

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eighty-Second Session  
March 8, 2023**

The Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 6:12 p.m. on Wednesday, March 8, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant 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 Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/82nd2023](http://www.leg.state.nv.us/App/NELIS/REL/82nd2023).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Daniele Monroe-Moreno, Chair  
Assemblywoman Shea Backus, Vice Chair  
Assemblywoman Natha C. Anderson  
Assemblywoman Jill Dickman  
Assemblywoman Michelle Gorelow  
Assemblyman Gregory T. Hafen II  
Assemblywoman Sandra Jauregui  
Assemblywoman Heidi Kasama  
Assemblyman Cameron (C.H.) Miller  
Assemblyman P.K. O'Neill  
Assemblywoman Sarah Peters  
Assemblyman Howard Watts  
Assemblyman Steve Yeager

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Tracy Brown-May (excused)

**GUEST LEGISLATORS PRESENT:**

None



**STAFF MEMBERS PRESENT:**

Sarah Coffman, Assembly Fiscal Analyst  
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst  
Joi Guthrie, Committee Manager  
Janice Wright, Committee Secretary

**OTHERS PRESENT:**

Jerry A. Wiese II, Chief District Court Judge, Eighth Judicial District Court  
Kathleen M. Drakulich, District Court Judge, Second Judicial District Court  
Thomas W. Gregory, District Court Judge, Ninth Judicial District Court; President,  
Nevada District Judges Association  
Michael Hillerby, representing the Nevada District Judges Association  
Lidia S. Stiglich, Chief Justice, Nevada Supreme Court  
John McCormick, Assistant Court Administrator, Administrative Office of the  
Courts, Nevada Supreme Court  
Ben Kieckhefer, Chief of Staff, Office of the Governor  
Amy Stephenson, Director, Office of Finance, Office of the Governor  
Francisco V. Aguilar, Secretary of State  
Susan Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO  
Randy Soltero, representing the American Federation of State, County and Municipal  
Employees International  
Douglas Unger, UNLV Chapter President and Government Affairs Representative,  
Nevada Faculty Alliance  
Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance

**Chair Monroe-Moreno:**

[Roll was called, and Committee rules and protocols were explained.] We will hear three bills tonight: Assembly Bill 15, Assembly Bill 16, and Assembly Bill 268. I will open the hearing on Assembly Bill 15.

**Assembly Bill 15: Prescribes the manner for increasing the base salaries of district judges. (BDR 1-430)**

**Jerry A. Wiese II, Chief District Court Judge, Eighth Judicial District Court:**

With me today is Kathleen M. Drakulich, District Court Judge, Second Judicial District Court. I want to introduce and walk you through Assembly Bill 15 briefly. Section 1, subsection 1 clarifies the current salary of the district court judges at \$160,000, which was approved by the Legislature in Senate Bill 248 of the 74th Session. This has been the base salary since 2009.

Section 1, subsection 2 reforms the method by which the district court judges receive cost-of-living adjustments (COLAs) and mirrors how other elected officials receive their COLAs. In 2005, the Legislature approved Assembly Bill 462 of the 73rd Session, which

tied the COLA increases of the Governor, the constitutional officers, and legislators to the cumulative percentage increase of classified state employees. The language of section 1, subsection 2 seeks to apply the same process to the district court judges.

I do not think it has anything to do with what we are doing with the bill, but I do not want to keep it a secret. *Nevada Revised Statutes* 3.030 also contains a longevity provision, which allows an additional salary of 2 percent for each year of service after four years of service not to exceed 22 percent. The Supreme Court and the Court of Appeals also receive this benefit. The *Nevada Constitution* does not permit increases or decreases to judicial compensation during their terms. No district court judge would be eligible for the COLA increase unless they were elected or reelected in 2026.

Finally, as is reflected in the fiscal note submitted by the Administrative Office of the Courts (AOC), this bill has no immediate financial or fiscal impact on the judicial branch as the first cost-of-living increase or COLA contemplated therein would not take effect until fiscal year 2027. At that point, the aggregate cost-of-living adjustments given to classified employees of the state of Nevada would be given to the 90 district court judges. If there are any questions relating to the fiscal note submitted by the AOC, Mr. McCormick from the AOC is here to assist with that. Before I turn it over here, I just want to say thank you for scheduling the hearing for us. I am pleased that we are allowed to come talk to you.

**Kathleen M. Drakulich, District Court Judge, Second Judicial District Court:**

I want to give you a bit of history on judicial salaries for district court judges. The National Center for State Courts puts together a list every year that ranks judicial salaries for district court general jurisdiction judges. In 2017, the district court judges in the state of Nevada, with a statutory salary fixed at \$160,000 adjusted for cost-of-living, ranked 15th, 1 being the highest, and we came in at 15. That was fair and decent for district court judges. We have slipped in the last five years. The increases in other states and the comparable flat salary of district court judges in the state of Nevada are now ranked at 45th. We have slipped 30 spots because we have not had increases in the state of Nevada for the district court judges.

The benefits of the COLA to us are many. I want to highlight a couple of them for you. First, it would put us on parity with other elected officials and state employees who get cost-of-living increases, which the district court judges have not had since 2009. The district court judges or judges in the state of Nevada have come before the Legislature, historically seeking raises and a change to the judicial compensation. This is a different bill. If you have heard about the history of requests related to district court judges, this is not that bill. This is a COLA bill. This is a group of judges in the state of Nevada seeking parity with other state and elected officials. The good news about this is if this bill were to pass in its current form, the history that you are accustomed to with district court judges coming to you for salary raises would not be the future because we would be getting the COLA increases every year. We would be treated like other state employees, as opposed to coming to you and asking for lump sum increases. That would be over. It would be something that we could all plan for in the future.

