MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY

Eighty-Second Session March 24, 2023

The Committee on Judiciary was called to order by Chair Brittney Miller at 8 a.m. on Friday, March 24, 2023, in Room 3138 of the Legislative Building, 401 South Carson Street, The meeting was videoconferenced to Room 4401 of the Grant Carson City, Nevada. Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Nevada Legislature's website Counsel Bureau and on the www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Brittney Miller, Chair
Assemblywoman Elaine Marzola, Vice Chair
Assemblywoman Shannon Bilbray-Axelrod
Assemblywoman Lesley E. Cohen
Assemblywoman Venicia Considine
Assemblywoman Danielle Gallant
Assemblyman Ken Gray
Assemblywoman Alexis Hansen
Assemblywoman Melissa Hardy
Assemblywoman Selena La Rue Hatch
Assemblywoman Erica Mosca
Assemblywoman Sabra Newby
Assemblyman David Orentlicher
Assemblywoman Shondra Summers-Armstrong
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Diane C. Thornton, Committee Policy Analyst



> Devon Kajatt, Committee Manager Aaron Klatt, Committee Secretary Ashley Torres, Committee Assistant

OTHERS PRESENT:

Lisa Rasmussen, representing Nevada Attorneys for Criminal Justice Tonja Brown, Private Citizen, Carson City, Nevada John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office

Wiz Rouzard, Deputy State Director, Americans for Prosperity Vinson Guthreau, Executive Director, Nevada Association of Counties Joanna Jacob, Manager, Government Affairs, Clark County

Chair Miller:

[Roll was called. Committee rules and protocol were explained.] Good morning, everyone. Welcome to Assembly Judiciary. Today on the agenda we have five bills that we will work session and two bills that we will hear. Just a reminder that with our work session items, that this is not a rehearing of the bill, but we will address any amendments or changes. With that, I will turn it over to our policy analyst, Ms. Diane Thornton, to walk us through the first bill.

Assembly Bill 55: Revises provisions related to unclaimed property. (BDR 10-360)

Diane C. Thornton, Committee Policy Analyst:

Our first bill on work session today is <u>Assembly Bill 55</u>, which was sponsored by the Assembly Committee on Judiciary and heard in Committee on February 21, 2023 [Exhibit C].

This bill provides that a gift certificate that is no longer honored by the issuer is presumed abandoned on the date on which the gift certificate ceases to be honored by the issuer and includes store-value cards as a gift certificate. This bill replaces the term "financial institution" with the term "financial organization" and makes various changes relating to the dates on which certain property that is unclaimed by the apparent owner is presumed abandoned.

There is one amendment proposed to this bill. Zack Conine, Treasurer, Office of the State Treasurer proposed the following amendment:

- 1. Delete section 3 of the bill;
- 2. Amend section 5, subsection 2 of the bill by deleting the language "gift certificate";
- 3. Amend section 7, subsection 1(f)(2) by adding the language "subsequent to" in reference to deposits that are automatically renewable;

- 4. Amend section 7, subsection 1(o) to clarify that any property in an individual retirement account, defined benefit plan or other account or plan established for retirement purposes is presumed abandoned if it is unclaimed by the apparent owner three years after;
- 5. Amend section 7, subsection 4(a)(6) by adding language to clarify that an indication in an owner's interest in property does not automatically renew payments to or withdrawals from an account to which the holder or the agent is a party to the transaction;
- 6. Amend section 7, subsection 4(a)(7) by adding language regarding the indication of an owner's interest in property includes the period of abandonment begins when the holder receives knowledge of death for the owner of any property subject to reporting;
- 7. Amend section 7, subsection 4(a)(7) to provide that an action by an agent or other representative of the apparent owner, other than the holder, or the holder's agent, acting as the agent of the apparent owner, is presumed to be an action on behalf of the apparent owner;
- 8. Amend section 7, subsection 7 to provide that the term "beneficiary" represents the individual for whom the services are performed upon death;
- 9. Amend section 9, subsection 4(e) by including section 1 through 4 concerning the date identified in subsection 1 of *Nevada Revised Statutes* (NRS) 120A.500 from which the length of time must be measured;
- 10. Amends section 9, subsection 10 to clarify that the written notice is a heightened requirement, not separate;
- 11. Amend section 10, subsection 4 to provide that the Administrator shall provide at least once a year on the website information regarding how to claim and report unclaimed property; and
- 12. Add a new section to the bill to provide that the Administrator may adopt regulations regarding abandoned property as referenced in NRS 120A.740 (Agreement to locate property).

Chair Miller:

Members, are there any questions? Not seeing any, I will entertain a motion on Assembly Bill 55.

ASSEMBLYWOMAN MARZOLA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 55.

ASSEMBLYWOMAN NEWBY SECONDED THE MOTION.

Is there any further discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblywoman Bilbray-Axelrod. Ms. Thornton, please walk us through Assembly Bill 145.

Assembly Bill 145: Revises provisions relating to prostitution. (BDR 15-613)

Diane C. Thornton, Committee Policy Analyst:

Assembly Bill 145 revises provisions relating to prostitution. It was sponsored by Assemblywoman Marzola and heard in this Committee on March 3, 2023 [Exhibit D].

This bill increases the penalties for the first offense of a customer who engages in prostitution or solicitation for prostitution except in a licensed house of prostitution from a misdemeanor to a gross misdemeanor, punishable by imprisonment in the county jail for not more than 364 days and by a fine of not less than \$800 but not more than \$2,000. The bill also removes the offense from the jurisdiction of the justice courts and municipal courts.

There is one proposed amendment to this measure. Assemblywoman Mazzola proposed an amendment that would do the following:

- 1. Require the arrest of a customer for a violation of *Nevada Revised Statutes* (NRS) 201.354;
- 2. Restore the language in section 1, subsection 3 (NRS 201.354);
- 3. Increase the civil penalty for a first offense in section 1, subsection 3(a) from \$400 to \$800;
- 4. Increase the civil penalty in section 1, subsection 4 from \$200 to \$600;
- 5. Restores the language in section 1, subsections 7 through 9;
- 6. Amend section 1, subsection 8 to allow a person to petition the court for the sealing of all records relating to the discharge and dismissal two years after completing a program of treatment, instead of providing for the automatic sealing of records;
- 7. Delete sections 2 through 7 of the bill.

Chair Miller:

Members, are there any questions? Not seeing any, I will go ahead and entertain a motion to amend and do pass Assembly Bill 145.

ASSEMBLYMAN GRAY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 145.

ASSEMBLYWOMAN MOSCA SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will go ahead and assign that floor speech to Assemblywoman Marzola. Ms. Thornton, please walk us through <u>Assembly Bill 183</u>.

Assembly Bill 183: Revises provisions relating to the protection of children from commercial sexual exploitation. (BDR 5-321)

Diane C. Thornton, Committee Policy Analyst:

Assembly Bill 183 revises provisions relating to the protection of children from commercial sexual exploitation. It was sponsored by the Assembly Committee on Judiciary and heard in Committee on March 3, 2023 [Exhibit E].

