BDR 14-746
SB 337

LOCAL GOVERNMENT

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 4, 2023

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Total	0	0	0	0

Explanation (Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

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

Local Government Responses
S.B. 337 / BDR 14 - 746

City/County: **City of Henderson**
Approved by: Mike Cathcart, Business Operations Manager
Comment: The fiscal impact of this legislation cannot be determined. However, the City routinely collects funds from forfeited assets. The amount can be between $100,000 and $500,000 per year.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of Las Vegas**
Approved by: Jackie Bruno, Management Analyst I
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **City of Reno**
Approved by: Jordan Hosmer-Henner, Urban Economist
Comment: State forfeiture is dispersed from the District Attorney's Office annually, the Reno Police Department share is dependent on the cases adjudicated during that fiscal year. State forfeiture funds are used to support department training and purchasing of new supplies/equipment not accounted for in the general fund budget. The following amounts have been received by the RPD through the State forfeiture program: FY19 was $88,804.70; FY20 was $50,942.31; and FY21 was $24,523.92.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **City of Sparks**
Approved by: Tiffany Pugh, Accounting Manager
Comment: It is estimated that this would result in a negative financial impact to the City as the forfeiture funds would now be transferred to the state, but the City would still be responsible for managing and storing items.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	($22,500)	($30,000)	($60,000)

City/County: **City of West Wendover**
Approved by: Alina Ceballos, Chief Financial Officer
Comment: cannot be determined

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **Carson City**
Approved by: Sheri Russell-Benabou, Chief Financial officer
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Clark County**
Approved by: Damon Harris, Deputy Director of Finance
Comment: Bill would eliminate the forfeiture funds that the County receives pursuant to NRS 201.351 (via NRS 179.118). Under NRS 201.351 all assets derived from or relating to any violations of NRS 201.300 (pandering); NRS 201.320 (living off the earning of a prostitute) and NRS 201.395 (placing a person in a place of prostitution) are subject to forfeiture under these statutes are then required to be transferred to the County to be distributed to programs for the prevention of child prostitution or for services to victims which are designated to receive such distributions by the District Attorney of the county. The DA forfeiture loss is an average of funds received over the past four years (75% of that for FY24 as the bill is effective 10/1/23).

Based on a 10-year average, LVMPD incurs $631,491 in expenditures related to managing seizures and forfeitures. In addition, based on a 10-year average, LVMPD receives $358,215 in revenue that is used for allowable expenses related to narcotics enforcement and other allowable expenses. As written, this bill would effectively eliminate the revenue that offsets those expenses, thus potentially requiring that those expenses be absorbed in LVMPD's operating fund (to which the County is responsible for 65.6% of the funding). The FY24 amount is adjusted to 75% as the bill is effective 10/1/23.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	($1,040,639)	($1,387,519)	($2,775,038)

City/County: **Douglas County**
Approved by: Terri Willoughby, Chief Financial Officer
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Elko County**

Approved by: Susan Paprocki, Comptroller

Comment: The impact of this bill is difficult to determine based on the nature of the revenue. However, we do currently use the revenue collected by asset forfeitures to pay for vital supplies to support our K-9 officers. Should these revenues cease, this burden would then be shifted to the general fund to be absorbed in current and future budgets.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$0	$0	$0

City/County: **Humboldt County**

Approved by: Gina Rackley, Comptroller

Comment: We are unable to determine the fiscal impact of this bill due to the uncertainty of the number of individuals who would qualify.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **Lyon County**

Approved by: Josh Foli, Comptroller

Comment: This may take some more time to complete the reporting to the State with the additional requirements. Hopefully we can do it with existing staffing.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

City/County: **Pershing County**

Approved by: Karen Wesner, Administrative Assistant

Comment: There may be an impact but it cannot be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

City/County: **Washoe County**

Approved by: Cadence Matijevich, Government Affairs Liaison

Comment: This bill repeals NRS 179.118, which is the current distribution of proceeds for forfeited property. Furthermore, this bill specifically precludes “law enforcement agency” from using the funds for purposes of the agency. Currently, the asset forfeiture funds retained by Washoe County are used for outreach programs (focus is anti-drug), travel and training for criminal prosecutors, and investments in technology for the Criminal Division of the District Attorney's Office. Based on a five-year historical average, the County anticipates total forfeited property of $148,599 with an average return of 43.67% to the County (District Attorney 22.10% and Sheriff's Office 21.57%) equating to an estimated loss of $64,892 annually.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$64,892	$64,892	$96,945

The following cities/counties did not provide a response: City of Boulder City, City of Caliente, City of Carlin, City of Elko, City of Ely, City of Fallon, City of Fernley, City of Mesquite, City of North Las Vegas, City of Wells, City of Winnemucca, City of Yerington, Churchill County, Esmeralda County, Eureka County, Lander County, Lincoln County, Mineral County, Nye County, Storey County, and White Pine County.