I want to give you a couple of examples about comparing district court judges' salaries with other salaries, because district court judges are of two brands. We are either family court judges or general jurisdiction judges. Chief District Court Judge Wiese and I are both general jurisdiction judges. Let me start by saying we have an easy job compared to our colleagues in the family court. That is a difficult court. Their caseload is extraordinary, and 60 percent of the litigants are self-represented, which presents an indescribable number of challenges for those judges to make sure that those people are treated fairly, that they get a decent hearing, and that the decision takes into consideration every one of the issues that concerns them. On the general jurisdiction side, where Judge Wiese and I are, 50 percent of our caseload is criminal. In the case of the Eighth Judicial District, some of them are criminal. We handle all cases where you can get up to a year in jail right through a death penalty case. We see everything from sexual assaults to paper crimes, to drug crimes, to murder cases. The other half of our cases are civil cases. Those include anything where you can recover damages in excess of \$15,000, including medical malpractice.

The statutory salary is \$160,000. For a judge like me, I contribute to Public Employees' Retirement System (PERS) every year in the amount of \$15,000. My salary is adjusted to \$145,000. The justice court judges in Las Vegas have 401(k) matching funds. They have a contribution to PERS and a number of other benefits. The justice court judges in northern Nevada also have a number of benefits, as do municipal court judges including car allowances, phone allowances, et cetera. In the Justice Court of Clark County, the salaries are on average about \$187,500, and in Washoe County, salaries exceed \$180,000. Most of the cases are misdemeanors for the municipal court judges. The justice court judges never have to address trials. They never have to address cases that are civil that are over \$15,000. Yet, on an adjusted basis, they are paid almost \$40,000 more than the district court judges. With that as a backdrop, Chief Wiese and I will take any questions that you may have.

**Assemblyman Yeager:**

You talked a bit about the difference in salaries between justice court judges, municipal court judges, and district court judges. I wondered if you had any personal experience about whether that has been a barrier to having individuals decide to run for election? I think about one of the recent appointments where we only had two or three applicants who put in for a judicial appointment. I know it would be anecdotal, but I was hoping you could share any information you have about whether the difference in salaries has caused qualified individuals to not want to run for district court in either the Second or the Eighth Judicial District.

**Kathleen M. Drakulich:**

I love this question, but I am going to let Judge Wiese answer it because it happened in the Eighth Judicial District.

**Jerry A. Wiese II:**

In the Eighth Judicial District, we have had five vacancies in the recent past. We had two civil criminal judges recently appointed, and two family court judges are in the process of being appointed currently. We have one that is still on the books because the four people

who applied did not go through the Commission on Judicial Selection. That means that they were not the quality needed for the positions. If you look at the justice court and the municipal court judges, when there is an appointment or an election, you have 10, 12, or 15 people who are applying for those positions. We struggle to get four or five for each district court position. In these last five vacancies, we had one that we had to reopen just because we did not have enough people who applied, so they had to reopen the position again. It is one of those things for which I do not have an individual name that I can tell you that the person did not apply for district court, but they did apply for justice court because of the amount of money. If we look at the number of people who are applying for each of the positions, that tells the story.

**Assemblyman Yeager:**

A number of us here are attorneys, and we know the difference between justice court, municipal court, and district court. I wonder if you could speak to what kind of work and what kind of things the judges in district court are doing that would be different from what happens in justice court. If you could speak to that in broad terms, I think it would be helpful for the record.

**Kathleen M. Drakulich:**

I will start with this one and see if Chief Wiese wants to add anything. I will give you an example. Two of us in the Second Judicial District Court are business court judges. That is a designation that comes with a statutory implication because the *Nevada Revised Statutes* require certain cases of such a complexity go to business court judges. Everything is computerized now, but I will give you a visual. If you were to bring in a business court case on a hand cart like they used to come into our offices, it would be about five boxes. These are cases that involve securities such as stocks and bonds, and they involve receiverships of major corporations. We also deal with medical malpractice cases on the civil side and construction defect cases. Construction defect cases can go on for years with the volume of those cases. On the criminal side, we deal with anything from homicides to sexual assaults and a number of serious criminal cases.

We also have judges now who are dedicated entirely to specialty court, and a huge piece of their caseload is specialty court. Specialty courts are a remarkable thing. They are a way that we route people who would end up with a criminal history because they have a drug addiction that results from something that either happened to them or resulted from something occurring when they were children. We find out about these backgrounds. These people are diverted into specialty courts, and they are remarkable courts because some of them, for example, the Driving Under the Influence Specialty Court is three-to-five years. I presided over that court for a period. That is a minimum three-year commitment to a group of people. It is remarkable.

Then we do things like monitor legislative sessions, and we participate with the public. We have complex caseloads, and we back one another up too. I know some of the judges in the Eighth Judicial District who are colleagues and friends. I can say this with certainty and with confidence, my 15 colleagues in the Second Judicial District are 15 of the hardest working

people I have ever known. I used to be in a statewide law firm where it was not unusual for me to work 60 to 80 hours a week on a regular basis. These are incredibly dedicated people, but the caseloads are growing. It is nothing for any of us to have 400 open cases at any given time. The nature of the crimes is growing, the drug problem throughout the state is growing, and we are battling it every day as judges. It feels much more personal to me now than it did when I was a law clerk 35 years ago because of things like specialty court. I would never downplay what my colleagues are doing in the limited jurisdiction courts—they are all needed. We are all important, and we all perform crucial tasks. But I would argue the district court requires something special.