This bill requires a local facility for the detention of children, a regional facility for the treatment and rehabilitation of children, and a state facility for the detention of children to screen each child to determine whether the child is a victim of commercial sexual exploitation. In addition, this bill requires the facilities to report the commercial sexual exploitation of the child to an agency which provides child welfare services. Lastly, the bill requires an agency which provides child welfare services to take certain actions to protect the safety of the child and meet the other needs of the child upon receipt of a report.

There is one amendment proposed by Jeff Rogan, Clark County District Attorney's Office. He proposed an amendment that requires the screening only of those children for whom a reliable and validated screening method exists. According to Mr. Rogan, the [Nevada Coalition to Prevent] Commercial Sexual Exploitation of Children (CSEC) committee chairs, Dr. Cindy Pitlock from Department of Health and Human Services, Division of Child and Family Services, and statewide CSEC coordinator Esther Brown were in agreement, as well as the cochairs of the CSEC Commission legislative committee, Legal Aid of Southern Nevada, and the Clark County District Attorney.

Chair Miller:

Members, are there any questions? Not seeing any, I will entertain a motion to amend and do pass.

ASSEMBLYWOMAN MARZOLA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 183.

ASSEMBLYMAN GRAY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will assign that floor speech to Assemblyman Orentlicher. Ms. Thornton, please walk us through the next bill.

Assembly Bill 257: Revises provisions relating to forensic medical examinations of certain victims of certain crimes. (BDR 16-839)

Diane C. Thornton, Committee Policy Analyst:

Assembly Bill 257 revises provisions relating to forensic medical examinations of certain victims of certain crimes. It was sponsored by Assemblywoman Summers-Armstrong and heard in Committee on March 15, 2023 [Exhibit F].

This bill requires a county in whose jurisdiction a domestic violence battery by strangulation was committed to pay for the costs of a strangulation forensic medical examination of the victim. The bill authorizes a compensation officer of the Department of Administration to order the payment of compensation from the Fund for the Compensation of Victims of Crime to a county for the reimbursement of such costs associated with conducting a strangulation forensic medical examination.

There is one proposed amendment to this measure. Liz Ortenburger, Chief Executive Officer with SafeNest, proposed two changes to the bill including:

- 1. Amend section 1(2) to add:
 - a. (c) A county may seek reimbursement of cost incurred from a strangulation examination from the State, subject to an appropriation made by the Legislature.
- 2. Amend section 1(4)(b) to add:
 - a. "Strangulation forensic medical examination" means an examination conducted by a health care provider for the purpose of assessing a victim's health care needs and coordinate treatment of any injuries incurred during the assault.
 - b. (c) Collection of evidence is permitted for the potential use during a criminal investigation and prosecution.

Chair Miller:

Members, are there any questions?

Assemblywoman Summers-Armstrong:

Can we have a moment, please?

Chair Miller:

All right, we are going to go ahead and roll <u>Assembly Bill 257</u>. With that, Ms. Thornton, please walk us through <u>Assembly Bill 291</u>.

Assembly Bill 291: Revises provisions relating to the prosecution of certain crimes. (BDR 15-473)

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 291</u> revises provisions relating to the prosecution of certain crimes. It was sponsored by Assembly Committee on Judiciary and heard on March 17, 2023 [Exhibit G].

This bill provides that in any prosecution of a crime relating to the false representations of a person's own wealth, or mercantile correspondence and connections, to obtain credit and defraud any person, that the State is not required to establish that all of the acts constituting the crime occurred in this state or within a single city, county or local jurisdiction of this state. This bill further provides that it is no defense that a person did not commit all of the acts constituting the crime within this state or within a single city, county, or local jurisdiction of this state.

There are no amendments for this measure.

Chair Miller:

Members, are there any questions? Not seeing any, I will entertain a motion to do pass Assembly Bill 291.

ASSEMBLYWOMAN MARZOLA MADE A MOTION TO DO PASS ASSEMBLY BILL 291.

ASSEMBLYMAN GRAY SECONDED THE MOTION.

Any further discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor speech to Assemblywoman Hansen. All right, we will go ahead and continue with our agenda. The first item that we have is <u>Assembly Bill 350</u>. <u>Assembly Bill 350</u> revises provisions governing forfeiture of property. To present that for us today, we do have a senior attorney, Lisa Rasmussen. I will now officially open the hearing on A.B. 350.

Assembly Bill 350: Revises provisions governing forfeiture of property. (BDR 14-472)

Lisa Rasmussen, representing Nevada Attorneys for Criminal Justice:

I am an attorney in Las Vegas in private practice. Many of you have also probably heard me present many bills over the years on behalf of Nevada Attorneys for Criminal Justice. Today

I am going to present <u>A.B. 350</u>. <u>Assembly Bill 350</u> deals with civil forfeiture and primarily with how those forfeitures are reported. We currently have reporting requirements where all of the law enforcement agencies in Nevada are required to report information once a year regarding assets, which can be money or anything else, that are seized and also forfeited. Many of you have probably heard me talk about forfeiture and seizure before, but some of you have not. Therefore, I am going to give a basic little primer on it quickly. I will be referencing the materials that I have submitted [<u>Exhibit H</u>], which you all should have.

I would like to start off by addressing seizure versus forfeiture [page 2, Exhibit H]. The first thing that happens is the seizure. For example, your car is stopped, and law enforcement seizes \$20,000 from you—this is the seizure part. Later, a lawsuit is filed, and the law enforcement agency seeks to keep your \$20,000—this is the forfeiture part. It is a two-step process.

Currently, we have a reporting system, which I helped set up with Greg Brower, that was enacted back in 2015. All the law enforcement agencies in the state report annually, and most law enforcement agencies list a case number in their reporting, like an event number [page 3]. That would be the police's generated number when they pull someone over and take their money or car. Most agencies are providing accurate information about why items are seized and are referencing a statute for the reason of the seizure. For example, that might be a controlled substance violation or a driving under the influence of alcohol or drugs (DUI) violation. Most agencies are also providing accurate information about what was forfeited. I have seen some of the different law enforcement agencies not being consistent.

Next, I am going to walk you through the bill [page 4]. <u>Assembly Bill 350</u> is about enhanced reporting requirements so that we have more information about what is going on with these seizures and forfeitures. Section 1, subsection 1, paragraph (a), subparagraph (4) would have the law enforcement agencies reporting the place of the seizure; whether it was at a home or from a car—essentially how the seizure came about. Subsection 1, paragraph (b), subparagraph (1) would have them report the type of crime associated with the seizure. This is something that most of them are reporting but not all of them, and this makes it clear that they need to report the correlating statute because not all crimes lead to seizure. You cannot just seize for anything; you have to have a crime that allows for it.

