

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-first Session
April 22, 2021**

The Senate Committee on Finance was called to order by Chair Chris Brooks at 6:03 p.m. on Thursday, April 22, 2021, Online and in Room 1214 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Senator Moises Denis, Vice Chair
Senator Julia Ratti
Senator Nicole J. Cannizzaro
Senator Marilyn Dondero Loop
Senator Pete Goicoechea
Senator Scott Hammond
Senator Heidi Seevers Gansert

COMMITTEE MEMBERS ABSENT:

Senator Ben Kieckhefer (Excused)

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joko Cailles, Committee Secretary

OTHERS PRESENT:

The Honorable James Hardesty, Chief Justice, Nevada Supreme Court
Mindy McKay, Administrator, Records, Communications and Compliance
Division, Department of Public Safety
Eric Spratley, Executive Director, Nevada Sheriffs' and Chiefs' Association
Chuck Callaway, Director, Office of Intergovernmental Services, Las Vegas
Metropolitan Police Department

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Corey Solferino, Lieutenant, Special Operations Bureau, Washoe County Sheriff's Office

Jhone Ebert, Superintendent of Public Instruction, Department of Education

Patrick Conmay, Chief, Investigation Division, Department of Public Safety

Tom Lawson, Chief, Division of Parole and Probation, Department of Public Safety

Doug Farris, Administrator, Animal Industry Division, State Department of Agriculture

Michael Morton, Senior Research Specialist, Nevada Gaming Control Board

Andrew Tucker, Information Technology Manager, Nevada Gaming Control Board

CHAIR BROOKS:

We begin with a hearing on Senate Bill (S.B.) 417.

SENATE BILL 417: Makes appropriations to and authorizes expenditures of money by the Nevada Supreme Court for certain statewide technology systems for trial courts. (BDR S-1065)

JAMES HARDESTY (Chief Justice, Nevada Supreme Court):

I have a presentation on S.B. 417 ([Exhibit B](#)).

The Nevada Supreme Court submitted one-shot appropriations for an electronic filing system and a potential replacement for the case management system vendor.

FY 2021 One-Shot, Supreme Court—Page BUDGET OVERVIEW-25—This request funds the initial implementation of a statewide E-filing solution for local trial courts.

FY 2021 One-Shot, Supreme Court—Page BUDGET OVERVIEW-25—This request funds the replacement of computer hardware and software equipment.

I begin with the e-filing appropriation in section 1 of S.B. 417. E-filing improves access to justice. It ensures better access to court filings for attorneys and self-represented litigants, more efficient processing of court documents and a system that is integrated with other State e-filing systems.

During the Eightieth Session, legislators funded a study to determine the scope, estimated costs and potential timeline for making e-filing available to all Nevada courts. The study was completed in May 2020. Section 1 of S.B. 417 approves one-shot funding for the initial phase of a three- or four-year project to implement e-filing for the judiciary. The project will take until the 2023-2025 biennium to complete. Additional funding will be required during the Eighty-second Session.

The specific amount requested by the one-shot appropriation in section 1 is \$1,336,800 from the General Fund and \$203,533 in license fees from new users who would connect to the system. This will allow for the selection and engagement of a vendor in fiscal year (FY) 2021-2022 and the first set of courts installing the system in FY 2022-2023.

The next phase of the project would be completed in FY 2024-2025. The appropriation is estimated to be \$2,858,000 from the General Fund and \$585,468 from licensing fees. These monies would allow the rest of the trial courts to install the e-filing system.

The combined implementation cost of the 2021-2023 biennium and 2023-2025 biennium would be \$4,983,901 depending on contract negotiations. This is an integrated process that will take time to complete.

There are existing e-filing systems in some of Nevada's courts. The new e-filing system would not replace those. Rather, the new e-filing system will connect and integrate with existing e-filing systems. This will expand overall e-filing capabilities in the State.

If a comprehensive e-filing system had existed during the Covid-19 pandemic, fewer people may have physically entered Nevada courthouses. There would have been more efficient access to justice. It is regrettable that e-filing was not available for all case types. The new e-filing system will ensure that access.

CHAIR BROOKS:
Electronic access to State services is important.

SENATOR SEEVERS GANSERT:

It seems many of these cost projections have not been written into contracts. Do you intend to have contracts outlining specific costs for the first two phases of the e-filing system implementation?

CHIEF JUSTICE HARDESTY:

Yes. We have not yet formalized contracts with a vendor. The study authorized by legislators during the Eightieth Session provided cost estimates. Our hope is to negotiate costs that are lower than those estimates.

The management report is slightly dated. Judicial staff will assess the project's needs. We would invite information technology (IT) personnel from courts across the State to be included in this process before we go to contract.

This project will go through the request for proposal (RFP) process.