**Jerry A. Wiese II:**

I am not sure if you were asking about the types of cases that we handle or more generally, so I am going to answer a bit more generally. One of the things that we did was a presentation recently for the Judiciary Committee to explain what we did as courts, and we talked about some numbers. I know that in the past there has been what I would consider a fallacy, but some people think that judges do not work. We have done everything we can to look at numbers to document that our judges are working. In the Eighth Judicial District, we went back and looked at 2022. We did over 180,000 hearings. We have a new program that has been implemented in the last few years called Order in the Court where we electronically sign our orders. I am proud that we had over 231,000 orders signed in 2022. Every order follows some type of a hearing, a motion, or a petition, and 231,000 orders are a lot. We also looked at the numbers to determine what portion of those occurred on weekends and Fridays, and there were over 100,000 orders and warrants and things like that we signed over weekends and after hours.

Judge Drakulich talked to you a bit about the specific case types. She talked about specialty courts, and we did some statistics on the success of our specialty courts and whether we are preventing recidivism. The statistics show that about 90 percent of the people who graduate from our specialty court are not committing new crimes in the next three years. I think what we are doing is successful.

**Assemblyman Yeager:**

It is not often for me as a practicing attorney to get to ask judges questions on the record. This is a pleasure for me because usually it is the other way around. You mentioned that there are things that happen after hours. This is not an 8 to 5 job. Can you explain what district court judges are tasked to do after normal working hours or on the weekends?

**Jerry A. Wiese II:**

Some of the things I talked about are the orders and warrants. In the Eighth Judicial District Court, we have warrant phones because the justice court takes care of simple warrants. A district court judge is required to sign anything that involves a wiretap or some type of electronic warrant. We have warrant phones that are transferred between judges as the year goes on, and you have a secondary week and a primary week. I can tell you on the primary weeks, we get about 120 warrants, and those are after hours, sometimes at midnight, or 1 a.m., 2 a.m., or 3 a.m. We wake up and do a telephonic warrant for somebody because

they are at a crime scene, and they need to get into a car or a house to investigate a murder or something else that has happened. We do that. As far as the orders and things like that are concerned, those are things that we just do when we get a chance. My law clerk emailed me on the way here and said I need to sign a bunch of orders before tomorrow. When I am done here and I get home at midnight or 1:00 a.m., I will be signing orders because they need to be done before tomorrow.

Other than that, most things done by many district court judges outside the office include legal education in schools. Project Real is one of the things that they do in Las Vegas a lot. I swear in student council officers at different schools, and things like that because we are trying to educate kids so that they are not afraid of the judicial system. They know that we are there to benefit the community.

**Kathleen M. Drakulich:**

I will add that the business court is demanding. I left a business court order in process to come here, and I am going home to finish it. But I also have a criminal calendar tomorrow that has a very stacked calendar. You do not walk into a criminal court and just sit there and read names. You go home tonight, and you look at the binder. If those are sentencings, we are talking about somebody's life, and you want to go all the way back to the beginning. You want to read the presentence investigation report. You want to look at how they have performed. If they are out of custody, you want to give them the benefit of the doubt related to how well they are doing when you consider probation or prison. I, like Judge Wiese, will be working late tonight to finish the business court order on a deceptive trade practices case and then move into my criminal calendar in time for tomorrow morning.

**Jerry A. Wiese II:**

Let me follow up with that. One of the things that people do not understand about a judge's schedule is when we have a law and motion calendar in the mornings, that does not mean we just walk into that calendar, whether it is a civil case, or a criminal case, or a family or civil domestic case—it takes hours of preparation and legal research to be prepared for those motion hearings and to understand the legal basis for the motions and the oppositions. It is similar to what Judge Drakulich said about sentencing. Then we go in and listen to the arguments. Oftentimes we are writing orders after hours because if we are busy in court all day, then we must get them done sometime. But there are a lot of work hours required to be a judge.

**Assemblywoman Jauregui:**

You answered my question in your presentation. Hearing what my colleagues said about having a vacancy with only two applicants is concerning to me. When I think of our legal system, I think of wanting the highest qualified attorneys to seek the bench. I am afraid, just like with every other agency that comes before us, if the salaries are not competitive, then we will continuously lose people to the private sector where they can make more money, and we will not have the highest quality people filling these seats.

You have mentioned in your presentation about putting us on parity with other states and being ranked 15 and then regressing to 45. If this bill is passed, would we be at parity with other states? Where would that put us on the scale if we were 15 and now, we are 45? If we pass this bill, where would we fall in that line?

**Kathleen M. Drakulich:**

It would be 2027 the next time the Second Judicial District Court judges are elected. Looking at the 2022 rankings, doing the math in my head, knowing what the COLA is worth between 2009 and now, and adding that to the statutory salary, it would put us right at about \$178,000 or tied with Montana at about 15th, in that range, somewhere between 15th and 20th.

**Assemblywoman Jauregui:**

What do the top states pay?

**Kathleen M. Drakulich:**

Number one is Illinois at \$223,212. Number two is Arkansas at \$212,908. Number three is Tennessee at \$211,019. Number four is Pennsylvania at \$207,689, and then they move down incrementally from there. We would be right at the \$170,000s.