Subsection 1, paragraph (b), subparagraph (3) would require them to list the court in which the case was filed and the case number. Subparagraph (4) would require them to provide the outcome of a criminal proceeding. Subparagraph (5) would require whether the forfeiture action was completed as a criminal or civil case. Some things are currently done in a criminal case, but that is usually just when it involves firearms. Subparagraph (6) would require them to report whether the claimant claimed an interest in the property at all or whether there was no response. Subparagraph (7) would be the outcome of a civil case if one was filed. Subparagraph (8) would mandate reporting on whether a stipulated agreement was reached between the parties. Subparagraph (9) deals with the final disposition including whether the property was returned in part or in full.

Finally, subsection 5 would require that the data that is provided by the different law enforcement agencies be provided in what we call "readable" format—optical character recognition, readable format.

The goals of A.B. 350 [page 5, Exhibit H] are to provide an opportunity for greater tracking and as a result, greater accountability of the disposition of property seized. I do not want anyone to think I am here today to criticize law enforcement and what they are currently reporting; they are reporting what they are required to report under the current statute. This would just require them to provide us with that additional information. Another goal is it would allow law enforcement agencies to better track the disposition of seized property, cash, or assets. Them providing the information would set up a system where they are tracking it as well. It would permit improved public access to information about law enforcement seizure and forfeiture activity, and that in turn would inform all branches of government in Nevada as to future policy and best practices. Overall, it would be a mechanism to provide us with additional information so that we can better track what is going on with these seizures and forfeitures.

Now, I wanted to go through some samples I attached. You will be happy to know that I did not attach all 350 pages of the annual aggregate report from all the agencies, but I plucked out some things so you can see what it looks like. The first set is the actual seizures that were reported by all the agencies for the 2021 fiscal year (FY) [pages 7-9]. You can see this is about three pages, and it lists each of the agencies reporting alphabetically. You can see that a lot of the agencies that report do not have anything to report, denoted by a zero, but you can also see on the third page [page 9] that the total seized in FY 2021 is \$5.5 million. It is a lot of money. The bulk of it comes from the Las Vegas Metropolitan Police Department [Metro] at \$3.8 million of that total. Then the other larger agencies are Henderson, Washoe, North Las Vegas, Nye County District Attorney—they reported for all of the agencies in Nye County, which is a little bit of an anomaly—and Reno Police Department. That is what was seized in the FY 2021.

The next pages are what was forfeited [pages 11-13]. That means that the law enforcement agency had some lawful authority to keep it. The total value of that figure is about \$2.9 million [page 13]. You can see the difference between the seizure and the forfeiture. Part of that is because there is a time lag between when something is seized and then, if a civil suit is filed, when it is forfeited. Therefore, these do not always correspond. In fact, when we look at some of the specific examples, you will see that a forfeiture in 2021 might be the result of a seizure from 2019. That is how the numbers are reported and they never match up.

Now, I am not here to pick on any county, I just plucked a couple of examples out to show you what individual county reporting looks like. This is all part of the aggregate report as we are getting it currently. The first one is Carson City Sheriff's Office. Each agency report is four or five pages. The first thing they do is list their contact person [page 15] and then they list the property seized [page 16]. You can see they do list an agency case number for each event, the crime associated with it, the market value of the property, and the date that it was

seized. Most of the property is currency, but we also have a Chevy Silverado in there. As an example, on their 2021 reporting, they list \$35,000 in assets seized [page 16]; then on their forfeiture portion, they list a total forfeited to the agency of \$41,000 [page 17, Exhibit H]. However, it does not list any information other than the agency case number, which is actually the police event number. It does not give us any information about whether there was a civil case, how the property came to be forfeited, what portion of it was forfeited, whether some of it was returned to a claimant, or anything like that. I will tell you at the end of my presentation how that is problematic in trying to match some of this up and get information on what is going on with any civil actions.

Then the last page is the use of proceeds [page 18]. You may or may not know this, but a lot of these proceeds are supposed to go to the school fund. A lot of them do not make it there. Many of them are kept by law enforcement, which by statute, they are able to keep some of it to recoup their costs and for law enforcement purposes. So, when we look at Carson City Sheriff's Office's use of proceeds, they list some specific things that they are allowed to use as offsets. One is equitable sharing with other agencies. That means sometimes they have to share what they seize with the feds. They list their cost of suit, which is the money they pay for filing and litigating lawsuits. Then you can see, of the roughly \$40,000 that they forfeited, they retained \$30,000 of it for law enforcement purposes [page 18], and none of this particular agency's funds went to the school fund.

Churchill is another county I included as an example. They had \$44,000 seized [pages 21-22], and they have zero forfeited for the same reporting period [page 23]. I do not know why that is, and we cannot know because we do not have enough information. This bill would address that lack of information. Fallon Police Department is included as the next example. During the reporting period, they had a lot of different cars, some guns, and some money for a total of roughly \$39,000 seized [pages 27-28]. They then have about \$15,000 forfeited with no information given about how the forfeitures came to be [page 29].

City of Henderson Police Department seized roughly \$245,000 in the reporting period of FY 2021 to FY 2022 [page 33]. Then they forfeited about \$258,000 [page 34], where they do report the police event or case numbers. Under the use of proceeds section [page 35], you can see Henderson sent about \$78,000 of the roughly \$245,000 that they forfeited to the school district, and they retained about \$157,000 for law enforcement purposes.

Next, I included only pieces of the Las Vegas Metropolitan Police Department report because theirs was extensive and multiple pages. For their FY 2021 to FY 2022, they seized roughly \$3.8 million [page 37], and they forfeited about \$1.9 million [page 38]. With Metro, they have the cost of seizure listed around \$531,000. They have listed the cost of storage, the cost of suit, and the amount of equitable sharing with other agencies. They also sent roughly \$740,000 to the school fund and retained just over \$417,000 for law enforcement purposes [page 39]. So, that is what we are currently getting and there is just not enough information there to really see what is going on with the money and where it is going.

I attached a sample complaint [pages 41-43], which shows what a complaint for forfeiture looks like and why there are some problems with what is currently being reported, and how we are unable to figure out what is going on. When law enforcement files a complaint, the defendant in the lawsuit is the money, the vehicle, or the gun, et cetera. In this example, the plaintiff is Las Vegas Metropolitan Police Department, and the defendant is U.S. currency \$2,149 [page 41, Exhibit H]. The issue this creates is you are unable to search for cases with defendants named this way; I have tried. You can search, at least in the Eighth Judicial District Court and I believe in Washoe [the Second Judicial District Court], by a defendant's name, but you cannot search something that looks like this: U.S. currency \$2,149. You also cannot search for a defendant named 2007 Isuzu truck. The mechanisms currently in place do not allow you to find it.