SENATOR SEEVERS GANSERT:

I understand the project has not yet gone through the RFP process. It is important for the various courts to collaborate when implementing this system. The State has previously purchased software that has not integrated well across multiple agencies.

Much manual filing takes place in Nevada. E-filing would be a significant improvement.

CHIEF JUSTICE HARDESTY:

Section 2 of S.B. 417 addresses a second one-shot appropriation. In Nevada, 46 courts operate on a particular case management system. We entered into a contract with equivant for the implementation of the JWorks case management system, beginning in 2013. In January 2019, I indicated we may pursue litigation against equivant due to dissatisfaction. We renegotiated the contract with equivant, which extended a number of concessions to the judiciary that reduced costs. We decided to retain equivant in our efforts to install the JWorks system.

Per contractual agreement, the JWorks system is to go live in the Walker River Township Justice Court by May 17, 2021. The proposed appropriation in section 2 of S.B. 417 will not be necessary if this deadline is met. If equivant does not meet the deadline, the appropriation would be used to hire a new

vendor and to pursue litigation against equivant for failing to meet its obligations. It is rare for courts to sue vendors that fail to meet contractual obligations. We hope the vendor will fulfill the contract. I will update Fiscal staff and legislators on where things stand by mid-May.

Section 1, paragraph 3 and section 2, paragraph 2 of S.B. 417 stipulate that monies not obligated by June 30, 2023, and spent by September 15, 2023, revert to the General Fund. There is no assurance the balance of funding for remaining project tasks would be provided. This presents a problem when negotiating with potential vendors. It also raises questions about the State's ability to perform multiyear projects such as this. I request the Committee amend these provisions out so project appropriations are not limited to the 2021-2023 biennium.

CHAIR BROOKS:

Would an amendment need to be introduced for S.B. 417 to accomplish that end?

WAYNE THORLEY (Senate Fiscal Analyst):
Yes.

CHAIR BROOKS:

Chief Justice Hardesty, please work with Fiscal staff to write amendment language for the consideration of the Committee. We will hold another hearing on S.B. 417 to review that amendment.

CHIEF JUSTICE HARDESTY:
I will do so.

CHAIR BROOKS:

I will close the hearing on S.B. 417. We move to S.B. 410.

SENATE BILL 410: Makes an appropriation to the Central Repository for Nevada Records of Criminal History within the Records, Communications and Compliance Division of the Department of Public Safety for the modernization program for the Nevada Criminal Justice Information System. (BDR S-1132)

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MINDY MCKAY (Administrator, Records, Communications and Compliance Division, Department of Public Safety):

Section 1 of S.B. 410 provides \$18,643,998 in a one-shot appropriation during the 2021-2023 biennium to support the ongoing Nevada Criminal Justice Information System (NCJIS) modernization program estimated for completion in FY 2024-2025. Ongoing maintenance monies may be required after 2025. The modernization program will require additional General Fund monies for future biennia.

FY 2021 One-Shot, Central Rep for NV Records of Criminal History—Page BUDGET OVERVIEW-24—This request continues funding for the Nevada Criminal Justice Information System modernization program.

SENATOR SEEVERS GANSERT:

Do you know how much money will be needed after the 2021-2023 biennium? I recognize NCJIS is needed as the Records, Communications and Compliance Division is having to manually process documents it receives. Is there an RFP outlining projected future expenses?

Ms. MCKAY:

We have gone through the RFP process. A vendor has been selected. We are in the middle of the NCJIS project. We anticipate requesting between \$19 million and \$20 million for the 2023-2025 biennium to complete implementation.

SENATOR SEEVERS GANSERT:

What was the original cost projection for the NCJIS project? Is the project operating within the estimated price range?

Ms. MCKAY:

There were delays in hiring staff when the NCJIS system implementation began. Because of this, we have spent slightly fewer dollars than originally anticipated. The previous estimate was \$57 million for implementation. The estimate is now \$54 million.

SENATOR DONDERO LOOP:

Which governmental entities will benefit from NCJIS?

Ms. MCKAY:

The System will primarily benefit criminal justice agencies. Several civil agencies that use fingerprinting for employment, licensing, firearm checks and volunteer processing will also benefit from NCJIS. The System will assist private sector businesses that handle background checks, including casinos. We could see thousands of users across Nevada.

SENATOR DONDERO LOOP:

Will this system help expedite the fingerprint process for teachers?

Ms. MCKAY:

Yes. It can take weeks or months for teachers to go through the fingerprinting process. The new system will reduce the process to a matter of days.

CHAIR BROOKS:

I anticipate legislators will pass several fingerprint-related bills before the Session ends.