**Assemblywoman Jauregui:**

The way the additional salary of 2 percent works is when judges are elected, in year 2, the salary increases 2 percent. If they do not seek reelection, then the newly elected judge coming in would start over and then they would not receive that 2 percent until their second year.

**Kathleen M. Drakulich:**

We do not get the 2 percent now until 2027. If I do not run again and someone runs for my seat, that person is going to come in at the statutory base salary in 2027. It would be the \$160,000 plus the COLA catch up in 2027.

**Jerry A. Wiese II:**

I am assuming you are talking about the longevity 2 percent. The longevity does not kick in until the fourth year that a judge has been a judge.

**Kathleen M. Drakulich:**

They require some dedication.

**Jerry A. Wiese II:**

You must run and win, and then as a new judge serves, they start getting longevity after four years.



**Assemblyman Miller:**

I am curious when we look at vacancies, what type of impact is that having? When you say that there are 200,000 orders that you have been able to do over the year, when there is a vacancy, how does that impact those numbers? How many more orders could you be processing? How many more people could you be serving? What is the average load on a particular judge, and what is that impact?

**Jerry A. Wiese II:**

You are not going to like the answer, but I do not think that we would have any more orders signed due to our vacancies, because when we have a vacancy, they are filled by a senior judge. We have a senior judge program through the Supreme Court. If a judge retires or we had one recently pass away, when that happens, we have a senior judge who fills in for them, and they are signing that judge's orders anyway. I do not know that the vacancies that you are talking about change the number of orders. The number of orders is going to be the same. We are going to have a different judge hearing those cases while there is a vacancy.

**Assemblyman Miller:**

I wanted to understand how hearings, orders, and such are addressed if there is a vacancy. Are individuals being missed in what we need to serve or is it extending out how much longer it is before we can see them? Are we still able to serve individuals even with those vacancies?

**Jerry A. Wiese II:**

That is the benefit of having the senior judge program. We are running out of money in our senior judge program because we are using them quite a bit for these vacancies. But at the same time, we try to provide the access to services to every citizen in the community who comes in. If your case is assigned to a judge who retires, and we must wait two, three, or six months for that appointment, it does not mean that your case is languishing. Somebody is going to be covering that case during that time. It is just not a full-time judge. It is a part-time, or a per-diem judge, or one of the senior judges that we get from the Supreme Court.

**Assemblywoman Backus:**

I thought I would take an opportunity to do the reverse and ask a question of the judiciary even though I really have a statement that I will end with a question. One thing I think you did was underestimate the amount of law that you must cover when you have a civil docket. My colleagues and I know that we are working with over 700 chapters of the *Nevada Revised Statutes*, and any of those could come before your department along with other state laws, common law, international laws, and all sorts of crazy things you must research as well.

I am glad someone touched on what you must do to prepare for hearings. When I heard we have a hearing, we have an order, I know lawyers like me love to write over 30-page briefs. It is not just that, it is the multitude of exhibits. You hear ten of those complex motions in the calendar in your morning. The other thing I know we do in the Eighth Judicial District, and I do not know if you do it in the Second Judicial District Court, is when a court may not

be in trial or have a hearing, I know Judge Wiese has overseen our settlement conference program. That allows matters to come in when judges have the availability to fill their time with trying to do alternative dispute resolution to resolve a case more quickly. That is my statement. My question would be to the Second Judicial District Court. Judge Freeman was in your position a few years ago and had indicated that when the civil criminal judges had free time, they were also covering family court matters. Are you still doing that?

**Kathleen M. Drakulich:**

We are not doing that because the Legislature was gracious and filled the need that we had in the Second Judicial District Court for extra family court judges. I want to thank you for that. That was a heavy lift. That was a huge undertaking for those of us who were crossing the street to do that. Thanks to the Legislature, those spots were filled. Now we have two new family court judges in the Second Judicial District.

I want to add to something that you just said, which is the settlement conferences. I neglected that, and I think Judge Wiese and I both should have mentioned to you that this is an important thing that you pointed out. We have complex cases, and we sometimes have five and six sets on a Monday morning. You are looking at your calendar today, and you are in court, and someone says I want to set this for the first Monday in June. You look at that, and you are six deep. The criminal calendars go first, and the criminal cases take precedence. You have three criminal cases, and you have three civil cases. We need to manage these, and we say to the parties in a pretrial hearing, what do you think? Do you think your clients would be amenable to settle this case? I have eight amazing colleagues, and I am willing to reach out to them and find out if somebody can find a day or half a day to try and settle your case. I do it for my colleagues, and they do it for me, and we pass the baton readily. It is a day where you arrive in the morning, and you come into another judge's case. You must go back to the history of that case. You must read every motion that was filed in that case. You must read every order that your colleague has signed in that case just so that you can prepare.

Recently, I did a settlement conference for one of my colleagues. We had three jury rooms on one floor and one courtroom because we had one plaintiff and three defendants in a civil case. I was there until eight o'clock at night, but we got it settled. The court reporters are amazing because they are waiting, and we put these on the record because the Supreme Court says if you put those on the record, the settlements are binding, and there is no backing out. But that is another day that you take 6, 7, 8, or in this case, 10 or 12 hours to settle someone else's case so we can start to minimize that trial docket. When that week comes up where you are six deep, we have judges for those cases.

