

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-Eighth Session
March 2, 2015**

The Senate Committee on Finance was called to order by Chair Ben Kieckhefer at 8:01 a.m. on Monday, March 2, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Ben Kieckhefer, Chair
Senator Michael Roberson, Vice Chair
Senator Mark A. Lipparelli
Senator David R. Parks
Senator Joyce Woodhouse
Senator Aaron D. Ford

COMMITTEE MEMBERS ABSENT:

Senator Pete Goicoechea (Excused)

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joi Davis, Senior Program Analyst
Emily Cervi, Senate Finance Committee Assistant
Jackie Cheney, Committee Secretary
Jeanne Harrington-Lloyd, Committee Secretary

OTHERS PRESENT:

Adam Laxalt, Attorney General, Office of the Attorney General
Martha Radu, Chief Financial Officer, Office of the Attorney General
Dennis Gallagher, Chief Deputy Attorney General, Office of the Attorney General

Marta Adams, Chief Deputy Attorney General, Office of the Attorney General
Robert Giunta, Senior Deputy Attorney General, Office of the Attorney General
Thom Gover, Senior Deputy Attorney General, Office of the Attorney General
Wesley K. Duncan, Assistant Attorney General, Office of the Attorney General
Nicholas A. Trutanich, Chief of Staff, Office of the Attorney General
Eric Witkoski, Chief Deputy Attorney General, Consumer's Advocate,
Office of the Attorney General
Elizabeth Greb, Grants and Projects Analyst, Office of the Attorney General
Nancy Katafias, Tort Claims Manager, Office of the Attorney General
Kanani Espinoza, Student Body Vice President, University of Nevada, Las Vegas

Chair Kieckhefer:

We will now hear the budget accounts of the Office of the Attorney General (AG).

ELECTED OFFICIALS

The AG budget recommends the reorganization of the current structure of budget account (B/A) 101-1030 in the 2015-2017 biennium.

AG - Administrative Fund — Budget Page ELECTED-84 (Volume I)
Budget Account 101-1030

Adam Laxalt (Attorney General, Office of the Attorney General):

A handout is provided entitled "Office of Attorney General Budget Presentation 2015 to 2017 Biennium SFY16 to SFY17" ([Exhibit C](#)).

I have provided an overview of the Office, as described on page 1.

The mission of the AG is shown on page 7. The Office seeks to be a premier law office that maintains the highest professional and ethical standards and a trustworthy member of the law enforcement community that makes Nevada a strong, safer and freer place for all of its inhabitants.

Our vision, as described on page 8, is to ensure that all actions taken by the State are lawful and legally defensible, to enforce transparency and accountability in government, to enforce laws for the protection and benefit of our citizens and to work with the Nevada law enforcement community to keep Nevada's families and communities safe.

My introductory remarks about the Office are described on page 9 of [Exhibit C](#). The AG consists of approximately 370 dedicated and hardworking individuals, committed to enforcing Nevada law for the protection and benefit of our citizens.

As the State's chief legal law enforcement officer, the AG represents the people of Nevada in criminal and civil matters, before trial and appellate courts of Nevada and the United States. We serve as general counsel to State officers, State departments and most State boards and commissions, and assist the 17 district attorneys of the State. Based on 2014 litigation figures, the AG currently defends the State from approximately \$1.2 billion in potential liabilities.

Although the proposed budget contemplates an office restructuring, which I will address in specific detail later in my presentation, I want to discuss the Office's current organizational structure, as described on page 12. The AG is currently organized into four major bureaus: the Bureau of Government Affairs (BGA), the Bureau of Litigation, the Bureau of Criminal Justice and the Bureau of Consumer Protection (BCP). These four bureaus are composed of 13 legal divisions and/or units with specific assignments related to the Office's statutory responsibilities. The Administration Division is responsible for all administrative matters pertaining to the Office, including personnel and fiscal matters, information technology, grant administration, media relations and investigations.

The Bureau of Litigation, as described on page 1 of [Exhibit C](#), represents the State, its executive and judicial officers and most State agencies in the litigation of complex cases. The Litigation Bureau also advises Executive Branch departments, divisions and agencies on all aspects of employment law. The Litigation Bureau oversees all appeals before the Nevada Supreme Court, the U.S. Court of Appeals for the Ninth Circuit and the Supreme Court of the United States. The Litigation Bureau includes the Personnel, Public Safety and Appellate Divisions.

The BGA includes the Gaming Division, Transportation Division, Business and Taxation Division, Government and Natural Resources Division, Boards and Licensing, and the Health and Human Services Division, as described on page 1 of [Exhibit C](#). The BGA represents all constitutional officers, the Department of Administration, and all State Executive Branch agencies. In addition, the BGA provides legal advice and representation to the boards and

commissions that enforce statutory provisions, regulating various occupations and professions for the protection and benefit of the public. We also enforce the Nevada Open Meeting Law to ensure transparency in State and local government. When requested, we provide legal opinions on questions of law to district attorneys and city attorneys.

The Bureau of Criminal Justice, as described on page 2 of [Exhibit C](#), includes our Special Prosecutions Unit and our Fraud Unit. The Criminal Justice Bureau investigates and prosecutes fraud involving Medicaid, insurance, worker's compensation, and securities, as well as sex trafficking, cybercrime and public integrity cases. We also handle habeas corpus cases and prison inmate litigation.

The Medicaid Fraud Control Unit, as described on page 2 of [Exhibit C](#), investigates and prosecutes fraud by health care providers in the Nevada Medicaid Program. During the past biennium, our Unit opened 51 investigations, closed 59 investigations and successfully prosecuted 30 criminal cases involving companies defrauding the Medicaid system. In the process, the Unit recovered \$8,328,097 for FY 2013 and \$9,750,664 for FY 2014.

In the Workers Compensation Fraud Unit, as shown on page 2, for FY 2013, we filed charges in 139 cases and recovered for the State \$474,792 in restitution costs and fees. For FY 2014, we filed charges in 128 cases and recovered \$359,297. In the Insurance Fraud Unit (IFU), for FY 2013, we filed 34 cases and ordered \$680,052 in restitution; in 2014, we opened 57 cases and recovered \$608,956 for the State.

The BCP, as viewed on page 2 of [Exhibit C](#), has three primary areas of focus: advocacy for the ratepayers before the Public Utilities Commission of Nevada and the Federal Energy Regulatory Commission pursuant to *Nevada Revised Statute* (NRS) 228.300, and NRS chapter 704; antitrust in chapter 598A; and civil enforcement of NRS chapter 598, deceptive trade practices. Multistate settlements concerning deceptive trade and antitrust issues have justly increased in the last biennium, returning an average of \$2.2 million annually to the General Fund from these settlements. This year we will be returning \$23 million to the General Fund.