We have letters of support from the Las Vegas Metropolitan Police Department ([Exhibit C](#)), City of North Las Vegas ([Exhibit D](#)), Cannabis Compliance Board ([Exhibit E](#)), City of Mesquite Police Department ([Exhibit F](#)), White Pine County Sheriff's Office ([Exhibit G](#)), Lincoln County Sheriff's Office ([Exhibit H](#)), City of Elko Police Department ([Exhibit I](#)), Department of Motor Vehicles ([Exhibit J](#)) and the Nevada Sheriffs' and Chiefs' Association ([Exhibit K](#)).

ERIC SPRATLEY (Executive Director, Nevada Sheriffs' and Chiefs' Association):

I submitted [Exhibit K](#). The Nevada Sheriffs' and Chiefs' Association supports S.B. 410. No other entities that testify before the Legislature can exist without public safety. Senate Bill 410 will fund the core of public safety in Nevada. Everyone who interacts with the criminal justice system will benefit from this legislation.

CHUCK CALLAWAY (Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department):

The Las Vegas Metropolitan Police Department supports S.B. 410.

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COREY SOLFERINO (Lieutenant, Special Operations Bureau, Washoe County Sheriff's Office):

The Washoe County Sherriff's Office supports S.B. 410. I served on the Advisory Commission on the Administration of Justice, Subcommittee on Criminal Justice Information Sharing and know how important this process is. The methodology we use to collect information is outdated. This is much needed and enhances Nevadans' public safety.

JHONE EBERT (Superintendent of Public Instruction, Department of Education):

I support S.B. 410. The Department of Public Safety (DPS) processes 13,000 to 16,000 sets of fingerprints for the Department of Education per year. There is an educator shortage across the United States. Nevada is losing potential teachers because its processes are not automated. Other states are able to expeditiously process educators and hire them.

SENATOR DONDERO LOOP:

Will S.B. 410 mean education staff will not need to have multiple sets of fingerprints as the process will be all digital?

Ms. EBERT:

I have to double check with my staff.

SENATOR DONDERO LOOP:

I know in the past, teachers have had to provide multiple fingerprint sets because the process was not digitized.

Ms. EBERT:

I need to double check on that. I had my fingerprint process done in the last two years. It was a long process.

Ms. MCKAY:

People must submit separate fingerprints if applying for positions in separate governmental entities. Under the new system, a set of fingerprints would only be meant for one governmental entity for a specific purpose—including employment or volunteer work.

CHAIR BROOKS:

I close the hearing on S.B. 410. We move to S.B. 411.

SENATE BILL 411: Makes appropriations to the Division of Parole and Probation and the Investigation Division of the Department of Public Safety for the replacement of computer hardware and software. (BDR S-1130)

PATRICK CONMAY (Chief, Investigation Division, Department of Public Safety):
I will speak to the provisions of S.B. 411 that affect the DPS Investigation Division. The Investigation Division requests the replacement of 22 computers in FY 2021-2022 and 23 computers in FY 2022-2023 at a total cost of \$66,384. This request complies with the Department of Administration, Division of Enterprise Information Technology Services (EITS) computer schedule as the computers we would like to replace were purchased between August 2016 and June 2018.

FY 2021 One-Shot, Investigation Division—Page BUDGET OVERVIEW-24—This request funds the replacement of computer hardware and software equipment.

TOM LAWSON (Chief, Division of Parole and Probation, Department of Public Safety):
I will speak to provisions of S.B. 411 for the Division of Parole and Probation. We seek to replace 169 computers at a cost of \$313,157. This aligns with EITS-recommended replacement procedures.

FY 2021 One-Shot, Division of Parole and Probation—Page BUDGET OVERVIEW-24—This request funds the replacement of computer hardware and software equipment.

CHAIR BROOKS:

I close the hearing on S.B. 411. We move to S.B. 412.

SENATE BILL 412: Makes an appropriation to the State Department of Agriculture for new laboratory equipment and maintenance contracts related to veterinary medical services. (BDR S-1128)

DOUG FARRIS (Administrator, Animal Industry Division, State Department of Agriculture):
Senate Bill 412 authorizes a one-shot appropriation of \$53,550 for the purchase of a KingFisher automated flex instrument. This is a benchtop automated extraction instrument for polymerase chain reaction (PCR) testing for

trichomoniasis in livestock. The instrument will help automate the testing process.

FY 2021 One-Shot, Veterinary Medical Services—Page BUDGET OVERVIEW-23—This request funds the purchase of new laboratory equipment and maintenance contracts.

Laboratories commonly use extraction solutions to improve workflow and reduce the possibility of repetitive stress injuries. Current testing methods are labor intensive and require manual handling of all samples. The implementation of this instrument would modernize molecular microbiology testing for the Elko laboratory. This will facilitate an increase in sample volumes.