**Assemblywoman Backus:**

With respect to the national rankings of the judicial salaries, are those averages? I know in Nevada, the longevity pay may be on top of what the salary is, but in the south, we have a lot of younger judges, so it would lean more to \$160,000. I was not sure if the rankings were averages across the board.

**Kathleen M. Drakulich:**

The salary numbers that I gave are related to general jurisdiction courts adjusted for the cost-of-living. They are low. If they are not the actual salary, they are adjusted for cost-of-living. If you want the actual salaries, they are quite a bit higher. All the numbers I gave you were from the cost-of-living adjusted column. There is parity there.

**Chair Monroe-Moreno:**

I appreciate you bringing a different bill. I think when we met in my office, I told you I have been in this body for four sessions, and every session that I have been here, we have had a bill. But this one is different because you are not asking for a pay increase for yourselves much like we cannot, but for anyone who comes after you. I appreciate the difference in this legislation from previous bills.

Hearing no other questions, we will hear testimony in support of A.B. 15.

**Thomas W. Gregory, District Court Judge, Ninth Judicial District Court; President, Nevada District Judges Association:**

I am here today in my capacity as President of the Nevada District Judges Association to speak in favor of both A.B. 15 and Assembly Bill 16. I would like to say the Nevada District Judges Association is in favor of this bill. As a judge, it is uncomfortable to have to come and have discussions about our salaries and COLAs just like one of you mentioned a moment ago talking about giving yourselves raises. I do so humbly here today. There is wisdom in this COLA bill in that we will not have to keep coming back to you each year. This is a different bill than you have seen in the past. We heard what you said in the past, and we think this bill addresses it. I would ask you for your support.

I do want to say something about your rural district court judges because you heard from Las Vegas, and you heard from Reno. Your rural judges do not have business courts, family courts, or all those different types of courts. You have one judge who handles all of those cases. I might get that business case that Judge Drakulich talked about. I might get a murder case. I also do family law cases, child dependency cases, juvenile cases, and make decisions impacting the welfare of children daily. We want and need Nevada to have the best and the brightest judges to handle those cases. This bill furthers that interest.

**Michael Hillerby, representing the Nevada District Judges Association:**

I was prepared to answer any questions or provide some history on the current system for constitutional officers and legislators. I will not do that. It is late enough in an evening hearing. We will be happy to answer any further questions you might have.

**Lidia S. Stiglich, Chief Justice, Nevada Supreme Court:**

I testify in support of my colleagues on the district court bench. I echo much of Judge Gregory's comments, but to follow up on what the speaker had alluded to, district court cases are serious cases. They are for serious people. They are going to make decisions about families, whether your parental rights are terminated, and the most intimate relations that you have in your home about your custody, your divorce, your water, your taxes, and issues of

the *Constitution* come forward, how somebody is sentenced, whether it is for the rest of their life, whether they are given an opportunity to go back into the community, and what services we can get for them. Your district court judges are to be commended. I am proud of them. The Supreme Court stands in support of our district court judges. We are proud of the work they do. They work hard, and we want the best. We have wonderful people currently; we want to keep them. We want the best and brightest in state service and appreciate that might not be the place to get rich, but it must make sense for people. We want to encourage service and attract and retain judges.

**Chair Monroe-Moreno:**

Is there anyone who would like to testify in opposition to A.B. 15? [There was no one.] Is there anyone who would like to provide testimony in the neutral position on A.B. 15? [There was no one.] We will close the hearing on A.B. 15, and we will open the hearing on Assembly Bill 16.

**Assembly Bill 16: Prescribes the manner for increasing the base salaries of justices of the Nevada Supreme Court and judges of the Nevada Court of Appeals. (BDR 1-434)**

**John McCormick, Assistant Court Administrator, Administrative Office of the Courts, Nevada Supreme Court:**

A lot of this may sound like a broken record. I must make a confession. The real reason we did two bills is not because it got too complicated because of the Supreme Court staggered terms and the Court of Appeals and everything—it is so I could have a cheat sheet on what the questions would be from the Committee. I would already know how to answer them. I will not repeat too much of what Judge Wiese and Judge Drakulich said. The last Supreme Court compensation increase was in that same bill in 2007 and took effect in 2009. But with the Supreme Court staggered terms, that means that it took effect in 2009, and 2011, and 2013 because we have two, two, and three seats. As far as the Court of Appeals, their compensation was initially set at \$165,000 in the enabling legislation this body passed in 2013 after that Senate resolution passed the second time. Then that went into effect in 2015 when that court began.

Also, I will note there is a subtle difference on longevity that is afforded to the Court of Appeals. The Supreme Court receives additional compensation based upon their service on the State Board of Pardons Commissioners. There is no actual longevity statute in *Nevada Revised Statutes* Chapter 2.

Assembly Bill 16 is modeled on the bill Judge Wiese mentioned, Assembly Bill 462 of the 73rd Session. It provides cost-of-living adjustments (COLA) increases for the Supreme Court and the Court of Appeals based upon the preceding 12 years of service. How that will work is the first raise that would occur will be in 2025 because we have three justices up for election in 2024, then two more in 2026, then two more in 2028. Those Supreme Court raises are spread out in that manner. The Court of Appeals were all just reelected, or a new

member joined that court in this past election. Those increases will not occur until 2029. In the bill itself, section 1 has three subsections that handle the three cycles of the Supreme Court justices and their election and the cost-of-living increases. Section 2 provides that for the Court of Appeals judges.

