### SENATE BILL NO. 58-COMMITTEE ON FINANCE

# (ON BEHALF OF THE NEVADA SUPREME COURT)

# Prefiled November 16, 2022

## Referred to Committee on Finance

SUMMARY—Revises provisions related to the Judicial Department of the State Government. (BDR 1-436)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to the judiciary; creating the Judicial Fund and the Judicial Infrastructure Contingency Account; revising provisions relating to certain administrative assessments; and providing other matters properly relating thereto.

#### **Legislative Counsel's Digest:**

Existing law creates the Legislative Fund as a special revenue fund for the use of the Legislature. Money in the Legislative Fund does not revert to the State General Fund at the end of a fiscal year and is carried forward to the next fiscal year. (NRS 218A.150) **Section 2** of this bill: (1) creates the Judicial Fund as a special revenue fund for the use of the Judicial Department of the State Government; and (2) provides that money in the Judicial Fund does not revert to the State General Fund at the end of a fiscal year and is carried forward to the next fiscal year. **Section 2** also specifies the authorized purposes for expenditures of money from the Judicial Fund.

Existing law creates various accounts in the State General Fund to be used to pay for unforeseen expenses resulting from emergencies, including the Emergency Account, the Interim Finance Committee's Contingency Account and the Disaster Relief Account. (NRS 353.263, 353.266, 353.2735) **Section 3** of this bill creates the Judicial Infrastructure Contingency Account in the State General Fund to be used by the Judicial Department of the State Government in case of certain emergencies related to its physical or information technology infrastructure.

Under existing law, a person who pleads or is found guilty or guilty but mentally ill of a misdemeanor is required to pay an administrative assessment in addition to any other penalty imposed by the court. A portion of the proceeds collected from such administrative assessments is required to be deposited in the State General Fund and distributed to the Office of Court Administrator for allocation for certain prescribed uses relating to the Judicial Department of the State Government. Existing law specifically prescribes the amount of those





proceeds that the Office of Court Administrator is required to allocate for such uses. (NRS 176.059) **Section 4** of this bill eliminates the prescribed amounts for the uses of the proceeds, and therefore allows any amount of the proceeds to be used for one or more of those uses.

Existing law authorizes a temporary advance from the State General Fund to a budget account which is wholly or partially supported by administrative assessments for misdemeanors. The amount of such an advance is limited to not more in the aggregate in any fiscal year of one-twelfth of the portion of the total money received in the previous year which represents the share of administrative assessments presently allocated to the account. (NRS 353.359) **Section 5** of this bill increases the maximum amount of such a temporary advance to one-quarter of that portion.

Under existing law, any appropriation from the Legislature from the State General Fund for the support or operation of the Supreme Court for a fiscal year is required to be reduced to the extent that the amount of any administrative assessments distributed to the Office of Court Administrator for allocation to the Supreme Court exceeds the amount which is authorized by the Legislature for expenditure from those assessments for that fiscal year. (NRS 2.185) **Section 6** of this bill eliminates this requirement.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 1 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. The Judicial Fund is hereby created as a special revenue fund for the use of the Judicial Department of the State Government.
  - 2. Support for the Judicial Fund:
- (a) Must be provided by money appropriated by the Legislature from the State General Fund or money authorized for expenditure by the Legislature, or both.
  - (b) May be provided by gifts, donations, bequests or grants.
- 3. Money in the Judicial Fund does not revert to the State General Fund at the end of the fiscal year, and the balance in the Judicial Fund must be carried forward to the next fiscal year.
- 4. Expenditures from the Judicial Fund may be made for, without limitation:
  - (a) The payment of necessary expenses of the Supreme Court;
- (b) The payment of necessary expenses of the Court of Appeals;
- (c) The payment of the salaries and benefits of the justices of the Supreme Court, judges of the Court of Appeals and district judges;
- (d) The payment of necessary improvements to the Supreme Court Building and other buildings used by the Judicial Department of the State Government and the grounds of those buildings;



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- (e) The payment of necessary expenses for the operation, activities and programs of the Office of Court Administrator; and
- (f) The payment of necessary expenses of the Supreme Court Law Library.
- 5. Expenditures from the Judicial Fund for purposes other than those specified in subsection 4 or authorized specifically by another statute may be made only upon the authority of the Chief Justice or his or her designee.
  - 6. All money in the Judicial Fund must be paid out on claims

approved by the Chief Justice or his or her designee.