So having civil case numbers reported would greatly increase our knowledge about what is going on, as well as provide everyone, including the Legislature's, the ability to track what is happening with these forfeitures. These forfeitures are substantial. It is millions and millions of dollars, especially with the larger agencies. These are moneys that are seized from people who are sometimes never charged with a crime. These are also moneys that are seized from people who are sometimes acquitted of their crime or who have their case dismissed; yet we have no way of monitoring what is going on because we just do not have enough information. That is what this bill is about. Does anybody have questions?

Assemblywoman Mosca:

I appreciate the focus on data. Was there a discussion on tracking the demographics of the people who have property seized for the purpose of seeing if there is disproportionality?

Lisa Rasmussen:

One of the things we do not have is any data on demographics because we do not have information about whether a criminal case or a civil case was filed, which would allow us to look up and glean some data. We could undertake a laborious process to track, through these event numbers, demographic data. However, we do not even know if the money that was seized ends up in a forfeiture case. That makes it hard to get useful data with the limited information that we have, which is why I think we need this enhanced reporting. That way we could make a greater analysis of who is losing money on these seizures.

Assemblywoman La Rue Hatch:

Thank you for shedding some light on this important topic. You mentioned that sometimes there are forfeitures even when a case has been dismissed or when someone has been acquitted. Can you walk us through the process for forfeiture? What must happen for someone to get their property back?

Lisa Rasmussen:

Forfeiture currently happens in a civil case. We have had discussions in the past about trying to put it in the criminal case, so it is all dealt with in one place, but it currently is a separate civil proceeding. It is a lawsuit like the sample that I attached [page 41, <u>Exhibit H</u>]. It is the law enforcement agency suing the assets seized and the claimant would be the person it was

taken from. For example, if you get pulled over, and they take \$20,000 out of your car. You would be the claimant; the \$20,000 would be the defendant. Many people do not even have a lawyer to defend them in that case. They may have a lawyer in their criminal case but not in their civil case. Therefore, many of these civil forfeiture cases result in default. I suspect that we would find that a great majority of them result in default, but I am unable to tell you the percentage because we are not offered enough data to track them. It is literally impossible to figure out how many cases were actually filed. You cannot search it by Las Vegas Metropolitan Police Department because you come up with 100,000 cases.

That is how it happens. There is a civil suit filed, and if someone responds, one of two things happens; the case could be stayed pending the outcome of a criminal proceeding, or it could default because nobody responds, and an agency would get their money.

Assemblywoman Cohen:

My question is very similar to my colleagues. Could you give us some more personal examples of the situations you have seen and perhaps some of the situations where Nevadans have attempted to get their money or assets back that they have lost?

Lisa Rasmussen:

Oftentimes, the amount of money is small. Not many people have \$100,000 or \$80,000 that gets seized. There was a case you may have seen in the news about the gentleman driving through Nevada to help his daughter with retirement money that was seized from him. Many of them are small amounts that could be only a few thousand dollars. When someone goes to find a lawyer to help them, there is really no economic mechanism to litigate a full civil case like that. Therefore, many people are unable, unless they are representing themselves, to appear in court on those cases. They may also have a criminal case pending, but their public defender is telling them, I cannot represent you in a civil case because our office does not allow it. Sometimes those cases get stayed, but a lot of times they do not, and they just go unanswered and end in default. That is the more common thing that happens.

Some people do have the ability to hire counsel to come in and litigate it. I have had cases where a car was seized, and the value of the car was \$8,000. Then when the criminal case was dismissed and we went to retrieve the car, we were told the storage fees were \$7,500. Those are some of the problems that occur, but those are isolated examples. I know that there has been more broad media coverage about larger amounts that are seized often by Nevada Highway Patrol (NHP), and if it is a large amount, an attorney may be willing to take it on a contingency fee basis, but not when it is \$2,500. That is an amount of money that a person could plan to use for Christmas presents; or when it is \$5,000, and that was money you were going to use to get your rent caught up. The economic mechanisms are just not there for these individuals. Those are some examples that highlight why I think the ability to track it in a more fulsome manner is important.

Assemblywoman Cohen:

Just to be clear, even when we are talking about small amounts, because it is its own separate case that is being brought by a police agency, the party cannot take the matter to a small claims court, correct? Even if it is just \$2,500 or a small amount such as that.

Lisa Rasmussen:

In small claims court, you can generally litigate anything under \$10,000. In justice court, you can generally litigate anything under \$15,000, which is an easier, more relaxed process. However, these cases are never filed in either of those jurisdictions because they involve title to property, and *Nevada Revised Statutes* (NRS) require that anything that is essentially seeking declaratory relief and title to something, whether it is cash or real property, be litigated in district court. Thus, it is a more cumbersome, lengthier, and expensive process in district court.

Assemblywoman Considine:

My question continues from my colleague's question. If there are funds or items seized and there is a cost to the law enforcement for filing that lawsuit, those costs come out of the value of what is seized, correct?

Lisa Rasmussen:

Yes.

Assemblywoman Considine:

What I am wondering is whether there has ever been the opposite situation, where for the defendant, in a civil case, there has ever been any cost-shifting statutes, where the costs for filing that, if they prevail, come from that pool? Is there equitability across both sides? I was wondering if that has ever been discussed or part of this.

Lisa Rasmussen:

Unfortunately, no, there is no reciprocity on that. For example, if law enforcement prevails on its lawsuit against the asset and the claimant has claimed an interest but lost, law enforcement is able to keep its fees and costs of suit. There is no flip side mechanism for that. It would be great if there were, but there is not. That is probably a discussion for future potential legislation. There are some statutory mechanisms; for example, under NRS 18.010 a party can make an offer to resolve and if they end up in a better position, they can potentially get attorney fees. But there is really no mechanism in the statute that allows the prevailing party, in this scenario the claimant, to recover his or her fees and costs.

Assemblyman Yurek:

As prior law enforcement, I actually participated in this process, and I love the transparency that you are looking for in the accountability that will come with this sort of reporting. I want to reiterate and make clear something that you alluded to and made quite clear is that you are not bringing this because you think that law enforcement has been abusing this process or has been trying to seize money with nefarious purposes. To that end, I was hoping you can help clarify this process for the record. Law enforcement cannot just go out, pull

somebody over, and grab all their money; it must be based on existing statute. Can you give us an example of a circumstance where a law enforcement officer would pull somebody over, see \$2,500 worth of cash, and then seize that? Then of course, the due process comes through with the forfeiture process. If you could just give us an example of how a situation like that would unfold, and that might help illustrate that this is not just law enforcement going in and grabbing people's money.

Lisa Rasmussen:

Absolutely. I appreciate the opportunity to provide some examples of how it actually happens. Oftentimes, seizures will occur through Controlled Substances Act violations. For example, someone is pulled over for a traffic violation, and the officer sees a bag of cocaine on the seat. They arrest this individual, and they find \$2,500 in their pocket; that money is seized pursuant to what is probably going to be a criminal case about possession of cocaine. Usually, money or cars are seized in the context of a DUI where the statutes provide for that.

