# MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY

# Seventy-Eighth Session April 22, 2015

The Committee on Judiciary was called to order by Chairman Ira Hansen at 8 a.m. on Wednesday, April 22, 2015, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through Legislative Counsel Bureau's **Publications** the Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

#### **COMMITTEE MEMBERS PRESENT:**

Assemblyman Ira Hansen, Chairman
Assemblyman Erven T. Nelson, Vice Chairman
Assemblyman Elliot T. Anderson
Assemblyman Nelson Araujo
Assemblywoman Olivia Diaz
Assemblywoman Michele Fiore
Assemblyman David M. Gardner
Assemblyman Brent A. Jones
Assemblyman P.K. O'Neill
Assemblywoman Victoria Seaman
Assemblyman Tyrone Thompson
Assemblyman Glenn E. Trowbridge

#### **COMMITTEE MEMBERS ABSENT:**

Assemblyman James Ohrenschall

#### **GUEST LEGISLATORS PRESENT:**

Senator James Settelmeyer, Senate District No. 17 Senator Greg Brower, Senate District No. 15



#### **STAFF MEMBERS PRESENT:**

Diane Thornton, Committee Policy Analyst Brad Wilkinson, Committee Counsel Nancy Davis, Committee Secretary Jamie Tierney, Committee Assistant

#### OTHERS PRESENT:

Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department

Robert Roshak, representing Nevada Sheriffs' and Chiefs' Association

Brett Kandt, Special Deputy Attorney General, Office of the Attorney General

Steve Yeager, Deputy Public Defender, Clark County Public Defender's Office

John T. Jones, Jr., representing Nevada District Attorneys Association Natasha Koch, Captain, Nevada Department of Public Safety Nevada Highway Patrol

Shawn R. Reid, Board Member, Nevada Gaming Control Board

Karl Bennison, Chief, Enforcement Division, Nevada Gaming Control Board

Buffy Brown, Senior Research Specialist, Nevada Gaming Control Board

Lorne Malkiewich, representing the Nevada Resort Association

Joseph Guild, III, representing Nevada Court Reporters Association

Lori Urmston, Nevada Certified Court Reporter, Past President of the Nevada Court Reporters Association

Lori Judd, Governor-appointed member, Nevada Certified Court Reporters Board

Peggy Isom, Private Citizen, Las Vegas, Nevada

Shelly Loomis, Private Citizen, Carson City, Nevada

#### Chairman Hansen:

[Roll was taken and Committee protocol was reviewed.] I will now open the hearing for <u>Senate Bill 176 (1st Reprint)</u>.

<u>Senate Bill 176 (1st Reprint)</u>: Revises provisions governing certain dangerous or deadly weapons. (BDR 15-87)

#### Senator James Settelmeyer, Senate District No. 17:

The bill in front of you today comes about like many bills do, from our constituents. I have a constituent who is an avid knife collector, and he wants to change the laws. This bill has evolved a little as we have added other

subjects. What occurred is that currently, under Nevada law, it is illegal to possess a switchblade. However, our definition of a switchblade is spring-assisted, the concept of using a spring to help the knife open.

On October 28, 2009, President Obama signed House of Representatives 2892, Public Law 111-83, changing the definition of spring-assisted knives. Our laws have not changed on that point. There are many technologies that have changed when it comes to knives; there are ball-bearing assisted deployment knives, there are gravity knives, and there are switchblades. I have given you an example of a "switchcomb," since it is illegal to have a switchblade in Nevada. As far as the time frame of deployment, there is no difference with the spring-assisted knives. You touch a metal tang on the back of the knife and it immediately opens, just as easily as a switch.

Currently under Nevada law, it is illegal to have a belt buckle knife. You cannot have a knife that is an integral part of a belt buckle. However, it is completely legal in Nevada to have a belt buckle derringer. It is okay to carry a gun, just not a knife. I found that problematic.