- Sec. 3. 1. The Judicial Infrastructure Contingency Account is hereby created in the State General Fund for the use of the Judicial Department of the State Government in the event of an emergency.
- 2. When the Chief Justice or his or her designee finds that an emergency exists which requires an expenditure for which no appropriation has been made, or in excess of an appropriation made, the Chief Justice or his or her designee may authorize an expenditure from the Judicial Infrastructure Contingency Account to meet the emergency.
- 3. Expenditures from the Judicial Infrastructure Contingency Account must be accounted for in accordance with generally accepted accounting principles, as defined in NRS 353.3076.
- 4. Money in the Judicial Infrastructure Contingency Account does not revert to the State General Fund at the end of a fiscal year, and the balance in the Judicial Infrastructure Contingency Account must be carried forward to the next fiscal year.
- 5. As used in this section, "emergency" means an unforeseen circumstance which requires immediate action to prevent or mitigate any interruption in the operations of the Judicial Department of the State Government as a result of damage to the physical or information technology infrastructure of the Judicial Department.
  - **Sec. 4.** NRS 176.059 is hereby amended to read as follows:
- 176.059 1. Except as otherwise provided in subsection 2, when a defendant pleads guilty or guilty but mentally ill or is found guilty or guilty but mentally ill of a misdemeanor, including the violation of any municipal ordinance, the justice or judge shall include in the sentence the sum prescribed by the following schedule as an administrative assessment and render a judgment against the defendant for the assessment:





1	Fine	Assessment
2	50 to 59	\$45
3	60 to 69	50
4	70 to 79	55
5	80 to 89	60
6	90 to 99	65
7	100 to 199	75
8	200 to 299	85
9	300 to 399	95
10	400 to 499	105
11	500 to 1,000	120

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If the justice or judge sentences the defendant to perform community service in lieu of a fine, the justice or judge shall include in the sentence the amount of the administrative assessment that corresponds with the fine for which the defendant would have been responsible as prescribed by the schedule in this subsection.

- 2. The provisions of subsection 1 do not apply to:
- (a) An ordinance regulating metered parking; or
- (b) An ordinance which is specifically designated as imposing a civil penalty or liability pursuant to NRS 244.3575 or 268.019.
- The money collected for an administrative assessment must not be deducted from the fine imposed by the justice or judge but must be taxed against the defendant in addition to the fine. The money collected for an administrative assessment must be stated separately on the court's docket and must be included in the amount posted for bail. If bail is forfeited, the administrative assessment included in the amount posted for bail pursuant to this subsection must be disbursed in the manner set forth in subsection 5 or 6. If the defendant is found not guilty or the charges are dismissed, the money deposited with the court must be returned to the defendant. If the justice or judge cancels a fine because the fine has been determined to be uncollectible, any balance of the fine and the administrative assessment remaining unpaid shall be deemed to be uncollectible and the defendant is not required to pay it. If a fine is determined to be uncollectible, the defendant is not entitled to a refund of the fine or administrative assessment the defendant has paid and the justice or judge shall not recalculate the administrative assessment.
- 4. If the justice or judge permits the fine and administrative assessment to be paid in installments, the payments must be first applied to the unpaid balance of the administrative assessment. The city treasurer shall distribute partially collected administrative assessments in accordance with the requirements of subsection 5. The county treasurer shall distribute partially collected





administrative assessments in accordance with the requirements of subsection 6.

- 5. The money collected for administrative assessments in municipal court must be paid by the clerk of the court to the city treasurer on or before the fifth day of each month for the preceding month. The city treasurer shall distribute, on or before the 15th day of that month, the money received in the following amounts for each assessment received:
- (a) Two dollars to the county treasurer for credit to a special account in the county general fund for the use of the county's juvenile court or for services to juvenile offenders. Any money remaining in the special account after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county treasurer shall provide, upon request by a juvenile court, monthly reports of the revenue credited to and expenditures made from the special account.
- (b) Seven dollars for credit to a special revenue fund for the use of the municipal courts. Any money remaining in the special revenue fund after 2 fiscal years must be deposited in the municipal general fund if it has not been committed for expenditure. The city treasurer shall provide, upon request by a municipal court, monthly reports of the revenue credited to and expenditures made from the special revenue fund.
- (c) Five dollars to the State Controller for credit to the State General Fund.
- (d) The remainder of each assessment to the State Controller for credit to a special account in the State General Fund for distribution as provided in subsection 8.
- 6. The money collected for administrative assessments in justice courts must be paid by the clerk of the court to the county treasurer on or before the fifth day of each month for the preceding month. The county treasurer shall distribute, on or before the 15th day of that month, the money received in the following amounts for each assessment received:
- (a) Two dollars for credit to a special account in the county general fund for the use of the county's juvenile court or for services to juvenile offenders. Any money remaining in the special account after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county treasurer shall provide, upon request by a juvenile court, monthly reports of the revenue credited to and expenditures made from the special account.
- (b) Seven dollars for credit to a special revenue fund for the use of the justice courts. Any money remaining in the special revenue fund after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county





treasurer shall provide, upon request by a justice court, monthly reports of the revenue credited to and expenditures made from the special revenue fund.