Then there are times when someone could be arrested for other types of crimes, and they might have \$80,000 on them—that money can be seized by law enforcement as well, and a case can be initiated, perhaps when it involves sex trafficking or pimping; those are examples where that is likely to happen. There are certain situations where there is a lot of cash involved. There are multiple different scenarios where money or assets can be seized.

There are also times when there is just a suspicion from law enforcement. I, frankly, have had a client who was driving from Las Vegas to southern California who was stopped by California Highway Patrol, and they had a large amount of money that was seized. It was later returned to them, but it took a year. Law enforcement will sometimes think it is suspicious to have cash, but most of the time it is related to some offense. It is not just law enforcement grabbing people's money. However, there is sometimes not a resulting criminal case. I hope that answers the question and clarifies for the Committee.

Assemblyman Orentlicher:

I recall some problematic cases with seizure and forfeiture where an innocent spouse or affiliate of the suspect lost their property. Has that been fixed, and if that is still possible, do we need different data points to pick up those examples?

Lisa Rasmussen:

In this bill, one of the sections would require reporting on whether a claim was made and whether the disposition was in whole or in part. Oftentimes, where we see what you are talking about which is an innocent person claimant, it is usually in the context of real property, but it can also be a vehicle. It is possible to be cash, but it is usually real property where that occurs. In fact, there is one pending in Carson City now, involving a joint tenancy on a property where one person is convicted of a crime; the other person is the innocent joint tenant. What do we do in that situation? We do not have enough information right now from what is being reported to know if any of those people who are coming forward as innocent third-party claimants are able to recover. We just do not have enough information; we do not

even have the most basic element in all of this, which is a civil case number. We do not know the outcome or if part of it was returned or not at all.

This is not a fix all; it is a baby step. I have tried taking a stab at broader reform in previous sessions, and we have just not gotten it through. Part of the broader reform I have sought previously was to put these small dollar amounts into the criminal case. That way people would have a lawyer, they would be more protected, and it would not be a whole separate district court case. I hope that we can make those kinds of reforms in the future, but right now, I think the enhanced reporting and the transparency would give us more information so we can figure out what better practices would be.

Assemblywoman Newby:

I think this is a great bill, but I wanted to go back to something you said earlier about fees being charged for the storage of the items and those fees being levied against the value of the item. Is that outlined in NRS, that there can be fees charged in this manner? The reason I ask that is because it seems to me like it should be a function of the whole process and simply part of general government. For example, you do not get charged for your ride to the jail. The second part of that is, with respect to those fees, is there a schedule of fees that is published or provided to the community so that you can expect what those fees might be?

Lisa Rasmussen:

There is not a schedule of fees. It seems to vary broadly based on the law enforcement agency. Even in the reporting, Metro specifically has used line items cost of storage in their bulk annual reporting. For the year, they would say it cost us, hypothetically, \$78,000 for storage, but I do not know how they are assessing it. Different agencies have different capacity.

I think Metro will probably tell you they have more capacity to store without having to use outside businesses. In that one example I gave you, they had contracted with a store yard or tow yard, and that is why the money was owed, with Metro saying they had to pay it. I think they currently store some of their own stuff a little bit more to a greater extent. I know Nye County out in Pahrump has a problem with storage. There is no set fee, and the agencies can probably tell you better, but it might be that they are assessing it based on what it is costing them. However, it is still happening where a person has their criminal case dismissed and they come back to get their asset, then they are being told it has diminished in value, if it is not cash. Obviously, it does not cost money to store cash.

Assemblywoman Newby:

Is it outlined in law that they can take fees?

Lisa Rasmussen:

It is provided in the current statute that they can recoup their costs of suit. As it is currently written, I would have to look to be sure, I think it does allow them to recoup costs of the forfeiture/seizure process. They are certainly not doing anything that violates that provision as it is currently written.

Assemblywoman La Rue Hatch:

My question is about where these funds are going. You mentioned that when they are forfeited, many of the funds are supposed to go to school districts, but I think it was valid that you pointed out in the data you presented that it is wildly different across agencies. Is there a formal process or formula that is supposed to be followed or is it at the discretion of the agency?

Lisa Rasmussen:

One of the reasons why we see different amounts from different agencies going to school districts is because it is a formula written into the statute. In fact, I attached that specific statute that includes it, NRS 179.1187, to the very back of my packet [page 44]. Subsection 2, paragraph (d) states, "Seventy percent of the amount of money in excess of \$100,000 remaining in the account at the end of each fiscal year, as determined based upon the accounting standards of the governing body . . . must be distributed to the State Education Fund." It is a complicated formula.

There is also a provision that allows for what we call equitable sharing with other law enforcement agencies. What that means is that there are often joint task forces working in tandem with federal law enforcement. For example, the Drug Enforcement Agency and North Las Vegas will be working jointly on a project and pursuant to that project, they have seized a bunch of money. Part of the money that is seized goes to the federal agency; they have a back-and-forth sharing arrangement. Part of the money federal agencies seize also comes into our local law enforcement and state agencies. They are allowed to do an offset for that, and then they are allowed to reduce their costs and fees associated with filing these lawsuits. My read of what they are saying in this statute, based on what is left, 70 percent of it is to go to the school fund. However, there is another caveat, and that is law enforcement is allowed to retain a certain amount of the funds for law enforcement purposes.

I am not suggesting that they are not giving the money over they are supposed to, but what I am saying is because this money is public money and some of it is supposed to benefit the school fund, we should be monitoring it and making sure they are doing it. Some of the smaller agencies have some difficulty in reporting, and it is possible they are not sure what they are supposed to be putting in what column. Perhaps I can do a training to get everyone on the same page. However, it is hard to tell from the information we have, but that is why you see some agencies giving to the school fund and some not at all.

Assemblywoman La Rue Hatch:

Just to wrap my head around this because I think it is a complex formula. Let us say, hypothetically, they seize \$500 million, and they spend it under the amounts that you are allowed to spend this money on, all the way down to \$90,000; then nothing has to be returned to education. Is that correct?

Lisa Rasmussen:

That would be correct.

Chair Miller:

With that, I will go ahead and open it up for testimony in support of <u>Assembly Bill 350</u>.

Tonja Brown, Private Citizen, Carson City, Nevada:

I am with Advocates for the Inmates and the Innocent, and we support this bill. One of the cases she mentioned but did not give a name, was Stephen Lara. He was driving through Nevada, was pulled over, committed no crime, and NHP seized \$87,000. He is now suing NHP. That is the case that you could look at. I personally know people who carry thousands of dollars on them or in their possession and sometimes it is because of the businesses that they are involved in, or they perhaps want to buy a vehicle. They might need \$20,000 and you want to pay cash for it. These are some of the concerns because if they got pulled over for whatever reason, and they maybe saw some weed or something in the vehicle, that is a possibility that could happen.