As we started going through the rest of the bill, we found that one section in Nevada law defined a BB gun as a deadly weapon. I disagree with that assessment. Therefore, we wish to try to correct that as well. That created an unintended consequence: someone suddenly had a legal right to carry a BB gun into a kindergarten class. That is not our intent. We carefully crafted this bill to find a better definition. The National Rifle Association (NRA) said that our definition would not be adequate. They suggested the definition of a pneumatic gun, to also include paint-ball guns. That is the gist of the bill. There is also a section discussing dirks and daggers. The reason we sought to delete the definitions of dirks and daggers is that we have no definition in law, nor is there any real way to define a dirk or a dagger. When we define things around here, we go to Black's Law Dictionary, which has no definition of a dirk or a dagger. When that fails, we look into the Webster's Dictionary for the definition. We found: "a dagger—a sharp pointed knife" and "a dirk—a long straight-bladed dagger." So a dirk is a long dagger and a dagger is a short dirk. That lack of definition we found to be problematic. In working with many of the prosecuting attorneys in Clark County, they indicated the problem exists and it was wise to clarify.

Section 1 of the bill adds the term pneumatic gun. It also redefines firearms to be consistent with the other definitions of firearms elsewhere in *Nevada Revised Statutes*, eliminating the concept of a firearm being a device with a metallic projectile, including a ball bearing or pellet, which may be expelled by means of spring, gas, air, or other force. Section 1 also has

a better definition of a switchblade and a pneumatic gun, as recommended by the NRA.

In section 2, we deleted the belt buckle knives and the terms dirk and dagger. We left machete; we do not think it is proper to carry around a machete. We added the term pneumatic gun, ensuring that no one will carry a concealed pneumatic gun because many people will mistake that pneumatic gun for a real gun.

We deleted the old definition of switchblade to ensure that people could carry a switchblade in Nevada. We worked very intricately with the Senate Committee on Judiciary and with law enforcement to get them comfortable with the bill.

#### **Chairman Hansen:**

Thank you. Is there anyone who would like to testify in favor of this bill?

### Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

We appreciate Senator Settelmeyer's working with us on this bill. We had concerns with the initial version of the bill. We are in support of S.B. 176 (R1).

#### Robert Roshak, representing Nevada Sheriffs' and Chiefs' Association:

I will echo what Mr. Callaway said, and we are in support.

#### Chuck Callaway:

Eric Spratley, Washoe County Sheriff's Office, could not be here today, but asked me to put his support on the record as well.

#### Chairman Hansen:

Is there anyone else in favor of <u>S.B. 176 (R1)</u>? Seeing no one, is there anyone in opposition? Seeing no one, is there anyone in the neutral position? Seeing no one, I will close the hearing on <u>Senate Bill 176 (1st Reprint)</u> and open the hearing for Senate Bill 52.

Senate Bill 52: Revises provisions governing search warrants. (BDR 14-159)

# Brett Kandt, Special Deputy Attorney General, Office of the Attorney General:

<u>Senate Bill 52</u> updates our Nevada statute governing the issuance of search warrants, which is *Nevada Revised Statute* (NRS) 179.045, to authorize the use of a secure electronic transmission for the submission of an application and affidavit for, and the issuance of, a search warrant. [Continued to read from prepared testimony (<u>Exhibit C</u>).]

I could have scheduled a demonstration from one of the vendors that provides this type of technology, but in consideration of your time, I did not do that. I would like to focus on the fact that I reached out to many stakeholders regarding this proposal, including the defense bar, the American Civil Liberties Union, the National Association for the Advancement of Colored People, and judges. There seemed to be a consensus that this was a commonsense proposal. Ultimately, this should reduce the number of warrantless searches. You will always have instances where exigent circumstances justify a warrantless search, but by making this technology available, and making it easier and quicker to apply for and obtain a search warrant, theoretically there should be fewer warrantless searches. [Continued to read from prepared testimony (Exhibit C).]

#### Assemblyman Nelson:

I am looking at section 1, subsection 9, the definition of secure electronic transmission. Currently that is email, correct?

#### **Brett Kandt:**

No, we are talking about something much more secure. Obviously, technology is being utilized to facilitate commerce all the time, even parties entering into binding contracts via secure electronic communication. This has a much higher level of message integrity and security than just a common email or text. We are talking about a transaction that takes place over a secure line, where the integrity of both the sender and the recipient is guaranteed.

#### **Assemblyman Nelson:**

So there is an arrangement made in advance between whoever needs to submit the request and issue the warrant. I am curious, how many judges will be involved? Is there one place where they send all the requests?

