, whether it is issued by the State or the County. Additionally, all misdemeanor FTA warrant fees and collection fees (\$430), go to the County. If these are converted to civil, any funds collected would go to the State. In Fiscal Year 2014, Churchill County retained over \$200,000 in forfeiture and fines related to traffic violations. If BDR 43-243 passes, the money collected for traffic violations would go to the State. There would also be additional costs associated with the courts and law enforcement updating programs to accommodate these changes. We would not see a reduction in court staff workload, but we would lose the associated revenue to support court operations.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$150,000	\$200,000	\$200,000	\$200,000

City/County: **Clark County**

Approved by: David Dobrzynski, Assistant Director of Finance

Comment: This bill converts nearly all traffic violations to a civil penalty (with the exception of a few serious offenses like DUI). If the civil penalty is imposed, the court must enter judgment for the State. Essentially, all traffic fine money that currently goes to local government will all go to the State.

Under current law, only a judge can impose a fine, so if a defendant chooses to not contest a traffic citation and just pays it (either in person, by mail, or online) without seeing a judge, then the money is treated as a bail forfeiture. All bail forfeiture goes to the County. If these violations become civil, there will be no bail forfeitures on traffic cases. The serious offenses that will remain misdemeanors are always adjudicated by a judge, so that fine money will also go to the State. The only warrant fees that will remain will be those issued for failures to appear on the DUI's, etc., drastically reducing the warrant fees that the County currently receives. Based on the caseload stats, 87% represents traffic misdemeanors. 3% growth rate used for out years.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$15,867,511	\$16,343,537	\$34,172,701

City/County: **Elko County**

Approved by: Cash A. Minor, Assistant County Manager/CFO

Comment: Has Impact

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$25,000	\$25,000	\$50,000

City/County: **Humboldt County**

Approved by: Letty Norcutt, Justice of the Peace

Comment: The civil penalty would go to the State, unless the County Commissioners enact an ordinance. Collections of unpaid fines/fees would be reduced because unable to issue warrants for civil penalties unpaid.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Liane Lee , Government Affairs Manager

Comment: It appears from the BDR the intent is to decriminalize most traffic offenses and convert them to civil matters. If this is the case the bill could have a significant fiscal impact on Washoe County. When a Justice Court receives a traffic citation there is a bail amount identified on the citation. Although the bill does not indicate any changes in the distribution of fines and fees we still have concerns. NRS 178.518 allows bail forfeitures to be paid to the County, but money deposited on civil cases is not considered bail. Last year in Washoe County it is estimated the four Courts collected approximately \$2,000,000 from bail forfeitures. The County would also lose money if the fine is capped at \$250. The loss of revenue from the fee cap for all four Courts is estimated to be about \$60,000 per year. There will be other minor revenue losses such as warrant fees as well.

In addition to the potential loss of revenue it is possible that the County will incur expenses to modify existing criminal justice computer operating systems that will need to be modified to track traffic offenses as civil matters.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$2,000,000	\$2,000,000	\$4,000,000

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: The fiscal impact of changing criminal traffic violations to civil violations cannot be determined at this time.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

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

Approved by: Michelle Thackston, Administrative Services

Comment: City of Las Vegas Municipal Court reports that there are major negative fiscal negative impacts with the current language of BDR 43-243. Current estimates of revenue loss under the current language is 100% of all current fine revenue on civil traffic cases. This equates to roughly \$12 - 16 million in loss annually. According to page 13, line 6 of the bill, all fines become civil judgments in favor of the State. While the City Charter allows for the city to convert state fines to municipal fines, Municipal Court believes there is no similar ability to convert civil judgments on state infractions to city revenue. If this is the case this bill would result in the City of Las Vegas Municipal Court losing all fine revenue, there would be no bonds, so the City would lose all bond forfeiture monies, all warrant fees.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$12,000	\$12,000	\$12,000

City/County: **City of Reno**

Approved by: Ryan High, Budget/Strat. Initiatives Mgr.

Comment: In addition to the aforementioned estimated negative fiscal impact as a result of this legislation, there will be additional costs related to printing citations with new language/check boxes, modifications to both the Reno Police Department's and Municipal Court's case management systems, and staff training for both the Reno Police Department and Municipal Court.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	(\$2,903,824)	(\$2,903,824)	(\$5,807,648)

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: The provisions of this bill may result in a loss of court issued traffic revenues; however, it's difficult to practically determine how the provisions of this bill will be carried out, thus making it impossible to determine the fiscal impact at this time.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Las Vegas Metropolitan Police Department**

Approved by: Rich Hoggan, Chief Financial Officer

Comment: LVMPD receives no revenue from either criminal or civil fines. There does not appear to be any additional burden to resources to implement the provisions of the legislation.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

The following cities and counties did not provide a response: Douglas County, Esmeralda County, Eureka County, Lander County, Lincoln County, Mineral County, Lyon County, Pershing County, Nye County, Storey County, White Pine County, Boulder City, City of Elko, City of Mesquite, and City of North Las Vegas.