Here is where my cheat sheet comes in. We did recently have a vacancy on the Nevada Supreme Court. We received six applicants for that vacancy on the state's highest court—if that is any indication there.

**Assemblyman Yeager:**

I am going to try to get this all in one question rather than do a follow-up. I know the answer to this, but it is good for the record. At least I know the answer to the first part of the question. How many Supreme Court justices do we have in Nevada? How many Court of Appeals justices do we have? Do you have numbers for what the pending caseload is in front of the Supreme Court and in front of the Court of Appeals?

**Lidia S. Stiglich, Chief Justice, Nevada Supreme Court:**

There are seven Supreme Court justices and three Court of Appeals judges.

**John McCormick:**

The current pending caseload for the Nevada Supreme Court is 1,036 and the pending caseload for the Court of Appeals is 86. That is down significantly from its highest point before the Court of Appeals was created. That pending caseload is a little bit of a misnomer because some of those cases are in the pipeline; they are currently being briefed or being studied, and bench memos are prepared by staff or however that goes. The Supreme Court last fiscal year had a 101 percent disposition rate, and the Court of Appeals was at a 107 percent disposition rate, meaning they are disposing of more cases than are being filed currently.

**Assemblywoman Backus:**

I am shocked that the Court of Appeals judges receive longevity pay, but our Supreme Court justices do not. I was quickly trying to look at the statute and did not see it. Do they have longevity pay?

**John McCormick:**

The Supreme Court justices do receive longevity pay, but their longevity pay is tied to their service on the State Board of Pardons Commissioners. They get longevity pay, but it is not in *Nevada Revised Statutes* Chapter 2, it is in the Pardons Board chapter, which I always forget where it is and then must go look it up. But they do get it. It is just done in a different statutory manner.

**Assemblywoman Backus:**

Is the longevity pay consistent and are Supreme Court justices on par with the Court of Appeals as well as the district court judges? And then, do all seven serve on the Pardons Board?

**John McCormick:**

Yes, it is consistent. It is up to 22 percent, and they begin getting it after four years of service on a state court bench for District Court, Court of Appeals, or Supreme Court. The service is cumulative for that. It is the same amount longevity wise. Constitutionally, all seven Supreme Court justices sit on the Pardons Board.

**Assemblywoman Jauregui:**

I have a similar question to my question on the previous presentation. Where do we stand in comparison to other states? Where would this put us if this bill is passed?

**Lidia S. Stiglich:**

Previously, we ranked around 25th. The most recent pay study from the National Center for State Courts puts us at 44th. We are in with Guam, the Northern Mariana Islands, Puerto Rico, Kansas, and West Virginia. That is where the Supreme Court currently stands in terms of compensation.

**Assemblywoman Jauregui:**

If this bill passes, where would we be in terms of parity with other states?

**John McCormick:**

As constructed with COLAs and all that, and there are some unknowns there, it would bring us to about 25th depending for the court of last resort being the Supreme Court. The Court of Appeals currently ranks 35th.

**Chair Monroe-Moreno:**

Members, are there any other questions? Hearing none, I will accept testimony from those in support of A.B. 16.

**Thomas W. Gregory, District Court Judge, Ninth Judicial District Court; President, Nevada District Judges Association:**

I am representing all of Nevada's 90 district court judges, and we are in support of this bill.

**Jerry A. Wiese II, Chief District Court Judge, Eighth Judicial District Court:**

Similar to how Justice Stiglich was supportive of our bill, we are supportive of theirs for the same reason. We want the best and brightest and the best quality justices on the Supreme Court. They are the ones who hear our appeals from the lower court. We want them to be the best we can get. Also, I am going to make sure that we send a copy of the salary survey to all of you so that you have it. These are the statistics that we have been referencing as far as how we rank compared to other states [[Exhibit C](#)].

**Kathleen M. Drakulich, District Court Judge, Second Judicial District Court:**

Like Chief Wiese, I echo support for A.B. 16.

**Chair Monroe-Moreno:**

Do we have anyone else to testify in support, opposition, or neutral on A.B. 16? [There was no one.] We will close the hearing on A.B. 16. We will move to the last bill on our agenda for today and open the hearing on Assembly Bill 268.

**Assembly Bill 268: Makes an appropriation to the Office of Finance in the Office of the Governor for the payment of retention incentives to employees of the Executive Department of the State Government. (BDR S-1037)**

**Ben Kieckhefer, Chief of Staff, Office of the Governor:**

It is a pleasure to be here today to present Assembly Bill 268, which is the implementation of one of the Governor's budgetary priorities that he announced during his State of the State address. Assembly Bill 268 would provide a \$500 quarterly retention incentive for all Executive Branch state employees to recognize them for their service to the state and to help each state employee cover some of the rising costs of living that have been impacted due to significant inflation increases in our state over the past years. This would be an acceleration of a bonus and incentive that the Governor has proposed for the next biennium paid for with one-time cash on hand. We have asked and this body graciously introduced this bill to accelerate this retention incentive into the current fiscal year so that it would provide funding for those incentives to be paid out for the final two quarters of the current fiscal year.

The way the bill is written is that if you are an employee of the Executive Branch of state government on March 31, 2023, and on June 16, 2023, then you would be eligible for the \$500 retention incentive. We focused this legislation on the Executive Branch because of the significant vacancy rates that we have seen throughout state government that you have heard testified to throughout all the budget hearings that you have had in the past weeks that represent 25 percent of the legislative session. That was our primary focus. As you are all aware, we do not have the ability to change budget requests as they come to us from the Legislative Branch, from the Judicial Branch, and other branches that are outside of the State Budget Act. We tried to align this legislation with those particularly for the current fiscal year, but also as they were budgeted for in our one-shot recommendation for the next biennium as well.