#### **Brett Kandt:**

The security of the transaction focuses on integrity and authentication. This is permissive, and it is up to a jurisdiction if they want to invest in this type of technology, install it in patrol cars, and put it on the tablets for judges. Currently, a judge in a certain jurisdiction is on call for search warrant application and issuance. That judge would have the technology on his computer. The officer, theoretically, in his squad car, would dial in the probable cause affidavit and application from a secure line. The judge will review it, determine if probable cause exists, and issue the search warrant back to the police officer through a secure line. There still needs to be a procedure for printing out a hard copy of the search warrant to serve to the person who is being searched. There are vendors who have this technology. It would be up to a jurisdiction whether they want to invest in that type of technology in

compliance with any rules that the Nevada Supreme Court might adopt for this procedure. If so, we would need this enabling legislation to allow them to utilize it.

### **Assemblyman Elliot T. Anderson:**

I am looking at the definition of a computer system. That is a very broad term. My iPhone 5 has more computing power in it than the supercomputers of the 1970s. When the bill mentions computer, does it have to be a laptop computer? Also, how would the judge interact with a police officer on the street? Currently, while requesting the warrant by telephone, the judge can ask questions and vet the information. Is there a way to communicate through this system to be able to have specific facts articulated in the application for a search warrant?

#### **Brett Kandt:**

The definition of computer is used in its broadest sense. I think, depending on the technology, a vendor may be contracted by a local jurisdiction to provide this type of a system. It could be utilized on any portable electronic device, provided it has the capacity to handle the vendor's software and meets the levels of security in terms of authentication and message integrity. In terms of the judges being able to follow up on the initial application and delve into some of the facts articulated in the affidavit of probable cause, I believe that is accounted for in the types of systems that vendors provide. There is an ability for the judge to follow up. It is all recorded and documented as part of the transaction.

#### Assemblyman Elliot T. Anderson:

So, there is an instant messaging capability?

#### **Brett Kandt:**

If it would give the Committee a greater comfort level, I can have a vendor do a demonstration, but in consideration of the Committee's time, I did not arrange for that today.

#### Assemblyman O'Neill:

If I understand this, there is an application that is put on a computer, so it can be any law enforcement computer, correct? Is it an application that provides a secure encryption communication between the officer and the receiver? You also mentioned dialing up. Is there also telephonic communication?

#### **Brett Kandt:**

I used dialing up as a very nontechnical term; I meant contacting through the system. I believe there is some level of encryption involved to ensure the integrity of the message. When it comes to the issue of authentication, the officer and the judge have some sort of password.

#### Assemblyman O'Neill:

Has this been vetted through the Federal Bureau of Investigation, Criminal Justice Information Services Division, since this is communication of personal data?

#### **Brett Kandt:**

I am not sure, but I will follow up on that.

#### Chairman Hansen:

Is there anyone who would like to testify in favor of S.B. 52?

### Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

We are in support of <u>S.B. 52</u>. It basically brings Nevada up to modern technology. One of the areas where this is extremely important is on driving under the influence (DUI) investigations. At 2 o'clock in the morning, a DUI driver hits and kills someone and refuses to provide a blood sample to the traffic officer; we have to get a search warrant to obtain that blood, and time is of the essence. As time goes by, the person's alcohol level decreases. Last year we had 578 blood draw search warrants related to DUI investigations. The ability to use this modern technology is very beneficial to us. In addition, I think it is important to note that use of this technology does not make it easier to get a search warrant. The same requirements in statute are still required. The officer still needs probable cause and all the other facts and circumstances to obtain the warrant; this is just an avenue to do it through modern technology, similar to the telephonic search warrant.

## Steve Yeager, Deputy Public Defender, Clark County Public Defender's Office:

We are in support of the bill as well. Our hope is that using electronic search warrants will help us in the discovery process and receive the search warrant materials faster. Currently, with telephonic search warrants, someone has to transcribe that, so there is often a delay. Sean Sullivan with the Washoe County Public Defender's Office is also in support.

#### John T. Jones, Jr., representing Nevada District Attorneys Association:

The two main points that I wanted to make have just been made so, me too.

# Natasha Koch, Captain, Nevada Department of Public Safety, Nevada Highway Patrol:

We support the bill for all the previously mentioned reasons.

# **Robert Roshak, representing Nevada Sheriffs' and Chiefs' Association:** Me too.

#### Chairman Hansen:

Is there anyone else who would like to testify in favor of <u>S.B. 52</u>? Seeing no one, is there anyone who would like to testify in opposition to <u>S.B. 52</u>? Seeing no one, is there anyone in the neutral position? I will now close the hearing on Senate Bill 52 and open the hearing on Senate Bill 40 (1st Reprint).