- (c) Five dollars to the State Controller for credit to the State General Fund.
- (d) The remainder of each assessment to the State Controller for credit to a special account in the State General Fund for distribution as provided in subsection 8.
- 7. The money apportioned to a juvenile court, a justice court or a municipal court pursuant to this section must be used, in addition to providing services to juvenile offenders in the juvenile court, to improve the operations of the court, or to acquire appropriate advanced technology or the use of such technology, or both. Money used to improve the operations of the court may include expenditures for:
  - (a) Training and education of personnel;
  - (b) Acquisition of capital goods;
  - (c) Management and operational studies; or
  - (d) Audits.

- 8. Of the total amount deposited in the State General Fund pursuant to paragraph (d) of subsection 5 and paragraph (d) of subsection 6, the State Controller shall distribute the money received to the following public agencies in the following manner:
- (a) Not less than 51 percent to the Office of Court Administrator for **[allocation as follows:**
- (1) Forty-six and three-quarters percent of the amount distributed to the Office of Court Administrator for:

  (1) :
  - (1) The administration of the courts;
- [(II)] (2) The development of a uniform system for judicial records; [and
  - (III) (3) Continuing judicial education [-
- (2) Thirty seven and three quarters percent of the amount distributed to the Office of Court Administrator for the];
  - (4) The Supreme Court F.
- (3) Three and one half percent of the amount distributed to the Office of Court Administrator for the ;
- (5) *The* payment for the services of retired justices, retired judges of the Court of Appeals and retired district judges .
- (4) Twelve percent of the amount distributed to the Office of Court Administrator for the]; and
  - (6) The provision of specialty court programs.
- (b) Not more than 49 percent must be used to the extent of legislative authorization for the support of:





- 1 (1) The Central Repository for Nevada Records of Criminal 2 History;
  - (2) The Peace Officers' Standards and Training Commission;
  - (3) The operation by the Department of Public Safety of a computerized interoperative system for information related to law enforcement:
    - (4) The Fund for the Compensation of Victims of Crime;
    - (5) The Advisory Council for Prosecuting Attorneys; and
  - (6) Programs within the Office of the Attorney General related to victims of domestic violence.
  - 9. Any money deposited in the State General Fund pursuant to paragraph (d) of subsection 5 and paragraph (d) of subsection 6 that is not distributed or used pursuant to paragraph (b) of subsection 8 must be transferred to the uncommitted balance of the State General Fund.
    - 10. As used in this section:

- (a) "Juvenile court" has the meaning ascribed to it in NRS 62A.180.
- (b) "Office of Court Administrator" means the Office of Court Administrator created pursuant to NRS 1.320.
  - **Sec. 5.** NRS 353.359 is hereby amended to read as follows:
- 353.359 1. The State Controller shall draw his or her warrant, upon application by an agency responsible for the administration of an account which is wholly or partially supported by administrative assessments pursuant to NRS 176.059, for not more in the aggregate in any fiscal year than [1/12th] one-quarter of the portion of the total money received in the previous year which represents the share of administrative assessments presently allocated to the account.
- 2. An agency shall not apply for an advance pursuant to subsection 1 unless the application is first approved by the Director of the Office of Finance.
- 3. Any money which is advanced from the State General Fund to an account pursuant to subsection 1 must be repaid as soon as the money which the advance replaced is deposited in the account. If the money deposited in the account in any fiscal year is insufficient to pay back the money advanced, an amount equal to the shortfall is hereby contingently appropriated from the State General Fund to the account.
- 4. The Director of the Office of Finance shall notify the Fiscal Analysis Division of the Legislative Counsel Bureau if:
  - (a) The Director approves an advance pursuant to subsection 2.
- (b) The money deposited in an account in any fiscal year is insufficient to pay back the money advanced pursuant to subsection 1.
  - **Sec. 6.** NRS 2.185 is hereby repealed.





#### TEXT OF REPEALED SECTION

# 2.185 Appropriation for support or operation of Court must be reduced based on administrative assessments to be allocated to Court; duty of Court.

- 1. Any amount appropriated by the Legislature from the State General Fund for the support or operation of the Supreme Court during a fiscal year must be reduced to the extent that the amount of any administrative assessments distributed to the Office of the Court Administrator for allocation to the Supreme Court pursuant to NRS 176.059 exceeds the amount which is authorized by the Legislature for expenditure from those assessments for that fiscal year.
- 2. The Supreme Court shall reserve for reversion each fiscal year the amount by which an appropriation from the State General Fund must be reduced pursuant to subsection 1, and that amount reverts to the State General Fund upon the close of that fiscal year by the State Controller.