The Mortgage Fraud Task Force Unit, as shown on page 3 of [Exhibit C](#), investigates and prosecutes the activities of fraudulent loan modification companies. Joining in a Multistate National Foreclosure Fraud Settlement, which targeted five of the largest mortgage servicers for foreclosure abuses, Nevada received a settlement of \$1.5 billion. We also received a separate settlement from the Bank of America for its fraudulent practices in the State.

In addition to the activities of the four Bureaus in our office, we also have a number of additional functions. For the past fiscal year, the Extraditions Unit handled 671 transfers of criminal defendants to or from our State. Over the past year, the Grants Unit administered over \$2 million in federal grant programs under the Violence Against Women Act, as discussed on page 3, and provided grant resources to over 50 law enforcement and victim services recipients at the State and local level.

Domestic violence continues to be a huge problem for our State and Nevada has led the Nation in the number of women killed by men. My Office has oversight of two committees focusing on solutions to this problem: the Nevada Council for the Prevention of Domestic Violence, as shown on page 3 of [Exhibit C](#), with representatives from law enforcement, the judiciary, prosecutors, victim services, health care providers and education; and the Committee on Domestic Violence (DV), which regulates treatment programs providing counseling to DV offenders. During this past biennium, my Office also convened a Statewide Domestic Violence Fatality Review Team, looking at DV homicide cases in four different rural communities and recommending system improvement to save lives in the future.

My Office has instituted a statewide automated Victim Information and Notification System (VINE), as viewed on page 3. The VINE provides crime victims around-the-clock access to information about the custody status of offenders in Nevada's jails and prisons, with notification if the offender is transferred, released or escapes.

As part of our outreach to the rural communities, my Office has utilized federal grants to embed our prosecutors with district attorneys in six counties, as described on page 3 of [Exhibit C](#). The AG staff will prosecute domestic violence and sexual assault cases under the supervision of the appropriate district attorney. We also have computer forensic examiners working with

multijurisdictional task forces, such as the Internet Crimes Against Children Task Force, as shown on page 3. Recently, we obtained a federal grant to assist rural law enforcement agencies with sex offender registration compliance checks, to make our communities safer from sexual predators.

As provided by the *Constitution of the State of Nevada* and the NRS, the AG is a member of several State boards, as shown on page 4. These boards include the Board of Examiners, Board of State Prison Commissioners, State Board of Pardons Commissioners, Executive Branch Audit Committee, and Advisory Commission on the Administration of Justice, Nevada Council for Prevention of Domestic Violence, the Substance Abuse Working Group, the Advisory Council for Prosecuting Attorneys and the Technological Crime Advisory Board.

My administration is committed to making Nevada as safe as possible. We are witnessing a trend in crime facilitated through technology that transcends borders. My Office is focused on providing assistance and support to local authorities in investigating and prosecuting transnational criminal activities, including sex trafficking, money laundering and cybercrime. On February 5, I hosted a law enforcement summit with over 100 representatives from the State and all the counties, including sheriffs, police chiefs and district attorneys to discuss emerging law enforcement issues in Nevada and to identify the most effective role our Office can play. It was a good first step in collaborating with all our local law enforcement officers.

The AG is committed to ensuring that all actions taken by the State are lawful and legally defensible, enforcing transparency and accountability in government and keeping Nevada's families and communities safe, as well as holding criminals accountable and seeking justice for victims.

Our primary administrative budget, B/A 101-1030, is shown on page 11 of [Exhibit C](#). In January 2015, our Office transferred approximately \$23 million into the General Fund to help mitigate the FY 2015 budget shortfall, accounting for nearly all the General Fund dollars currently allocated to the AG for the upcoming 2 years.

The AG has worked hard to be good stewards of taxpayer dollars. The Agency requested \$32.9 million in General Fund appropriations; the Executive Budget appropriated \$27.5 million for the AG. My Office is working with the Department of Administration Budget Division and the Legislative Counsel

Bureau (LCB) to reduce spending of General Fund monies by \$500,000. To accomplish this, my executive staff and I conducted a managed review audit commencing in January 2015.

Decision unit E-226, as described on page 12 of [Exhibit C](#), implements a majority of recommendations made in an independent 2007 National Association of Attorneys General (NAAG) management review audit of this Office. Our recommendations are a combination of our own internal audit and the NAAG Review.

E-226 Efficient and Responsive State Government — Page ELECTED-87

Making these structural changes, we created an opportunity for both short- and long-term Office success. In the short term, we avoid significant salary increases to the General Fund by trading vacancies to create senior-level management positions. In the long term, the reorganization creates an opportunity for proactive management; increases visibility, early intervention in cases by senior staff and the ability to coordinate agency training efforts; and reduces the costly outside counsel, as shown on page 13 of [Exhibit C](#).

Chair Kieckhefer:

For clarification purposes, are you working on budget amendments that will be submitted or have the budget amendments been submitted at this point?

Attorney General Laxalt:

We have been working with the Budget Division.

Chair Kieckhefer:

Have the budget amendments come over to us at this point?

Attorney General Laxalt:

No.

Chair Kieckhefer:

Is the presentation you are making right now based on what the budget amendments will represent, when we receive them?

Attorney General Laxalt:

That is correct. The current structure of the AG is shown on page 12 of [Exhibit C](#). Prior to the reorganization that we are requesting, the reporting ratio is 14-to-1 of divisions reporting to the Chief of Staff.

During the January 2015 internal audit, division chiefs reported that due to heavy caseloads they lacked the flexibility to simultaneously advise young legal talent on complex legal issues and litigation. In addition, heavy caseloads at the division chief level inhibit proactive training efforts with agency clients to effectively manage and avoid repeated claims against the State, as viewed on page 12. The creation of top-level legal advisors, such as the bureau chief positions we are requesting, as shown on page 13, will help reduce the potential liability against the State in the future.

Another important concern is the use of outside legal counsel as described on Page 12. Outside counsel is necessary sometimes in three primary circumstances: when our office is conflicted out of a case, when litigation occurs outside the jurisdiction of Nevada and in very specialized areas of the law where it is more cost efficient to hire a one-time outside counsel.