Senate Bill 40 (1st Reprint): Prohibits certain acts relating to wagering. (BDR 41-353)

#### Shawn R. Reid, Board Member, Nevada Gaming Control Board:

<u>Senate Bill 40 (1st Reprint)</u> is proposed by the Gaming Control Board (GCB) to do a couple of things. Number one, it will attempt to codify in *Nevada Revised Statutes* (NRS) Chapter 465, the crimes and liabilities concerning gaming fees, the specific crime of illegal bookmaking. Secondly, define those who actively facilitate illegal race and sports wagering, whether via unregulated illegal offshore wagering sites or the traditional bookmaking operations.

Currently, Nevada law does not have an illegal bookmaking law in which to prosecute this illegal activity. Right now what is used is essentially a licensing statute, NRS 463.160. We have been able to successfully prosecute some illegal bookmaking cases using that. This would be more specific to the act of illegal bookmaking and would assist our agency and our law enforcement partners in prosecuting these crimes.

Major bookmaking organizations have operated in this state in the past. Occasionally federal agencies and law enforcement in other states have been willing to prosecute these cases, but these efforts have only put a dent in the illegal bookmaking activity. Additionally, we have become reliant on the resources of other agencies and must take a secondary role in the investigation, rather than the lead.

You may ask why we do not amend the licensing statute, NRS 463.160. Having a specific illegal bookmaking prohibition will help us be more proactive in our efforts to prosecute, investigate, and arrest individuals. It is also a predicate state offense that will interest more of our federal partners in assisting with battling this illegal bookmaking.

Of great concern to the board is protecting the gaming industry in this state. Illegal wagering, and those who facilitate it, threaten Nevada's legal race and sportsbook operations and take away critical tax dollars from this state. In late 2013, we had a case that appeared before the GCB. We were informed that agents for an illegal offshore betting site would get commissions for signing up people who they were contacting in our sportsbooks. When accounts needed to be settled by either a bettor paying or being paid for a wager, these people would meet again and exchange cash back and forth, whether they won or lost. That is one of the things we are trying to prevent with this bill.

Also of note, in January 2015, Mr. Geoff Freeman of the American Gaming Association sent a letter to our members of Congress with regard to the new Attorney General and his hopes of having the administration battle illegal gambling. He stated,

Illegal gambling operations attract illicit activities such as money laundering and other serious crimes while siphoning critical tax revenues from state and local governments across the country. The problem is all the more apparent with illegal sports betting, a matter of great interest among regulators, professional sports leagues, journalists, and others. Legal gaming is a highly regulated \$240 billion U.S. industry that supports 1.7 million jobs in 40 states and works closely with law enforcement to identify illegal activity, in some cases leading to criminal convictions. In stark contrast, no such oversight exists for the illegal sports betting market where the risk of money laundering is far greater due to its inherent underground market.

The gaming industry in this state has a public policy statute, NRS 463.0129, that contends that gaming is vitally important to the economy of the state and the general welfare of its inhabitants, and that gaming be free from criminal and corruptive elements. That is what we are trying to do with this bill.

#### Karl Bennison, Chief, Enforcement Division, Nevada Gaming Control Board:

I second what Mr. Reid said. We would really like a stand-alone criminal statute that will help us address this problem. It will not only help in our own investigations as a stand-alone agency but also with the difficulties we have,

especially dealing with offshore gaming. We will at least be able to address the tentacles of the offshore operator operating within our state with the language that is in this bill. If not, it does provide a strong predicate offense for when we work with the federal agencies in prosecuting these crimes.

#### **Assemblyman Jones:**

We have a legal apparatus where it is very convenient and easy to make bets. How prevalent is the problem of illegal gaming?

#### Karl Bennison:

It is interesting, you would think that bettors would naturally go to the legal operators if they are located in Nevada. There are several reasons that drive individuals to bet offshore or with the illegal books. One that I have seen in the past is somewhat prominent individuals do not want to be in the sportsbooks and would prefer to bet from home. We do have some methods for doing that within the state, with mobile gaming, but that is one reason a person will go offshore, for convenience and not being exposed. The offshore books do offer different odds, and bettors, like anyone else, will shop around and look for the best odds. The offshore operators offer a lot of rebates and discounts which incentivizes bettors to go with them. They also offer betting on credit.