For a bit of perspective, employees who would be covered under this bill as it is currently drafted, total 16,597 state employees. The average hourly salary for those employees is \$29.62 an hour. If you were to average out that retention incentive across all state employees, that would represent a 3.2 percent retention incentive for all state employees annualized at \$2,000 a year. But when you focus that down to those employees who are at the lowest bands of state employment salaries, if you combine those making less than \$50,000 a year in annual salary, it represents about one-third of state employees. All of those employees would receive a retention incentive that would equate to a minimum of 4 percent of their annual salary. If there are any implementation questions, I would be happy to try to answer them. With me today is Amy Stephenson, Director, Office of Finance, Office of the Governor, and we would be happy to address any questions you might have.

**Chair Monroe-Moreno:**

I know that we do have a few questions. In your presentation, I appreciate that you addressed my question of why it was only Executive Branch employees included in the legislation, and your explanation was that you did not have the ability to address those others, but luckily, we can.

**Ben Kieckhefer:**

May I clarify? The Governor could have certainly proposed whatever we wanted. However, we were focused on the Executive Branch of state government because this proposal developed over time as we were transitioning into the new Governor's administration. We were rolling through each Executive Branch agency and their budget requests. The biggest issue we heard when talking to every agency was their vacancies and the ability to attract and retain employees. This bill was spurred by that. We were not having the same conversations with the Judicial and Legislative Branches because of that statutory structure. But I will leave it at that.

**Chair Monroe-Moreno:**

You had stated the number of employees. Could you give me that number again?

**Amy Stephenson, Director, Office of Finance, Office of the Governor:**

The number was 16,597. Those are current employees on the payroll rolls now and do not include the Nevada System of Higher Education (NSHE).

**Chair Monroe-Moreno:**

What is the average pay of those 16,597?

**Ben Kieckhefer:**

That would be \$29.62 an hour.

**Assemblywoman Anderson:**

Since these incentives are considered a bonus, is it taxed at a higher rate? Also is this something that can be utilized for Public Employees' Retirement System (PERS) compensation or PERS calculations?

**Ben Kieckhefer:**

This would be outside of the PERS structures, and PERS deductions would not be made from this. I would defer to Amy Stephenson to talk about the tax rate.

**Amy Stephenson:**

The current tax rate on this is 1.45 percent. I do not know whether that is higher or lower, but that is the tax rate on it.



**Assemblywoman Anderson:**

Thank you so much for that clarification because I know sometimes when there is a bonus, it does get compensated at a higher rate for the taxes. To make sure, your plan is to have the first payment go out in March. Then the second payment is to happen in June, is that the understanding of the language from the bill?

**Ben Kieckhefer:**

The dates cited in the bill are the deadlines for employment. If you are employed as of March 31, 2023, then you would be eligible for the third quarter retention incentive. That would not be paid out on March 31, 2023; it would be paid out at a subsequent pay period as it gets processed. We are in the process of determining exactly when that is going to be. It could be up to a few weeks later, potentially four weeks later. If you are employed on March 31, 2023, you would be eligible for that retention incentive regardless of what you do on April 1, 2023. If you sever service on April 1, 2023, you would still be eligible for it since you were employed on March 31, 2023. The same is true for that subsequent date. Those dates were chosen because they are the payroll dates. There is something that happens in the system that makes it an effective time to make that determination.

**Assemblywoman Anderson:**

Thank you for the clarification around the dates and that it could be up to four weeks after those dates.

**Chair Monroe-Moreno:**

The bill, as written, would apply to both part-time and full-time employees.

**Amy Stephenson:**

Yes, that is correct. It would apply, whether the employee is half-time or full-time.

**Assemblyman Yeager:**

We have been talking a lot in this building over the past several years about doing right by our state employees. I am excited about the proposals coming forward. I view this as one of many proposals to try to do right by our state employees and make sure we are retaining and recruiting talent. My question dovetails from Assemblywoman Anderson's question. One of the deadlines here is March 31, 2023. That would be the deadline for employment. But how soon do we have to get this bill to the Governor's desk to make sure that the individuals who are employed on March 31, 2023, get this bonus for the first quarter?

**Amy Stephenson:**

We would have to process the bill before March 31, 2023—or any time between now and March 31—if we want to get that first payment out.

**Assemblywoman Jauregui:**

To confirm, the first payment would go out four weeks from March 31, 2023, or four weeks from when the bill is signed?

**Ben Kieckhefer:**

It would be up to four weeks and if we can, we will accelerate it as quickly as possible, but it would be up to four weeks after that March 31st date. Hopefully, the payment will be made before the end of April to the employees, and it is cash out of the current fiscal year. For that second payment for the final quarter of the year, the payment itself would be made in July, but the appropriation is out of the current fiscal year.

**Assemblywoman Peters:**

Can you talk a bit about NSHE employees and how they fit into this, because my understanding was that they are part of the Executive Branch, but then they are also NSHE. How does that fit into this?

**Ben Kieckhefer:**

The NSHE employees are included in this bill. They are not included in that number count that Amy and I gave you, but they are included in the budgetary figure and would be receiving their retention incentives as well.

**Chair Monroe-Moreno:**

I want even further clarification. Are those NSHE self-supported or state supported employees?