I have another instance which was not brought up and it relates to suicide. I have a friend whose husband said he was going to commit suicide, but he was just really depressed. He took a bunch of over-the-counter medications, and then he thought about it, told his wife, and she called 911. The 911 operator asked if there were any guns in the house, and she said yes. They arrived and busted out every single window in their home because there were guns in the house. He was not going to use a gun. They ended up seizing all that property, including every gun and knife he had, including some that were inherited. She could not get it back without going to court and it was something she did not know how to do. Ultimately, she lost the guns, and the sheriff's office put them up for auction.

Chair Miller:

Ms. Brown, you feel that this proposed legislation would alleviate those issues?

Tonja Brown:

I think so. I do think there should be some kind of a recording on situations like that. I am in support.

John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office:

We do support this measure. This is basically just a data-seeking measure. Since 2017, we have been trying to reform civil asset forfeiture. We have not been able to get over the hump in the Legislature, but this would be a good first step in revealing what the data shows by providing more transparency with that data.

There have been some abuses, Assemblyman Yurek; most notably in northern Nevada where we were featured in a 60 Minutes episode back when Senator Gustavson brought a bill to reform civil asset forfeiture. In fact, Senator Hansen will have one on this topic this session as well. There are some things that we should look at more deeply, but this simply being a data collection bill would put us in a spot where we could look at things more transparently. I strongly urge its passage.

Wiz Rouzard, Deputy State Director, Americans for Prosperity:

We are strongly in support of <u>A.B. 350</u>. As John Piro just stated, this is really about transparency of the data, and we believe that in the spirit of transparency, we can lead to better accountability, as the bill presenter stated. I know someone referenced the marine veteran, Stephen Lara's case that has led to nationwide attention and currently is highlighting some serious concerns in terms of the practice. Although I know the bill does not address that, I do believe that the data and transparency would lead legislators in the future to implement reforms that can lead to better trust between law enforcement and the community; ensuring that processes that lead to pervasive incentives are removed completely.

I also want to note that the Nevada Policy Research Institute back in 2017 did an amazing report on Metro's civil asset forfeiture process. I would strongly encourage the bill presenter to reach out to the Nevada Policy Research Institute to take a look at what work they were able to do. However, I believe they ran into the same roadblock that your bill is attempting to resolve, which was once they got the information, they were unable to type the certain cases into the search tool and get details. I will say there was even an amount down to \$2 that was seized. If it costs more to retrieve their asset, most people will be disincentivized to retrieve their property, even without ever being charged with a crime.

We support this bill in the spirit of transparency, and to what Assemblyman Yurek said, we want to ensure that law enforcement is trusted and respected in the community. We believe that <u>A.B. 350</u> will help lead us in that right direction.

[Exhibit I was submitted but not discussed and will become a part of the record in support of A.B. 350.]

Chair Miller:

I will go ahead and open it up for testimony in opposition of <u>Assembly Bill 350</u>. [There was none.] Then I will open it up for testimony in neutral for <u>Assembly Bill 350</u>. [There was none.] With that, I will welcome the bill presenter back up for any final comments.

Lisa Rasmussen:

I really appreciate all the questions this morning. I hope I was able to give clarity to the bill, and I would just encourage this Committee to move this bill forward. It would give us data that we need going forward in the state of Nevada to take a greater look and help the law enforcement agencies track their data better, so that we can all have a clearer picture of this process.

[Exhibit J was submitted but not discussed and will become part of the record.]

Chair Miller:

Thank you so much for presenting this bill. With that, I will go ahead and close the hearing on Assembly Bill 350. The second bill on our agenda is A. B. 368. This will be presented by

Vinson Guthreau from the Nevada Association of Counties. <u>Assembly Bill 368</u> revises provisions governing public administrators. With that, I will officially open up the hearing on Assembly Bill 368.

Assembly Bill 368: Revises provisions governing public administrators. (BDR 20-848)

Vinson Guthreau, Executive Director, Nevada Association of Counties:

I serve as the executive director of the Nevada Association of Counties (NACO) which serves all of Nevada's 17 counties. I appreciate the opportunity to present Assembly Bill 368, which extends the reforms to the office of public administrator previously passed by this body through Senate Bill 460 of the 80th Session. Assembly Bill 368 simply attempts to lift the population cap and bring parity to all counties in Nevada.

To begin, I thought it would be helpful to the Committee members for me to explain the duties of this office. The role of the public administrator is the person in each county who handles the estates of deceased persons who die without a will or legal documentation. The public administrator provides for the dissolution of assets and settles the estate of the deceased person. Public administrators have traditionally been elected county officials with separate authority from boards of county commissioners. However, reforms that were passed by this body in 2019 enabled counties under 100,000 in population to dissolve the office and make it an appointed county position if they chose. During the bill hearing in 2019, NACO presented the need for Senate Bill 460 of the 80th Session, which sought these reforms to address multiple issues with the office of public administrator that mishandled the settling of some of those estates.

These reforms were the culmination of attempts by county commissioners and the Legislature to bring oversight to the office of public administrator in our rural counties. The board of directors and individual county commissioners and state legislators have attempted to address the issues on multiple occasions. For example, in the 2017 Session, then-Assemblywoman Titus provided a mechanism for minimal compensation for the office of public administrator in our rural counties in an attempt to attract qualified professionals to run for these elected positions. The issues with the office of the public administrator, however, remain despite this legislative body passing that bill which was signed by the governor.

I do want to highlight one piece of information for the Committee to help further their understanding. In Lyon County, the county was sued because of the actions of their public administrator. Without going into details and the allegations of this lawsuit, the county was ordered to pay a \$2.1 million award to the family. What is critical about this is the understanding for this Committee that in the judgment, the court found that the board of county commissioners, which at the time had limited to no oversight or authority over an independently elected county official, was still considered ultimately liable for the actions of the office.

We believe that public administrators serve a critical function for our communities. They have access to valuable monetary and physical assets of those who have deceased, and without proper oversight, little to no compensation, and a lack of qualified individuals running, we have found that that enablement by this body was helpful to fill those positions with qualified individuals. We believe that NACO and our member counties understand and accept the responsibilities for these offices, but in exchange for that accountability, we like to have the option extended to all counties to appoint a qualified individual to the office of public administrator, if they so desire. Simply put, if this bill passes, it will apply to all counties, and not just to the counties with a population under 100,000.

What I would like to do in my testimony is address the word "abolish", which is in the legislation. This does not abdicate counties from their mandate to provide this service. It is a legal term which initiates a lengthy local public process. If a county chooses to do so, they would be required to continue to provide that service, either administratively or through contract with someone to perform the service. They would make this appointment through a public ordinance process at the board of county commissioners.

There are two specific adjustments. If you take a look at section 1, there is just some conforming language that brings into alignment with all counties the bonding for the public administrators, should they choose to do so. Then section 2 simply deletes the population cap where it is referenced in the two areas. The bill is straightforward and based on what is existing. With that, I am happy to take any questions.