#### Assemblyman Elliot T. Anderson:

This bill refers to any person who accepts and receives a share or percentage. That comes across a little broad. That can be someone who says, Why not go to Las Vegas and put a bet on the Packers to win the Super Bowl; if you win, I will give you 50 percent. I am wondering if there is a way to tighten that up. I think this text can draw in some people who should not be drawn in.

#### Buffy Brown, Senior Research Specialist, Nevada Gaming Control Board:

The key to take it out of the realm that you are talking about, with a friend or colleague or someone who is operating on a larger scale, is under section 1, subsection 1, where it would only be illegal under this statute to do such for compensation or some other benefit with an entity without having first procured and thereafter maintained all federal, state, county, and municipal gaming licenses. If it is a legal sportsbook operating in this state, none of that activity would fall under this statute. It is only addressed to illegal books operating in this state. We did not have a very direct definition of book itself, which is why we combined the definitions we currently have regarding acceptance of any bet or wager upon the result of any event held at a track, sporting event, or any other event. That is how our sportsbooks are defined in our current statute.

#### Assemblyman Elliot T. Anderson:

I have a problem with the word "facilitating."

#### **Buffy Brown:**

In section 1, subsection 2 paragraph (a), "to accept or facilitate any bet or wager that is placed with a person described in subsection 1." It would only be if you are facilitating a wager that is being placed with or winnings received from someone who is unlicensed. We worked very closely with our legal sportsbooks in coming up with this language. Section 1, subsection 3 protects our legal sportsbooks as well as people who are wagering with legal sportsbooks, even if it is someone who is also wagering with an illegal offshore sportsbook. We are protecting the legal sportsbooks. If they do not have knowledge that they are dealing with someone who is bringing wagers or bets with unclean hands, they will not be implicated. Nor are we targeting people who place wagers because many of them do not even understand that what they are doing is wrong.

#### Assemblywoman Diaz:

How does a bettor know whether it is a legitimate sportsbook? I am thinking with the advent of technology, being online, and people wanting convenience, how do we educate people about what to look for.

#### Shawn Reid:

Regarding online sportsbooks, there is no other jurisdiction in the United States that has legal sports betting other than the state of Nevada. Online sportsbooks are not regulated by anyone.

#### Karl Bennison:

There are many articles in the media about online betting and the legalities of it. This bill does not go after the bettors themselves. It is the illegal operators that this bill addresses. Education and public relations is a very valid point and a common topic in the media.

#### Assemblywoman Diaz:

It seems that most of the people we are targeting with this legislation are offshore. Are there any instances where they are not as sophisticated and not online? I am thinking of sporting events, boxing events for example. Do we find any time where there are people on the ground dealing with other individuals trying to get the ring going, for example on the Floyd Mayweather and Manny Pacquiao fight. Would this help clamp down on that type of illegal betting?

#### Karl Bennison:

Yes, we do have traditional illegal bookmaking operations that are not online located in Nevada. We deal with them on occasion. They are physically located here. We either pursue them ourselves, or we partner up with the

federal agencies to pursue them. Different sporting events can trigger more activity on illegal betting, like the World Cup, or as you mentioned, the upcoming fight. We will be acting on any information we get regarding illegal wagering on the fight.

#### **Buffy Brown:**

This bill would cover that as well. Currently, the only mechanism under state law that we have to deal with this crime, whether it is online or in person in Nevada, is our bill dealing with licensing. That does not have the same directness that having this bill in NRS Chapter 465 would have, which deals specifically with crimes involving gambling. This bill would assist our law enforcement as well as the federal law enforcement. There is an illegal bookmaking statute under federal law, but that statute requires a predicate state offense.

#### Assemblyman O'Neill:

I am surprised that Nevada does not already have this law, considering we have been in gaming since 1934. Financially, how big of an issue is being diverted from what could be utilized by our legal sportsbooks, and in turn be received by the state in taxes?

#### Shawn Reid:

It has been estimated that the legal wagering in the state of Nevada is 1 percent of the total of all sports wagering around the world. Here is something to put it in perspective as well: Geoff Freeman recently appeared at a national association of attorneys general conference. He was discussing getting different states to be more proactive about this problem. He indicated that the legal sports wagering on this year's Super Bowl was \$116 million in the state of Nevada. It is estimated that \$3.8 billion was wagered illegally.