A large amount of our testing for the Elko area goes out of State. Much testing is sent to Idaho, Utah and Colorado laboratories. A volume of about 8,500 tests could be completed in the Elko laboratory with this piece of equipment. In FY 2018-2019 the State Department of Agriculture performed approximately 9,136 molecular tests. In FY 2019-2020, we performed another 8,737 molecular tests. This instrument supports testing and other future plans for the Elko laboratory.

This was approved during the Eightieth Session but removed due to pandemic-caused budget reductions.

SENATOR GOICOECHEA:

Do you have an active staff position in Elko? I thought the Elko laboratory was closed.

MR. FARRIS:

The facility is closed for the time being. We are in the process of reclassifying the biologist position based in Elko to a microbiologist position. We are also requesting monies for Elko equipment that lost funding due to pandemic-caused budget cuts. We are hoping to fill a microbiologist position if the hiring freeze is lifted.

SENATOR GOICOECHEA:

There were discussions on moving the Elko PCR machine to another part of the State for Covid-19 testing. Is it still in the facility?

MR. FARRIS:

An older machine is still in the Elko laboratory. The Sparks laboratory lent a newer machine to the Las Vegas region to assist with Covid-19 testing.

SENATOR GOICOECHEA:

Would the machine be given to Elko for testing under S.B. 412?

MR. FARRIS:

Yes.

CHAIR BROOKS:

I close the hearing on S.B. 412. We move to S.B. 413.

SENATE BILL 413: Makes an appropriation to the Nevada Gaming Control Board for the continuing costs of replacement of its information system. (BDR S-1127)

MICHAEL MORTON (Senior Research Specialist, Nevada Gaming Control Board):

Senate Bill 413 appropriates about \$5.4 million to the Nevada Gaming Control Board (NGCB) for the continuation of an agency-wide transition from its COBOL-based system to applications developed using current technologies. This will enhance functionality to both internal and external users. It will also provide easier access to licensing, casino ownership, tax forms, NGCB case enforcement, gaming applicant information, and gaming employee information.

FY 2021 One-Shot, Gaming Control Board—Page BUDGET OVERVIEW-23—This request funds continuation of the replacement of the agency's legacy information system.

SENATOR SEEVERS GANSERT:

Is the NGCB replacing a COBOL-based system?

ANDREW TUCKER (Information Technology Manager, Nevada Gaming Control Board):

Yes.

SENATOR SEEVERS GANSERT:

It sounds also like this is part of the implementation. So what is the total cost and how many phases do you have? When do you expect to be complete?

MR. TUCKER:

The NGCB expects to work through the 2023-2025 biennium. Total costs will probably be around \$17 million to \$18 million. This estimate covers the appropriations included in S.B. 413 and monies the NGCB anticipates requesting during the Eighty-second Session.

This project has not been completed in phases. The NGCB is implementing the project based on areas of functionality. The project has been completed in the areas of location information and tax forms. The NGCB is working on setting up the system for enforcement activities. The activities include the registration and tracking of gaming employees. A billing system for investigators will also go live on June 30, 2021.

SENATOR SEEVERS GANSERT:

I understand the project is being implemented based areas of work functions. How much funding will be requested during the Eighty-second Session?

MR. TUCKER:

It is difficult to estimate. We expect to ask for \$3 million depending on how project implementation goes during the 2021-2023 biennium.

SENATOR SEEVERS GANSERT:

Has the NGCB gone through the RFP process? Does it expect to complete the project with the same vendor?

MR. TUCKER:

The NGCB went through the RFP process and selected a vendor. The vendor has extensive knowledge about the NGCB system.

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CHAIR BROOKS:
I adjourn this meeting at 6:55 p.m.

RESPECTFULLY SUBMITTED:

Joko Cailles,
Committee Secretary

APPROVED BY:

Senator Chris Brooks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
S.B. 417	B	1		S.B. 417 Presentation
S.B. 410	C	1	Joseph Lombardo / Las Vegas Metropolitan Police Department	Support Letter
S.B. 410	D	1	Ryan Juden / City of North Las Vegas	Support Letter
S.B. 410	E	1	Tyler Klimas / Cannabis Compliance Board	Support Letter
S.B. 410	F	1	MaQuade Chesley / City of Mesquite Police Department	Support Letter
S.B. 410	G	1	Scott Henrion / White Pine County Sheriff's Office	Support Letter
S.B. 410	H	1	Kerry Lee / Lincoln County Sheriff's Office	Support Letter
S.B. 410	I	1	Ty Trouten / City of Elko Police Department	Support Letter
S.B. 410	J	1	Julie Butler / Department of Motor Vehicles	Support Letter
S.B. 410	K	1	Eric Spratley / Nevada Sheriffs' and Chiefs' Association	Support Letter