When outside counsel is retained, maximum oversight is necessary to ensure billing is commensurate with the work being accomplished. Bureau chiefs will oversee the outside counsel's billable hours, as shown on page 12. Nevada spent approximately \$10 million on outside counsel in FY 2014 and we believe we can do better. The current organizational chart on page 12 shows four bureaus with 14 divisions, but no one is managing any of the bureaus. The proposed organizational chart shown on page 13, fills each of these bureau chief positions and creates a clearly defined leadership team of top-level advisors.

The only division that maintains a funded position for bureau chief is the BCP. Historically, the BCP has been one of the most productive units within the office. Since 2010, the BCP has obtained favorable settlements for \$139 million, as shown on page 13 of [Exhibit C](#).

The BGA has approximately 75 lawyers and 25 support staff. We propose to divide the BGA in two, alleviating the reporting ratio issue and creating a more dynamic, efficient and cost-effective department that will be more responsive to our clients. The bureau will be divided into the Bureau of Business and Industry

including Division of Gaming, Business and Taxation, and Boards and Licenses. Each division within the Bureau of Business and Industry will continue to perform its existing core functions. The Bureau Chief will take a more proactive approach to agency client responsiveness and customer service and devote significant time to advising personnel on complex legal issues presented by agency clients. My executive staff can now increase involvement in the daily legal advice provided by deputy attorneys general rather than reacting to unexpected time-sensitive issues.

The second part of this split will retain the name of BGA, which includes Transportation, Government and Natural Resources and Health and Human Services. This Bureau will continue to represent all constitutional officers and the Department of Administration. The Bureau also maintains the human and environmental infrastructure. The divisions within this Bureau will continue to perform their existing core functions and a bureau chief will maximize efficiencies.

The position of Chief of the Bureau of Litigation will be filled and there are no other changes to this Bureau. The divisions include Personnel, Public Safety and the Appellate Division. The Chief will manage and oversee all active litigation, including \$1.2 billion on behalf of the AG. Benefits of this arrangement include, establishing proactive training efforts with agency clients; effectively managing, and thus avoiding, the risks that often result in repeated legal claims against the State; complying with the recommendations made by the NAAG audit; mirroring most other governmental law offices throughout the Country; and preparing the Bureau to effectively represent the State's interest.

The Bureau of Criminal Justice will fill the position of bureau chief only. This Bureau will continue to house our Special Prosecution and Fraud Units. By creating a Bureau Chief of Criminal Justice and filling it with a very experienced prosecutor, the AG will be better equipped to support the Office's recent efforts to protect Nevada's most vulnerable. The Bureau will leverage recent efforts to work with law enforcement agencies, to keep Nevada communities and families safe. Although this Office has successfully raised statewide awareness of human trafficking, elder abuse, high tech crimes and domestic violence, we must build the capacity to prosecute these cases. This bureau chief will play a critical role in training, oversight and implementation of investigating and prosecuting a broader range of crimes, including transnational crimes.

Senator Ford:

Your previous slide indicates expenses of approximately \$10 million for outside lawyers from the General Fund. Then you talk about the proposed management structure that will create the opportunity to reduce outside expenditures, as described on page 12 of [Exhibit C](#). There has been a debate about the appropriateness of the AG hiring outside counsel, under certain circumstances, because of a conflict of public interest within the Office or as a direct request of the Legislature. To your knowledge, how much of these outside counsel expenditures have been expended because the Office has been either conflicted out and had to get authorization to retain outside counsel, or has come through the Legislature to get approval before hiring outside counsel?

Attorney General Laxalt:

Resolving this problem is a priority. Of the \$10 million, \$8 million involves the Nevada Department of Transportation (NDOT) and eminent domain work in southern Nevada. In the overall proposal, there is an attempt to bring some of that expertise into the Office but right now, the Office does not have that core competency. We brought in a pilot team of four lawyers and administrative support. We are starting to bring this in-house, but we will continue to retain outside counsel in this very specialized matter, as it is important to the Governor and the State to obtain these easements and push this project through.

Senator Ford:

I have always theorized the reason for hiring outside counsel was that you did not have enough personnel within the Office. I want to be clear regarding the interpretation of your authority to hire outside counsel. Is it your understanding that you have to be conflicted out or you have to seek permission from the Legislature to hire outside counsel?

Attorney General Laxalt:

That should be true for a majority of the cases but there are situations where outside counsel is needed to defend the State outside of Nevada. If we were in Indiana we would need to hire a local outside counsel. In specialized areas, such as eminent domain practice and bond counsel we use outside counsel.

As a lawyer, Senator Ford, I would welcome discussing any recommendations in the coming months.

Senator Ford:

I do have several recommendations and a couple of my colleagues have ideas as well. I recommend you consider a budget that minimizes the use of outside counsel. There is statutory authority that provides limited ability to hire outside counsel, beyond the premise of what I just mentioned. Some of the circumstances you described do not fall within the statutory authority. From a budgetary perspective, I suggest you review the statutory authority that is authorized through the Office for hiring outside counsel and you can properly adjust the amount you need for personnel. Otherwise, you always have to come back to the Legislature, or you contemplate being conflicted out. Under those circumstances, you can get additional outside counsel opportunities.

Chair Kieckhefer:

We will likely see a policy bill related to this issue as we move forward this Session. You may be in front of the Judiciary Committee at some point.

Attorney General Laxalt:

In addition to these bureau chiefs, the reorganization calls for an assistant solicitor general and a general counsel, as shown on page 14 of [Exhibit C](#). As described on page 15, we currently have one solicitor general. The appellate practice has become specialized and all states have many deputy solicitors. Every major law firm has a separate appellate practice, but our Office does not have specialized appellate lawyers. We have line lawyers that take cases all the way up. We are immediately disadvantaged with a lawyer who handles one appellate case a year, or one every 5 years, practicing against an appellate bar that does this every single day for a living. We need at least two experienced appellate practitioners. Our request is to add one to our solicitor's office to make sure we can represent the State before the U.S. Court of Appeals for the Ninth Circuit and the U.S. Supreme Court.

The specialized job of the appellate lawyers is to make sure we are prepared to defend the State. Our appellate attorney will review and write briefs filed before the appellate courts to ensure we have consistent positions and strategies coming out of this Office. According to the NAAG best practices, the Appellate Division should be headed by the solicitor general and must provide final review in all appellate matters. The Nevada AG files over 250 appellate briefs each year, as described on page 15 of [Exhibit C](#). The AG is asked to review and sign on to approximately 90 requests from the NAAG from other states and various

other out-of-state agencies. The solicitor general cannot carry this entire load by himself.

The remaining duties of the solicitor general would be to provide assistance and consultation as requested by trial attorneys, including formulating strategies, asserting legal arguments and preserving appellate issues during the course of trial or administrative agency proceedings; formalizing the current ad hoc moot court session; and implementing a formal structure to prepare our counsel for oral arguments.