#### **Lorne Malkiewich, representing the Nevada Resort Association:**

We are in support of  $\underline{S.B.}$  40 (R1). We had some similar concerns on the Senate side with the wording and the scope of the bill. I believe the amendments addressed them well. We are in support of the bill as amended.

#### Chairman Hansen:

Is there anyone who would like to testify in favor of <u>S.B. 40 (R1)</u>? Seeing no one, is there anyone who would like to testify in opposition? Seeing no one, is there anyone who would like to testify in the neutral position? Seeing no one, I will close the hearing on <u>Senate Bill 40 (1st Reprint)</u> and open the hearing on Senate Bill 131.

Senate Bill 131: Revises provisions governing the compensation of certain court reporters. (BDR 1-639)

#### Senator Greg Brower, Senate District No. 15:

It is my pleasure to introduce <u>Senate Bill 131</u> on behalf of the hard-working court reporters from around our great state. The digest of the bill states, "Existing law sets forth the compensation that must be paid for various services provided by the official reporter or reporter pro tempore in a state district court. This bill increases the compensation that must be paid to such court reporters for certain transcription and reporting services." We do, as this Committee knows, micromanage much of what happens at the local level, particularly what happens in court at the local level, including the amount of compensation for our hard-working court reporters. There has not been an increase in quite some time. Suffice it to say that it is my privilege to advocate for a long-overdue increase in the rate.

#### Joseph Guild, III, representing Nevada Court Reporters Association:

We are in support of <u>S.B. 131</u>. I would like to thank Senator Brower in his leadership for bringing this forward. I would also like to thank the Committee members who were able to meet with my assistant prior to this hearing. Many of you were briefed before I got here, and I appreciate that. I am an attorney, licensed to practice in Nevada and California for over 30 years. I have had great experience, as many of you who sit on this Committee have, in dealing with court reporters.

I have provided three pages from the statutes of Nevada in 1907 (Exhibit D). That is when your predecessors created the process by which court reporters were considered to be an important part of the judicial system. The first pay and compensation schedule was laid out in that legislation. The other thing I would like to point out is: *Nevada Revised Statutes* (NRS) 656.020, subsection 2, when again your predecessors in 1973 declared: "The practice of court reporting in the state of Nevada is declared to affect the public health, safety and welfare and is subject to regulation and control in the public interest." That is policy that your predecessors espoused in 1973.

I will now give you a brief overview of the bill. On page 1, line 7, the bill requests that the per diem for a court reporter be increased from \$170 to \$250 a day. Page 2, beginning on line 8, the per page compensation for an early draft of a transcript is \$8.03 per page; up from \$7.50, and \$3.62 per page for each additional copy. Lines 11, 12, 14, and 15 all reflect increases in costs. As you know, an early transcript, especially if you are in a trial, is a very valuable tool when trying to impeach a witness or further bolster testimony. Finally, still on page 2, line 42, an increase of \$10 an hour. That is essentially

the bill. I would like to introduce Lori Urmston who can give you some perspective on this bill.

# Lori Urmston, Nevada Certified Court Reporter, Past President of the Nevada Court Reporters Association:

<u>Senate Bill 131</u> is a bill that has been brought by the Nevada Court Reporters Association, but all licensed court reporters who work in the court system, whether a member of the association or not, will be entitled to the rates that are set by this governing body.

There are approximately 250 actively licensed court reporters in the state of Nevada, but out of those, the passage of <u>S.B. 131</u> will directly affect less than 40 court reporters: approximately 22 in Clark County, 9 in Washoe County and a handful in the rural areas. [Continued to read from prepared testimony (Exhibit E).]

Passage of <u>S.B. 131</u> will ensure that court reporters can be fairly compensated for their work in producing accurate and quality transcripts, which is of utmost importance for our judiciary and the public. [Also provided (<u>Exhibit F</u>), (<u>Exhibit G</u>), and (<u>Exhibit H</u>).]

#### **Assemblyman Elliot T. Anderson:**

I support this bill. Do we set the salaries of law clerks or any other support staff in statute? I feel like it must be terribly inconvenient for you to come to us to deal with this. Is there any way we could ensure that court reporters are fairly compensated, but allow the counties to adjust the rates?