Assemblywoman Newby:

In a previous life, I was an assistant county manager and working with the public administrator was one of my responsibilities. At the time, I remember having numerous discussions with that individual about purchasing requirements, and I was advised by the district attorney at the time that because the person was elected, they did not have to follow regular county purchasing requirements. I ultimately got an agreement out of that individual not to contract with or at least not to take campaign donations from the people that he contracted with in the course of his duties. I want to make sure that when we are making this change, then that person, if they are appointed, would adhere to the *Nevada Revised Statutes* (NRS) in terms of purchasing requirements for the services such as a realtor, lawyer, accountant, et cetera that they use.

Vinson Guthreau:

If the board of county commissioners opted to appoint this office and bring it under as the department of the county, then that individual would then of course need to adhere to the NRS that exists. That would be my assumption.

Assemblywoman Cohen:

We have had other county elected officials in different offices who have had problems before and have cost the counties money because of their actions as elected officials. Speaking up

for my constituents, who are the voters, I need to ask, where does it stop? We are going to do this for the administrators, but does that mean we are not going to do this now for other elected positions where we are having issues with things that elected officials have done?

Vinson Guthreau:

I think what is important to recognize about the office of public administrator is the technical aspect of it. The focus on this position is also due to what we have discovered through our processes. I can speak to many issues in rural counties, and I highlighted one in my presentation. You are right, there have been other offices with issues. I am not here to make that argument for other offices. I am only here to discuss this particular one because of the access that they have to folks' assets. Our commissioners and our members believe it is just ripe for fraud and malfeasance.

I will say that the language in this bill is enabling. We are not taking away anyone's right to vote necessarily. The individuals who currently serve in the counties that this would affect, Clark and Washoe Counties, due to the population change that we are making, they would at a minimum be allowed to serve out the terms they were elected for.

Then the word "abolish," again, just necessitates in this case that for this very specific office, there would be a very locally driven process under the ordinance. The board of county commissioners could always by ordinance unmake it an appointed position and change it back if needed. It just provides that flexibility. Your point is well taken about other offices. I will say we have not encountered it to the level that we did for this one in other counties. Therefore, I apologize, I do not have an answer to your question about pursuing other offices, but I am not here to do that today and I have no plans to do that. There is no appetite from our members to do that at this time.

Assemblywoman Cohen:

I appreciate that, but I think that is a little disconcerting. I am not a fan of slippery slope arguments, but it is disconcerting when this is an elected position and our constituents are the ones doing the electing. We do want to make sure that we are very cognizant of their rights as the electorate.

Chair Miller:

What is interesting about this is that we are currently looking at an elected position. I recognize there are differences in the roles when we look at all the elected positions that we have here in Nevada. Could you explain how some of the county elected positions are unique? Your answer may also touch on Assemblywoman Newby's question again, of once you are elected, if there are rules, systems, and processes set up within that municipality, the expectation would be to follow those internal mechanisms. Could you explain the difference between a county elected position like public administrator compared to the elected position of a legislator or a county commissioner?

Vinson Guthreau:

Sure. I think the premise is correct. There are different elected individuals who have different oversight. County commissioners are a part of the administrative function, where they govern the budget, the finances, et cetera. This position, the position of public administrator—and frankly, some of the other assessors, recorders, and clerks that are being referred to—those are technical positions that end up being staff driven and operational in nature. The assessment of property, I would say, is not a partisan elected process. Obviously, I do not want to discount the election process; they are elected officials, we respect them, they have seats on our board at NACO, and we work closely with them.

However, I do think you are right. The process that goes into losing an estate, selling off those assets, and keeping with the statutes under that office is technical and is more of a daily to-do list rather than an administrative or governance role that a county commissioner would do at that level. So, yes, I think there is a distinction.

Chair Miller:

Thank you for that because a county commissioner who is governing and promoting policy would be different from a county administrator who is more accurately running a department and it is a profession. Am I correct in assuming that you are literally running a department and are dealing with human resource issues, management, budget, supplies, etcetera?

Vinson Guthreau:

That is correct. There are elected officials that run departments, essentially.

Assemblywoman Hansen:

I am going to launch off from some of the questions that Assemblywoman Cohen had; this idea of elected versus appointed. When I look through the bill, I believe I am missing something. You mentioned that the county commissioners could either abolish or appoint, but then you said they could decide to let it remain an elected position. Did I understand that right? If that is the case, if you could point me to that language, because I am not seeing that in here.

Vinson Guthreau:

If you look at section 2, subsection 1, it says, "A board of county commissioners . . . may by ordinance abolish the office of public administrator." Then if you look at the next section. "If a board of county commissioners abolishes the office," which means if they choose to do so, then it triggers these other provisions of the bill further down. The key phrase there is "may by ordinance."

Assemblywoman Hansen:

That seems to be about a current administrator. I like the idea that the county commissioners could have the choice. I also like the idea of it remaining an elected position because I have concerns about abolishing an elected position. I have been consistent with that about school board members as well. I do understand there are a lot of complicated responsibilities that

a public administrator has. Regarding the testimony you gave earlier, if this bill were to pass, would there be the ability for a county commission, if they decide to keep the public administrator position in their county, to choose whether that position is an elected or an appointed one?

Vinson Guthreau:

First, I would like to clarify that we would not remove this office. This is a mandate on counties to provide this service at a local level. The office of public administrator will exist regardless of whether this bill passes.

It is about who leads the office and under what circumstances they gain that position of leader of the office. Again, the public administrator's office would not be going away. The service that local governments would be providing to their constituents is not going away. This service must still be provided. The key is that in existing law, counties with a population under 100,000 may opt to make this an appointed position. In order to do that, you have to "abolish" the office, and that means you have to set up the ordinance process to decide who is appointed. "Abolish" is simply the legal term that must be used. We went through this in 2019 when I presented this bill that made the changes then. After they abolish the office, it then would allow the local board of county commissioners to initiate the ordinance process to make the position appointed. It would still need to be a qualified individual who would be appointed based on existing law.

If an existing individual is elected and is in the office right now, their term has to expire before this change could take place. We cannot remove a current elected official from office, and nothing in this bill enables us to do that while they are serving.

Assemblywoman Hansen:

To clarify, if the county chooses to abolish the office, elected is not part of it, it is appointed, correct? It does not go away, and the county would opt to appoint the public administrator. There would be no elections, and going forward, it would be appointed?

Vinson Guthreau:

A county could essentially opt to do nothing. The position could continue to run as is. They are happy, and there is no need to bring in additional oversight. They could opt to make literally no changes, or by a vote of the board of county commissioners they could initiate an ordinance process to outline terms of an appointment. I am going to give you a hypothetical here for clarity. If they appointed someone to the office and then decided, You know what, this appointment process is not working; they could then create an ordinance process to return the position to be elected. Ultimately, it is flexibility for the local board. I will note that in some of your counties, they have opted to use this. I think it has gone well, but it has been only a minor number of counties that have used it since the passage in 2019.