Chair Kieckhefer:

Will this position be primarily practicing before State appellate-level courts or at the federal level?

Attorney General Laxalt:

It would be both. The next position we want to discuss is the general counsel to the Attorney General, as described on page 16 of [Exhibit C](#). The current status of executive supervisory reassignments includes oversight of almost 400 employees and management of \$1.2 billion of liabilities. The AG does not have the ability to flexibly perform key managerial functions without the assistance of an additional general counsel type role. Deputy Chief of Staff was the working name in E-226, but it is better described as the general counsel to the AG. The general counsel will act on my behalf in all matters related to the constitutional, statutory and ethical obligations of the office.

Under the general counsel, we would centralize several major functions of the Office, issuing AG opinions; policing open meetings violations, including the investigation and the ultimate opinion; and handling public records requests. These currently are housed with different lawyers and there are complaints that they do not move quickly enough. We would have greater efficiency with these functions under this general counsel, and it would ensure consistency in opinions issued by the Office.

The general counsel will also assess whether there are conflicts of interest and decide if we are to use outside counsel, as described on page 16 of [Exhibit C](#). Having a formalized outside counsel process is our focus and the general counsel will have the primary responsibility of managing that process efficiently. Because I sit on numerous boards with policy-making roles, the general counsel will ensure the AG has a uniform policy-making approach.

The last positions are the additions of two special assistant attorneys general (SAAG). The first SAAG will be for the Office of Military Legal Assistance where we have over 400,000 active duty personnel and veterans in this State and recent studies indicate their primary unmet need is affordable legal care.

We are proposing to work with our legal community in a public-private partnership mentioned on page 17. Recently, we were joined by former Assembly Speaker Barbara Buckley; retired two-star Admiral James McPhearson, former JAG for worldwide U.S. Navy and Executive Director of the NAAG; representatives from the legal community and military community, including Nellis Air Force Base, Fallon Naval Air Station, the reserves, the Adjutant General of the National Guard and State's Veterans' Service Office. We want to roll out this office this summer and have SAAG able to quantify the need, the volume of people who need legal services and the range of legal services.

Chair Kieckhefer:

Can you bring to the Legislature a proposed structure before we have to close this out? Please provide the type of performance measures we are looking for and items that are usually structured around a new program like this.

Attorney General Laxalt:

We have identified approximately 15 types of legal services for multiple active duty bases, reserve units of multiple services and the Guard. We are figuring out how many this program can actually serve. Meetings continue to narrow down five or six primary types of legal services, starting with wills and powers of attorney for veterans.

With 400,000 military personnel, the legal need is large. The key is convincing lawyers in the State to donate pro bono hours to veterans needing legal services. As a military member comes in for the services, we try to find a lawyer. We are collaborating with former Speaker Buckley and some of these legal service providers to determine the types of cases we should send directly to them.

The second SAAG will be in charge of working with local governments for a broader perspective on what we see around the State. Our prosecutors will determine how we can stay in front of crime trends and how to make our streets safer. If there are any land or water issues, we will work with the federal

government. We want to be a partner and intervene early so that we can develop solutions to prevent constant litigation and battling.

Lastly, I will discuss performance measures for the Office. Criminal performance measures are ethical prosecutions, reduction in crime and timely and efficient administration of investigations and justice. Civil performance measures are last settlement demand versus final judgment, reduction of outside counsel expenditures, increase in number of court/jury trials, number of trainings provided to agencies and timely dispositions of cases, as listed on page 18 of [Exhibit C](#).

Chair Kieckhefer:

We will move to B/A 101-1002 and what you are proposing.

AG - Extradition Coordinator — Budget Page ELECTED-80 (Volume I)
Budget Account 101-1002

Martha Radu (Chief Financial Officer, Office of the Attorney General):

Budget Account 101-1002 supports extradition costs, payroll and operating costs for two full-time equivalent (FTE) employees. The account is funded by the General Fund and recoveries received as a result of a court-ordered reimbursement of extradition costs at sentencing.

As discussed on page 21, decision unit E-710 requests replacement of software and hardware consistent with the Division of Enterprise Information Technology Services (EITS) approved replacement schedule. We also request \$349 each year for replacement of furnishings.

E-710 Equipment Replacement — Page ELECTED-82

Chair Kieckhefer:

We will now move to Project NEON. You discussed the need to bring in expertise in certain areas; one of these is Project NEON. Please discuss what you are proposing, from B/A 101-1030.

Ms. Radu:

As described on page 23, [Exhibit C](#), decision unit E-243 requests the addition of two FTE special counsel positions, two FTE legal researchers and one FTE legal

secretary to form two trial teams, reducing the reliance on outside counsel and dedicated to the NDOT's Project NEON.

E-243 Efficient and Responsive State Government — Page ELECTED-88

Chair Kieckhefer:

Are these positions recommended for funding out of the General Fund? Traditionally, are these costs assigned to the Highway Fund or some other source?

Dennis Gallagher (Chief Deputy Attorney General, Office of the Attorney General):

All the positions assigned to the AG's Transportation Division are General Fund positions. The NDOT reimburses the AG, as do other State agencies, but the positions are not funded directly from the Highway Fund. To be eligible for partial federal participation, we are taking steps with NDOT management to program attorneys' fees, both inside and outside, as part of the project cost.

Chair Kieckhefer:

Is there a cost savings estimate that can be achieved by bringing these positions in-house instead of using outside counsel?

Mr. Gallagher:

Yes, by bringing cases in-house, I estimated each one of these trial teams could save approximately \$2 million per year.

Chair Kieckhefer:

Because there are many parcels to be acquired, do you have an estimated total cost of what outside counsel will be for Project NEON?

Mr. Gallagher:

The budget is rolled into NDOT's right-of-way acquisition cost, which includes experts, appraisers, economists, etc. There are approximately 100 parcels remaining for acquisition and that does not include the number of tenants on the land. Part of the land is vacant and part of the land is occupied by multiple businesses. We anticipate the right-of-way process will continue for at least 2 to 3 years and the litigation process will continue another 2 to 4 years beyond the right-of-way process.

Ms. Radu:

Decision unit E-601 requests the elimination of the one FTE grants project analyst II within the Criminal Mortgage Fraud Unit. The position has been vacant since July 2013 and is no longer needed to carry out the duties of the Criminal Mortgage Fraud Unit, as viewed on page 24 of [Exhibit C](#).