#### **Senator Brower:**

We micromanage more from this building than we probably should. We tell the counties what the district attorneys make and we set the judges' salaries. Some of those issues are the subject of other bills. I agree with you, but until and unless we decide to stop that micromanagement and leave it up to the counties, court reporters are required to come to us to ask for an increase.

#### Assemblyman Thompson:

I also support this bill. What is the difference between transcribing and recording? Also, do we use a lot of video and audio technology while transcribing?

#### Lori Urmston:

I am a stenographic reporter. The Nevada Court Reporters Association consists of stenographic reporters. We have two components to our job. The first is, I am the one who sits in court with the little machine, writing everything down. Once that is done, there is computer-assisted software that I use to translate

my transcription into an English translation. I then spend a great deal of time reading the transcription line by line. In statute, there are two methods by which the judicial record can be created. One is by a stenographic reporter and one is by a recorder, where they use the audio. That is not us; those are different people. They actually have recorders who sit in court and write notes which also have to be transcribed.

#### Joseph Guild:

I was at a trial several years ago; it was a recorded trial, not a reported trial. The recording system malfunctioned. We had no tape of the trial. The judge directed opposing counsel and myself to come up with stipulated facts which we could present to the judge in case there was an appeal from the decision of the judge. That process took four days. This is not to cast aspersions on that system; I think it has improved over the years, but when the reporter is in the trial making her notes, it is very accurate.

#### Assemblyman Jones:

It seems rather odd that we are micromanaging this from afar. Is there a situation or problem with getting good quality reporters at the current rate? I believe in free-market philosophy. If people are willing to do it for \$170 a day, and we are getting a good quality product, why would we want to raise the rates? If there is a shortage, then I agree we need to raise the rates.

#### **Senator Brower:**

From my observation of, and working closely with, court reporters for two decades, I know they are often overlooked and taken for granted. They nevertheless feel as though they are quasi-officers of the court. It is a public service they are providing. They are committed to providing it in the most professional, competent way possible. I think the general mindset of a court reporter is that she is really not in a position to be able to say, I am not going to show up and do the people's work because I think the rate is too low. She is obligated, out of a sense of public duty, to continue to do her job at the behest of the court system, even if the rate dictated by statute is unfairly low.

#### Lori Urmston:

My first response is that we have great court reporters in the court. I echo Senator Brower. One thing about a court reporter: we are the neutral person in that courtroom. We do not take sides, and we take very seriously what we do. I do not know if you had a chance to read some comments, but people are saying, I will show up for work every day because this is an important job. I take pride in it. But, I am having a hard time paying for my medical insurance. Reporters are going to continue to do a great job. One thing I know: I may be in

a small claims hearing tomorrow and a death penalty case the next day; they all have the same importance when you are a court reporter.

#### **Assemblywoman Diaz:**

Court reporters are independent contractors, correct?

#### Lori Urmston:

Yes, they are.

#### Assemblywoman Diaz:

So, your health insurance is on your dime. You do not have any benefits other than your wages.

#### Lori Urmston:

That is our gross compensation.

#### **Senator Brower:**

Typically in our courtrooms, the court reporter is not an employee of the court. She is an independent contractor who contracts with the court, usually at the request of the judge. The casual observer would assume that the judge and the court reporter are both state employees.

#### Assemblyman Gardner:

Where did these figures come from? I was trying to look at it based on inflation, but that does not seem to work. I am wondering why these numbers?

#### Joseph Guild:

The numbers came from discussion between myself and members of the Nevada Court Reporters Association. I guess, in a sense, it is relatively arbitrary. I asked the reporters what would be fair, and we received opinions from \$350 per day down to \$185. We went in the middle; that is about as scientific as it was.

#### Assemblyman Trowbridge:

Where did the odd cents come from?

#### Lori Urmston:

I was not involved when those numbers were decided. It was 15 years ago when expedited rates became effective. I have tried to figure it out, but it is a percentage. Those figures have to do with, if you turn a transcript around in 24 hours, it is 100 percent, and it goes down from there.

#### **Greg Brower:**

I have to admit, on the Senate side, the less than round numbers did not raise a question, but that is a very good point. I am sure if the Committee decided to round off the numbers, that is not the issue and would be acceptable.

#### Joseph Guild:

There are members of the Association here in support of this bill.