Assemblywoman Hardy:

In theory, the county commissioners could say, We are just going to keep this position elected. Then there is an election, and that position is filled for a four-year term. Then they

could say, Now we want to appoint someone, and they set up the ordinance and they appoint someone to that position for the next four-year term. Then they happen to decide they do not like that, so they go back to having it be an elected position after those four years. In theory, every four years they could have it be elected and then appointed, is that correct? Furthermore, how complicated, or how long does it take to change or set up an ordinance process?

Vinson Guthreau:

That is correct. I would not advise my members to do that because it is complicated. It would also be a heavy lift for the staff and commissioners. There is an ordinance process outlined which includes requirements such as providing at least two public notices of the ordinance and that it must be done in a public meeting. I could provide you those details, but that is sort of the general outline of how it works. Ultimately, the board of county commissioners could opt to do that every four years. I doubt that would occur, but, yes, they could. Depending on the needs of their county, which is what this bill aims to provide; that flexibility based on need.

Assemblywoman La Rue Hatch:

From what I have gathered, the public administrator role requires a very specific skill set. I do not know that I could run for and be the public administrator. You mentioned the pay is very low and that makes it difficult to recruit qualified candidates. What is the typical pay for these elected public administrators, and what is the pay they could possibly expect to receive in the private sector? I understand you might not have those exact numbers, but if you could just give us a ballpark of that difference.

Vinson Guthreau:

The reference to the minimal pay was more our rural Nevada counties. For the Committee's edification, there was a time in the state when public administrators in our rural counties actually received no compensation, and the compensation that they received was from a percentage of the estate. So, you can see how that could create a conflict; hence, the bill that then-Assemblywoman Titus brought to provide some minimal piece. There is some flexibility on what compensation can look like across the state. As far as Clark and Washoe counties are concerned, if this bill is to pass, I am sure they would go through their ordinance process, creating that department head, which would then be a county employee, and there would be a whole litany of items based on compensation, whether that is total compensation or just salary. I would leave that up to our local representatives to decide.

As far as what they could make in the private sector, to your question, I will acknowledge it is a unique skill set. Some of these individuals are attorneys, some of them are accountants, et cetera; they come from a variety of backgrounds. Therefore, it would be challenging for me to answer the private compensation question because the skill set that could apply to this office comes from all walks of life. However, I can get you the salaries on the county public administrators.

Chair Miller:

I think we have the clarification now that this would enable the counties, if they so choose, to make this position an elected or an appointed one, as well as allowing them to have the ability and flexibility to make that decision each new season, although you do not advise it. Following up on the Assemblywoman's question about following the procedures within the county; if you are an employee hired by the county, the expectation is that you follow the procedures and if you do not, there are mechanisms in place for employees to coach you into following the procedures. Since the bill does not so state, would there be any specific reasons the counties would be basing this decision on? Would it be that it is simply their position or preference at the time, or would it be based on an individual who currently holds the office not following the county guidelines? I suppose that would be hard to determine because this is for the next election cycle, and you mentioned this bill would not permit the removal of an existing elected individual. Therefore, are there any standards, guidelines, or suggestions in place as to when and why this would be invoked?

Vinson Guthreau:

As the bill is written now, no. There are no guidelines attached. Again, this is about enabling and bringing parity to all counties since this is something that exists for the majority of our counties at the moment. To simply answer your question, no, there are no guidelines in there. I believe there would have to be some reason for them to justify in a public meeting why they are changing the position. However, outside of that, no, I do not see any.

Chair Miller:

I think that is a good inference. It would be put in front of the public and it would be put to vote of the commissioners, so there would have to be something to support their position. With that, I will go ahead and open it up for testimony in support of <u>Assembly Bill 368</u>.

Joanna Jacob, representing Clark County:

We are here in support on the basis of equity for all counties and making the same process applicable to all counties. That is a basis for a lot of our public policy and stance on bills. We have certainly debated the difference between department head versus elected official, and in response to the concerns from Assemblywoman Newby, whether it was an elected official department head or an appointed department head, that person would report to the county manager regardless. They would be subject to the discipline process that would be in place for county employees, whereas the standard for removal of elected officials is a much larger threshold. I just wanted to make sure that was on the record and that was really what we were thinking.

Also, the ordinance process, in response to Assemblywoman Hardy, is not too difficult of a lift, and it is subject to a lot of public transparency. For example, we have discussion items, direction from the board, it is agendized usually three times before we introduce the ordinance, and then there is a public hearing where everybody could come out and weigh in on any proposal from the county. Therefore, we are in support and thank you to NACO for working to bring equity to all the counties. We appreciate their presentation of the bill.

Chair Miller:

I will now open it up for testimony in opposition of <u>A.B. 368</u>. [There was none.] Then I will go ahead and open it up for neutral testimony for <u>A.B. 368</u>. [There was none.] With that, I would welcome the bill presenter back up to make any final remarks.

Vinson Guthreau:

Nothing other than to say thank you to the Committee for hearing the bill and for allowing me to present. Thank you so much for the questions. I urge your support of this bill.

Chair Miller:

I will go ahead and close the hearing on <u>A.B. 368</u>. With that, our last item on our agenda today is public comment.

[Public comment was heard.]

With that, I will go ahead and close public comment. Just so everyone knows where we are in the session as we are approaching deadlines and that there is no confusion, please expect that going forward, all Committee meetings for Judiciary will begin at 8 a.m. unless otherwise stated. With that said, I will see you Monday morning at 8 a.m. This meeting is adjourned [at 9:36 a.m.].

	RESPECTFULLY SUBMITTED:
	Aaron Klatt
	Committee Secretary
APPROVED BY:	
Assemblywoman Brittney Miller, Chair	-
DATE:	<u>-</u>

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is the Work Session Document for <u>Assembly Bill 55</u>, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit D</u> is the Work Session Document for <u>Assembly Bill 145</u>, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit E</u> is the Work Session Document for <u>Assembly Bill 183</u>, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit F</u> is the Work Session Document for <u>Assembly Bill 257</u>, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit G</u> is the Work Session Document for <u>Assembly Bill 291</u>, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit H is a copy of a PowerPoint presentation titled "AB 350 Revisions to Forfeiture Reporting," presented by Lisa Rasmussen, representing Nevada Attorneys for Criminal Justice.

<u>Exhibit I</u> is a letter dated March 23, 2023, submitted by Athar Haseebullah, Executive Director, American Civil Liberties Union of Nevada, in support of <u>Assembly Bill 350</u>.

Exhibit J is a letter dated March 21, 2023, submitted by Alexander Falconi, Administrator, Our Nevada Judges, in regard to <u>Assembly Bill 350</u>.