E-601 Budget Reductions — Page ELECTED-89

Chair Kieckhefer:

We will now discuss E-235 in B/A 101-1030.

E-235 Efficient and Responsive State Government — Page ELECTED-88

Ms. Radu:

My responsibility includes all budget tracking, budget preparation, closings, high-level decisions and budget accounts oversight. I work 60 hours a week, assisted by the management analyst II and several administrative assistants.

Decision unit E-235 requests funding to provide the AG's Fiscal Division with one new administrative services officer II position. Currently this Division consists of six fiscal positions and supports 19 budgets, as described on page 22.

Chair Kieckhefer:

What is the total dollar amount of all the budget accounts?

Ms. Radu:

Approximately \$35 million.

Chair Kieckhefer:

There are recommendations across the various accounts for an upgrade to the legal researcher.

Ms. Radu:

Decision unit E-806 requests to increase salaries for 2 unclassified supervising legal researchers and 13 legal researchers to a salary comparable to classified legal research assistants. The decision unit includes a recommended increase for the new legal researcher positions that are requested in decision units E-235 and E-243. In three of our budgets there are legal researchers. The

Department of Administration Division of Human Resources Management (DHRM) compared them with the classified legal researchers amongst our State employment, and recommended they be brought up to those wages. The increase is based on an average of 7 years of service. The positions have not received an increase in salary since 2003, as described on pages 22 and 38 of [Exhibit C](#).

E-806 Unclassified Position Salary Increases — Page ELECTED-93

Chair Kieckhefer:

We will discuss decision unit E-814 from B/A 101-1030.

E-814 Position Upgrades — Page ELECTED-93

Ms. Radu:

Decision unit E-814 requests funding to upgrade a deputy attorney general to a senior deputy attorney general within the Bureau of Litigation, Personnel Division. The Personnel Division is recently created within the Office, representing thousands of Executive Branch employees in various areas of employment law. Currently the Division has one chief deputy attorney general, two senior deputy attorney generals and four deputy attorney generals, advising approximately 130 agencies and departments in the Executive Branch in all facets of their employment. Upgrading one deputy attorney general to a senior deputy attorney general will allow for a higher degree of expertise in various areas within the Division, as described on page 24 of [Exhibit C](#).

Chair Kieckhefer:

Please discuss additional requests from B/A 101-1030.

Ms. Radu:

As discussed on page 26, decision unit E-225 requests funding to purchase access to various data programs, such as LeadsOnline, TransUnion TLOxp, NCIC/NCJIS and SCOPE for the Investigations Division along with miscellaneous funding for agency vehicle maintenance, publications and office supplies.

E-225 Efficient and Responsive State Government — Page ELECTED-87

Decision unit E-721 requests funding to purchase miscellaneous items not included in the information technology backup environment and infrastructure requests, as described on page 26 of [Exhibit C](#).

E-721 New Equipment — Page ELECTED-92

Decision unit E-800 requests funding to adjust the Department of Public Safety cost allocation assessed to agencies, as viewed on page 28.

E-800 Cost Allocation — Page ELECTED-92

Ms. Radu:

Decision units E-900 and E-500 will transfer in and reallocate the Special Fund B/A 101-1031, general legal, investigations and court costs of \$247,720 each year of the biennium to the AG Administration account and redistributes the costs based on the AG Cost Allocation Plan (AGCAP). The Special Fund was originally established for payment of litigation costs that were not specifically budgeted elsewhere.

AG - Special Fund — Budget Page ELECTED-97 (Volume I)
Budget Account 101-1031

E-900 Transfer From B/A 1031 To B/A 1030 — Page ELECTED-94

E-500 Adjustment To E-900 — Page ELECTED-89

Over the years, the definition of what charges were not specifically budgeted elsewhere has been confusing and not always consistent. State agencies are being billed (bill-backs) when we have to charge for travel, ad placement and various items that are not covered by the AGCAP. As discussed on page 25 of [Exhibit C](#), this decision unit would discontinue the “bill-backs” to State agencies and allocate the costs within the AGCAP in the same manner as similar costs.

Decision unit E-901 requests the transfer out of the Criminal Mortgage Fraud Unit in B/A 101-1030 to the National Settlement Administration account, B/A 340-1045, will continue to be funded in the 2015-2017 biennium, a decrease in FY 2016 \$760,914 and \$758,300 in FY 2017. This unit consists of eight FTE positions and was formally funded through the Edward Byrne Memorial Justice Assistance Program Grant, which expired in September 2014. Currently, the unit is funded with Wells Fargo settlement

funds, projected to be exhausted by the end of FY 2015 as viewed on Page 25 of [Exhibit C](#).

AG - National Settlement Administration — Budget Page ELECTED-140

(Volume I)

Budget Account 340-1045

E-901 Transfer From B/A 101-1030 To B/A 340-1045 — Page ELECTED-94

Three decision units, E-710, E-711 and E-720, in B/A 101-1030 and similar decision units in the other AG budget accounts, request funding to replace existing equipment and software per the EITS replacement schedule and to expand the capabilities of the AG backup environment and infrastructure. Expanding system capabilities and infrastructure will enable the Office to have a disaster recovery capable backup environment for all Agency data. Replacements and enhancements are critical to continue support of the Agency's current environment as discussed on page 21.

E-710 Equipment Replacement — Page ELECTED-90

E-711 Equipment Replacement — Page ELECTED-91

E-720 New Equipment — Page ELECTED-91

Chair Kieckhefer:

What is the bill-back procedure? Are we ultimately shifting the litigation costs away from the users of those services and onto the broader population of State government? Will the cost be incorporated into your overall cost allocation?

Ms. Radu:

That is correct.

Chair Kieckhefer:

Will there not be a direct relationship between the expenditures and those agencies driving those costs?

Ms. Radu:

Yes, you are correct. There will not be a direct correlation to divisions that incur these costs. Because this is a new process and a new plan, it will be tested in this biennium by tracking the agencies incurring these costs. We will revisit this next February when we start this process over and see if it works.

Decision unit E-242 in B/A 101-1031 requests \$2.4 million in General Fund appropriations in each year of the biennium to continue funding nuclear waste litigation and licensing activity. Curtailment of federal funds for the Yucca Mountain program has been due to the efforts of the Nevada Congressional Delegation for the past 4 years to eliminate such funding from the federal budget. There are efforts to end the project and there are others intent on restoring funding to move the Yucca Mountain project forward. Nevada must be funded appropriately, as viewed on page 29 of [Exhibit C](#).

E-242 Efficient and Responsive State Government — Page ELECTED-99

Decision unit E-710 requests replacement software and hardware consistent with the EITS approved replacement schedule as set forth in all relevant budget accounts.