#### **Assemblyman Nelson:**

I have fantastic experiences with court reporters throughout my career. They are the most professional part of the whole court system. On the per diem, many jury trials will sometimes go late into the night. Do you get anything extra for that?

#### Lori Urmston:

Yes, there is a provision of \$30 per hour after 5 p.m.

reporting jobs that we will be unable to fill.

#### **Greg Brower:**

I thank the Committee for taking the time to allow us to present this bill.

Lori Judd, Governor-appointed member, Nevada Certified Court Reporters Board: The Nevada Certified Court Reporters Board takes no official position on this bill. There was a question asked that I would like to address. The question was, is there a shortage of court reporters who are willing to work at the current rate? Having sat on the Court Reporters Board since 2008, I have witnessed that, for the first time in Nevada's history, we have seen a decrease in the number of licensed court reporters in our state. I did not come prepared with specific numbers, but that is certainly something I could research. In addition, on a nationwide basis, the National Court Reporters Association

anticipates that in the next five years, there will be in excess of 5,000 court

I have been a reporter in Nevada for about 30 years. In years past, Nevada was the envy of the nation. Many court reporters would come here and sit for our exam and keep a Nevada license active, with the thought of retiring in Nevada, because life was so good here and the pay was so good. During my time on the Court Reporters Board, through the recession that we have experienced, and the lack of keeping up with the cost of living, many of the reporters have let their Nevada license go. We are no longer the envy of the nation. I believe that this increase is a good start to getting us back to where we were before the recession.

#### Chairman Hansen:

When was the last time these fees were raised?

#### Lori Judd:

In excess of ten years.

#### **Assemblyman Jones:**

What percentage of people work in the court versus in free trials, such as for attorneys? What is the pay difference of what is paid in the courts versus what is paid in the free market?

#### Lori Judd:

I did not come with specific numbers, but I would say approximately 20 percent of the licensed court reporters work in the court system. The rest either work freelance or provide a service called Communication Access Realtime Translation, which is instantaneous translation for the deaf or the hearing impaired. Some keep their license active but are not actively working at all. We do have a few reporters in Nevada who are salaried through the county. They are paid independent of this statute.

#### Assemblyman Jones:

So 80 percent work doing depositions, arbitrations, et cetera. What is the pay difference?

#### Lori Judd:

The freelancers are governed by the free market. I could not tell you what my competition charges. I believe it is in the same ballpark. Because we are considered officers of the court, things like gift-giving or side deals are prohibited.

#### Peggy Isom, Private Citizen, Las Vegas, Nevada:

I am here in support of this bill. I do not have specific numbers, but I am only allowed to charge the attorneys \$30 an hour when I am in trial. When an attorney wants to bring in a court reporter because he does not like the recorded transcript, I have heard of instances of reporters charging upwards of \$1,000 per day to take the record.

## Shelly Loomis, Private Citizen, Carson City, Nevada:

I am a court reporter, working in the First, Third, and Ninth Judicial Districts. I am also a business owner. I am in support of this bill. I agree that there is a shortage of court reporters, and it is very hard to attract court reporters based on the current rate.

#### **Chairman Hansen:**

Is there anyone else in favor of <u>S.B. 131</u>? Seeing no one, is there anyone in opposition who would like to testify? Seeing no one, is there anyone in the neutral position? Seeing no one, I will close the hearing on <u>S.B. 131</u>. I will open it up for public comment. Seeing no one, this meeting is adjourned [at 9:19 a.m.].

	RESPECTFULLY SUBMITTED:	
	Nancy Davis Committee Secretary	
APPROVED BY:		
Assemblyman Ira Hansen, Chairman		
DATE:		

# **EXHIBITS**

Committee Name: Assembly Committee on Judiciary

Date: April 22, 2015 Time of Meeting: 8 a.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
	В		Attendance Roster
S.B. 52	С	Brett Kandt, Office of the Attorney General	Prepared Testimony
S.B. 131	D	Joseph Guild, Nevada Court Reporters Association	Nevada Statute, 23rd Legislative Session
S.B. 131	E	Lori Urmston, Nevada Certified Court Reporter	Prepared Testimony
S.B. 131	F	Lori Urmston	Letter of Support
S.B. 131	G	Lori Urmston	States Compensation Policies
S.B. 131	Н	Lori Urmston	Nevada Court Reporters Salary