E-710 Equipment Replacement — Page ELECTED-100

As discussed earlier, decision unit E-900 requests the transfer of the general litigation costs and funding to the AG administration account. The Special Fund was originally established for payment of litigation costs that were not specifically budgeted elsewhere. Over the years the definition of what charges were not specifically budgeted elsewhere has been confusing and not always consistent, which causes confusion to the state agencies that are being billed. This decision unit would eliminate the bill-backs to state agencies.

E-900 Transfer From BA 1031 To BA 1030 — Page ELECTED-100

Chair Kieckhefer:

How did you reach the budgetary number?

Marta Adams (Chief Deputy Attorney General, Office of the Attorney General):

The \$2.4 million is based on a low estimate of \$200,000 a month for outside legal counsel. We have been to the Legislature requesting funds on numerous occasions, most recently since Congress has zeroed out the funding. The impetus for the recent activity was the August 13, 2014, decision by the U.S. Court of Appeals for the District of Columbia. In that decision, the Nuclear Regulatory Commission (NRC) was ordered to continue Yucca Mountain licensing, even though the Department of Energy sought to withdraw its license application.

The NRC has funds remaining and they have required us to accelerate our activities. The Safety Evaluation Report that the NRC produces, gives the staff's view of the viability of the Yucca Mountain Project. We are also responding promptly to the announcement that the supplemental environmental impact statement for impacts on ground water will be released.

Chair Kieckhefer:

Do you have a date at this point?

Ms. Adams:

No.

Ms. Radu:

Next is B/A 101-1033, insurance fraud and worker's compensation. We seek to eliminate one position in this budget in line with the expected revenues.

AG - Workers' Comp Fraud — Budget Page ELECTED-102 (Volume I)
Budget Account 101-1033

Chair Kieckhefer:

The budget that was originally submitted was to eliminate two positions from the Insurance Fraud Unit (IFU). Are you suggesting an amendment will reduce that to one position?

Ms. Radu:

Yes, that is correct. We have since revisited the revenue projected by the Division of Insurance Department of Business and Industry (B&I), and concluded to eliminate one position. We request a revision to our budget in order to save that position.

Chair Kieckhefer:

Would you address why that revenue is declining?

Ms. Radu:

When Assembly Bill No. 435 of the 77th Session passed, there was a loophole. The annual vendor assessments involving insurance fraud funds were not as great as projected. Since then the Insurance Division closed the loophole and the revenue is increasing to what was first projected.

Chair Kieckhefer:

Are we anticipating an increase in the number of prosecutions that are opened over the biennium?

Ms. Radu:

I would have to get back to staff on the increase in litigation, as I am not familiar with that number at this time.

Chair Kieckhefer:

I am concerned about decreasing the amount of staff, but increasing the workload within the unit. We also have a reclassification within the IFU.

Ms. Radu:

A reclassification was requested in E-817 and it is still in the Governor's recommended budget. We will request a revision for approval by the Budget Office and the Governor's Office. We have been working with the Budget Office and LCB staff to eliminate that decision unit and retain a fraud investigator.

E-817 Position Upgrades — Page ELECTED-106

Attorney General Laxalt:

We have the attorney in Las Vegas who can give you more insight on the IFU.

Chair Kieckhefer:

Please address the issue with workload and reduction in personnel.

Robert Giunta (Senior Deputy Attorney General, Office of the Attorney General):

As a result of the expected reduction in income from the Insurance Division, I have become the acting director of the IFU after losing our director and two investigators. To continue prosecuting insurance fraud cases that are presented from the insurance industry, we made several temporary assignments to the Worker's Compensation Unit investigators and attorneys. This temporary reassignment was to handle the extra workload from the IFU.

Chair Kieckhefer:

Do you have caseload growth projections over the upcoming biennium?

Mr. Guinta:

We have been seeing an increase in workers' compensation referrals from the business industry and the insurance industry. There is an obligation to report to our unit any suspected insurance fraud. When we receive the reports, we review and prioritize them in order of severity, as well as reports on repeat offenders.

Chair Kieckhefer:

I will ask the staff to review this again with new caseload information. The amount of revenue you received may not be contingent on the amount of work there actually is. To move forward, there needs to be the right balance.

Attorney General Laxalt:

We will provide this new caseload information.

Ms. Radu:

We will continue with the budget for Crime Prevention.

AG - Crime Prevention — Budget Page ELECTED-108 (Volume I)
Budget Account 101-1036

We are requesting one AG criminal investigator II in decision unit E-241. The position will be in the AG's Human Sex Trafficking Unit and perform investigation and recovery of exploited children victimized in child sex trafficking. This person would serve as a member of the Southern Nevada Human Trafficking Task Force, as described on page 32, [Exhibit C](#).

E-241 Efficient and Responsive State Government — Page ELECTED-110

Chair Kieckhefer:

When the legislation was created in 2013, A.B. No. 67 of the 77th Session, there was an indication that several of these functions could be absorbed into existing staff. Has there been a change in the number of cases reviewed that is driving the need for a new position? It was indicated that when the legislation was passed, a new position would not be necessary.

Attorney General Laxalt:

Thom Gover in Las Vegas can answer your question.

Thom Gover (Senior Deputy Attorney General, Office of the Attorney General):

The existing staff performs most of the functions. We are using the Special Prosecutions Division to prosecute human sex trafficking, in addition to all the other cases they prosecute. We do not need more prosecutors; we need an investigator. We found that many of the investigations are taking place in Clark and Washoe Counties.

Our involvement with human sex trafficking prosecutions through the creation of A.B. No. 67 of the 77th Session was unique. We were involved with former district attorneys, who had insight into the sex trafficking problems in the rural communities. The investigator we are proposing would focus on sex trafficking cases that occur in truck stops, rest areas, rodeo events, brothels and runaways in the rural communities. These cases may not be in the jurisdictional areas of law enforcement in Washoe and Clark Counties.

Chair Kieckhefer:

What would be a person's structure within the organization? Who would supervise this individual?

Mr. Gover:

Training and supervision would be under the authority of Chief Investigator Dale Liebherr. We also would like to leverage our relationship with the human sex trafficking task forces, specifically the Southern Nevada Human Trafficking Task Force. This new investigator would receive training through involvement with the task force and other law enforcement agencies focusing on human sex trafficking.

Chair Kieckhefer:

In the upcoming biennium, is there any expectation we will be able to generate caseload data over how many prosecutions and investigations we are involved in as a State?

Mr. Gover:

As a State, there are numbers available through the Human Trafficking Task Force. The AG's Office has been limited without an investigator in developing expertise from a prosecution standpoint.

In order to develop expertise within the Office, we visited the offices of the Clark County District Attorney and the U.S. Attorney, here in Las Vegas. We

obtain cases from them as investigated by the Las Vegas Metropolitan Police Department or a federal task force and prosecute the sex trafficking cases. In the last biennium, we prosecuted six sex trafficking cases. Our goal is not to take over cases that are being completed by other agencies. We feel we are in a position to prosecute whatever the investigator generates.

Wesley K. Duncan (Assistant Attorney General, Office of the Attorney General):

At the Nevada Law Enforcement Summit in February, we found that human trafficking crime is not easily identifiable, especially along the I-80 corridor in our rural communities. In Washoe and Clark Counties, the local police offices have done a great job identifying these areas through the Task Force. The goal in having an investigator here is to assist the small communities. The district attorneys and rural community sheriffs have communicated that they do not have the ability or the expertise to identify human trafficking. We do not know how many cases are going on, but we know they are going on especially along the I-80 corridor in the rural areas.

As Mr. Gover discussed, the plan is specialized training with Metro or with Washoe County and then sending out the investigator to assist sheriffs in all the rural counties. We would then be able to determine how many human trafficking cases are going on in these communities. At this point, we would establish a baseline, then send the special prosecutors out to these areas and prosecute these cases.

This was a major initiative for the Legislature in the last Session. Outside of our two major counties, there is certainly a gap here and this is where the investigator will help in this task.

Chair Kieckhefer:

As a follow up, please supply backup information about how over \$41,000 in State travel is budgeted for this position.

Ms. Radu:

We will now discuss B/A 101-1041.

AG - Council For Prosecuting Attorneys — Budget Page ELECTED-126

(Volume I)

Budget Account 101-1041

Decision unit E-806 requests an increase to the salary for the AG's special counsel for prosecuting attorneys. In addition to the regular duties performed by the counsel, this position has now assumed the duties of the executive director for a high tech crime position that is being eliminated. When a vacancy arose for the position of executive director of the Technological Crime Advisory Board, in September 2013, the Board took advantage of the opportunity to name the executive director of the Advisory Council to the opening, and the executive director now serves in this dual capacity, aligning the efforts of both entities.

E-806 Unclassified Position Salary Increases — Page ELECTED-128

Chair Kieckhefer:

This will be an overall salary increase of 7.6 percent for this position. Did you compare that to an equivalent position in State government to determine what the correct level would be?

Nicholas A. Trutanich (Chief of Staff, Office of the Attorney General):

The position of AG's special council for prosecuting attorneys is an overall savings to the budget. We are consolidating two positions into one. Currently, Brett Kandt, Special Counsel for Prosecutions, is serving in a dual capacity for the High Tech Crime Board. The High Tech Crime Board position pays approximately \$70,000. The 7.6 percent increase incorporates the increased duties and responsibilities that Mr. Kandt is performing. The pay for this position is a few thousand dollars above what a Senior Deputy Attorney General (DAG) would make. The Senior DAG makes \$106,000. Mr. Kandt in this consolidated position as AG's special counsel for prosecuting attorneys would make \$110,000.

Chair Kieckhefer:

Does this position have oversight of the High Tech Crime Unit as well?

Mr. Trutanich:

This position would sit on the High Tech Crime Board. The Special Prosecutions Division and the investigators would sit on the High Tech Crime Unit. There are investigators specialized in high tech crime that performs forensic reviews; they seize computers with search warrants.

Chair Kieckhefer:

Have the two positions officially migrated into one along with the duties outlined?

Mr. Trutanich:

Currently, there is a vacancy on the High Tech Crime Board. Mr. Kandt has been serving in both capacities for approximately 2 years. The new organizational chart will house both positions under one position control number.

Chair Kieckhefer:

My understanding is that the Technological Crime Advisory Board is also partially funded by forfeitures. Do you have a plan to ensure the forfeitures are sufficient to help support the Board?

Mr. Trutanich:

Before I can answer the question, I will need to consult with our chief financial officer.

Chair Kieckhefer:

We will move to B/A 330-1038, the Consumer Advocate account.

AG - Consumer Advocate — Budget Page ELECTED-117 (Volume I)
Budget Account 330-1038

Ms. Radu:

Decision unit E-711 requests replacement software and hardware consistent with the EITS approved replacement schedule as set forth in all relevant budget accounts, as discussed on page 34 of [Exhibit C](#).

E-711 Equipment Replacement — Page ELECTED-120

Decision unit E-806 requests funding to increase the salary for one FTE unclassified senior legal researcher including a title change to make supervising legal researcher. We also request one FTE unclassified legal researcher at a salary comparable to the classified legal search assistants. The Office requested a review of the unclassified legal researcher positions by DHRM. The DHRM's study indicates the unclassified legal researchers perform the full range of duties outlined in the class specifications for the legal research assistant.

E-806 Unclassified Position Salary Increases — Page ELECTED-120

Chair Kieckhefer:

We will move to discuss the reserve amount in the Consumer Advocate account. There has been some fluctuation as we reduce the reserve balance to meet the FY 2015 shortfall. Is the reserve generating a sufficient balance to carry it forward through the upcoming biennium?

Eric Witkoski (Chief Deputy Attorney General, Consumer Advocate, Office of the Attorney General):

During the last Session, it appeared revenues were falling, but the revenues were much higher and we have spent less; the reserve is higher than we anticipated. We did an assessment analysis and initially thought the reserve would decline from 0.74 mills to 0.72 mills. We did more sensitivity analysis and now anticipate we can lower the reserve to 0.7 mills. I examine this every May when I receive the revenues. I will be able to do a workload forecast to determine what utility filings are expected and what our workload will be. I may be able to reduce the reserve amount during FY 2016. Next year, I may have to increase the reserve due to required filings. At this time, 0.7 mills is the set rate.

Chair Kieckhefer:

Will that be part of the budgetary amendments coming forward from the AG?

Mr. Witkoski:

Yes, if it is necessary.

Chair Kieckhefer:

Are you able to address the projections on the Morgan Stanley settlement funds that are due to expire and are included in this account?

Mr. Witkoski:

As part of the \$23 million transferred to the General Fund, \$5.8 million in Morgan Stanley funds will remain. A transfer of \$4.2 million is scheduled for the General Fund. I request retaining \$1.8, which would fund us for this biennium and possibly the next biennium depending on the workload. These are somewhat self-funded positions. I would like to retain the experienced people to continue working on cases they already worked on including national mortgage settlements (NMS). We are on the NMS Monitoring Team Committee and the

Executive Committee, where we can continue to monitor and be a part of any future settlements. The B&I wants to bring back the Consumer Affairs Division and we would expect casework.

Ms. Radu:

We will now move to complete B/A 340-1045. The National Settlement Administration budget includes the payroll and operating costs for four FTE. Funding is received from the NMS received in FY 2013. Four enhancements are requested. We previously discussed a salary increase for the unclassified legal researchers in E-806.

E-806 Unclassified Position Salary Increases — Page ELECTED-144

There is also the mirroring E-901 and E-501 of the transfer in the reallocation of the Criminal Mortgage Fraud Unit from the AG Administration fund account, B/A 101-1030.

E-901 Transfer From BA 1030 To BA 1045 — Page ELECTED-144
E-501 Adjustments To E901 — Page ELECTED-143

Decision unit E-710 requests replacement software and hardware consistent with the EITS approved replacement schedule as set forth in all relevant budget accounts.

E-710 Equipment Replacement — Page ELECTED-143

Chair Kieckhefer:

Are there any questions regarding the NMS fund? There is an issue over use of the NMS fund. Is a change of use being proposed?

Ms. Radu:

You are referring to transferring funds to the Nevada Supreme Court for their foreclosure mediation program, as well as monies in the original budget transferring to the B&I for their Consumer Affairs Division (CAD) program. We are working with the Budget Division and LCB on revisions and have chosen not to transfer those funds.

Chair Kieckhefer:

There have also been savings because we have used part of these funds as State matching funds to leverage out federal grants and other outside monies. Can you discuss what outside dollars came into the State through that match?

Ms. Radu:

I will have to discuss that with my staff, as I am not familiar with any matching funds that have come in.

Chair Kieckhefer:

I understand that the Home Again, Nevada Homeowner Relief Program, will have an expanded scope. There will be an enhancement to the services offered by the Home Again program. Is that expanded scope still moving forward?

Ms. Radu:

At this time, along with the other decisions and revisions that the Office is requesting, we are researching the Home Again program. We are researching and determining what enhancements and additional funding will go out to the nonprofits. We are still budgeted to transfer funds to the nonprofits, but we are now reevaluating the budgets that were set up in the Governor's Recommended Budget.

Chair Kieckhefer:

If there is an amendment that reduces part of these funding transfers, have you been working with the proposed recipients of these transfers to understand what that impact will be on their budget?

Attorney General Laxalt:

We will address this issue in the coming months.

Chair Kieckhefer:

We would like to complete this during Session so that we can hardline it into the budget.

We will now hear B/A 101-1042, Victims of Domestic Violence.

AG - Victims of Domestic Violence — Budget Page ELECTED-130 (Volume I)
Budget Account 101-1042

Ms. Radu:

While we continue to work with the Budget Division, the Governor's Office and LCB, the decision unit to create the victims services officer is part of our revisions; we plan to eliminate the request, resulting in a cost savings of \$200,000 to the General Fund.

Chair Kieckhefer:

Is that in Senate Bill 60 and the original bill draft request (BDR) that was submitted as well?

SENATE BILL 60: Revises various provisions related to the Office of the Attorney General. (BDR 16-470).

Ms. Radu:

Yes, the victims service officer is a part of S.B. 60. We have been working with staff to make that revision as well.

Chair Kieckhefer:

Is part of the proposed change the elimination of the salary increase for the ombudsman position in decision unit E-811?

E-811 Unclassified Position Changes — Page ELECTED-132

Ms. Radu:

There will not be General Fund appropriations to fund B/A 101-1042 as it is right now.

Chair Kieckhefer:

Are we expecting a reduction in federal grants in B/A 101-1042 over the next biennium?

Ms. Radu:

The federal grants that can be transferred to this budget are still available. Violence Against Women grant funds will be available as well as the federal STOP Violence Against Women Formula Grant Program money, because corporate assessment has been declining.

Elizabeth Greb (Grants and Projects Analyst, Office of the Attorney General):

This is a federal formula grant expected to continue every year. We have set aside funds for the VINE portion that is administered under B/A 101-1042. We are looking for other means of funding as well.

Chair Kieckhefer:

What is the status of the VINE program? Is it being supported by your sister agencies?

Ms. Greb:

The jurisdiction of each county in the State pays an annual service charge based on the size of the county and its usage. At this point, we have adequate funds to continue the program for at least the next 3 fiscal years.

Chair Kieckhefer:

We will move to B/A 715-1348, the Tort Claim Fund.

AG - Attorney General Tort Claim Fund — Budget Page ELECTED-135
(Volume I)

Budget Account 715-1348

Ms. Radu:

At this time there are no budget highlights.

Chair Kieckhefer:

If there are potentially large outstanding liabilities, is the reserve account balance adequate?

Nancy Katafias (Tort Claims Manager, Office of the Attorney General):

The reserve is sufficient to cover any outstanding liabilities.

Chair Kieckhefer:

Is decision unit E-239 in this account in the process of being revised?

E-239 Efficient and Responsive State Government — Page ELECTED-137

Ms. Radu:

Yes, the new part-time deputy attorney general position in E-239 is in the process of being revised.

Chair Kieckhefer:

We will now open up the meeting for public comment.

Kanani Espinoza (Student Body Vice President, University of Nevada, Las Vegas):

We have approximately 100 students here from various universities for Education Day to explain our views on the budget.

Chair Kieckhefer:

As there are no other public comments, I will introduce a BDR from the Senate Finance Committee legislation that was requested by Senator Debbie Smith during her time as Chair. The BDR 15-144 requests revisions related to smoking, revises provisions governing smoking in certain places, defines certain terms relating to smoking, prohibits the use of electronic smoking devices in certain places and provides other matters properly relating thereto.

BILL DRAFT REQUEST 15-144: Makes various changes relating to the regulation of e-cigarettes. (Later introduced as [Senate Bill 201](#).)

SENATOR PARKS MOVED TO INTRODUCE BDR 15-144.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Senate Committee on Finance
March 2, 2015
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There being no further business before our Committee, the meeting is adjourned
at 9:32 a.m.

RESPECTFULLY SUBMITTED:

Jeanne Harrington-Lloyd,
Committee Secretary

APPROVED BY:

Senator Ben Kieckhefer, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	2		Agenda
	B	3		Attendance Roster
	C	113	Office Of The Attorney General	Office Of The Attorney General Budget Presentation 2015 to 2017 Biennium SFY 16 to SFY 17