**Ben Kieckhefer:**

Those are, I think, all employees of NSHE.

**Chair Monroe-Moreno:**

The numbers that I am looking at would not include all the NSHE employees, and the amount that is in the bill would not, as written, cover all NSHE employees.

**Ben Kieckhefer:**

For clarification purposes, it is budgeted at a level that is designed to support both classified employees and faculty of NSHE. As you know, their budgets are not always as readily transparent as the Executive Branch. I cannot really speak to whether there are faculty members who are being supported in self-supporting budgets. But the bill is designed to cover faculty and classified employees.

**Chair Monroe-Moreno:**

I have been in discussion with our Fiscal staff and leadership, and I do not believe the bill, as written, would have the amount appropriated to cover all of that. We have sat here, and we have heard presentations from everyone across the board including Executive Branch positions, individuals from NSHE, Department of Transportation (NDOT), Judicial Branch, and the Legislative Branch. I would have issue as a fiscal leader in this body to only give bonuses to the Executive Branch. I will be instructing my staff to bring back for the work session on this bill, what it would look like to include the Executive Branch, the NSHE classified positions, NDOT, Judicial Branch staff, and the Legislative Branch staff, not

including the session staff. I am sorry because it is a retention problem to keep people. I need to know what those numbers would look like at the work session. If we are going to give bonuses to our employees who have been with us through thick and thin, it needs to be across the board.

**Ben Kieckhefer:**

I fully understand. How you decide to move forward in processing the legislation is certainly your jurisdiction. I want to clarify that NDOT employees are included. Employees who are funded currently out of the State Highway Fund would be eligible for this retention incentive as well. We tried to capture as many people as we could under the purview of what we characterized as the Executive Branch. I am happy to see what you bring forward.

The number that we quoted you was 16,597 employees. We penciled it from a fiscal perspective at 28,000 FTEs, implementing a 20 percent vacancy rate, for 22,400 employees at \$1,000 each, times the tax rate gets you to the \$22,750,000. I do not know the count that you are working with for NSHE employees, but we have penciled it at 28,000 FTEs.

**Chair Monroe-Moreno:**

The 28,000 FTEs does not include the part-time positions, just the full-time positions?

**Ben Kieckhefer:**

The full-time equivalent positions are included; it is everyone, whether they are part-time or full-time.

**Chair Monroe-Moreno:**

Would you repeat the formula?

**Ben Kieckhefer:**

We based our calculation on 28,000 FTEs with a 20 percent vacancy rate making it 22,400 employees at \$1,000 per employee times 1.45 percent in taxes that the state pays totaling \$22,750,000 rounded up to \$23 million in the bill.

**Chair Monroe-Moreno:**

With those calculations, those would just be the employees who would be included in the bill as presented today. Correct?

**Ben Kieckhefer:**

Correct.

**Chair Monroe-Moreno:**

I will be adding more dollars to that.

**Assemblywoman Jauregui:**

That confused me a bit. Who do you calculate in that number of the 28,000 FTEs?

**Amy Stephenson:**

Those 28,000 FTEs include everybody who is in our central payroll for the Executive Branch. It is the actual FTE positions whether those are vacant right now or not. It is all positions.

**Assemblywoman Jauregui:**

That is the Executive Branch and within the Executive Branch, it is the state agency employees and NDOT. Could you list who you are covering under that 28,000 who are not part of the Executive Branch? Is it NDOT?

**Amy Stephenson:**

Yes, NDOT is part of it. That is why it is confusing for me. It includes NDOT and NSHE and that is it, and then the rest of the departments under the Governor.

**Ben Kieckhefer:**

Other constitutional officers are included with the entire Executive Branch of state government.

**Chair Monroe-Moreno:**

I am going to ask our Fiscal staff to put some clarification on the record.

**Sarah Coffman, Assembly Fiscal Analyst:**

In researching this bill, Fiscal staff did reach out to the Nevada System of Higher Education to determine how many positions they have. It was our understanding that the bonuses would be provided to positions instead of full-time equivalents, and as such, they do have a significant number of part-time staff. Those amounts that we received based on the state-supported accounts was 12,102.66. For the self-supported accounts, there were 6,708 positions. For the grant-funded accounts, there were 2,229, and for the gift-supported accounts, there were 499 for a total of 21,539 positions.

**Assemblywoman Jauregui:**

Okay. That is where the confusion came in. You are telling me that of the 28,000 positions, 21,539 are NSHE employees and then the remaining approximately 7,000 are Executive Branch employees, because you said we are including all NSHE, and 21,539 of the 28,000 that you mentioned are NSHE employees.

**Ben Kieckhefer:**

Our calculation includes approximately 8,000 employees, or fewer than 8,000, who are not currently in our state central payroll system that would be attributable to NSHE. There is some sort of difference between the numbers that Ms. Coffman quoted and the numbers that we used when creating the calculation. We will have to sort through it.

**Chair Monroe-Moreno:**

Members, are there any other questions? As you sort through it, I will ask that you work with our Fiscal staff because obviously there is a difference in the numbers. I have put on the record what I am going to ask them to bring back for our work session. I want to include all who we will be able to afford to cover, making sure that we encompass as many of our state employees who have stayed with us through thick and thin, and making sure no one is left out, if possible.

**Ben Kieckhefer:**

I also want to point out that this is a proposal for not just the next two quarters but for the eight quarters that follow. It may be worth looking at it for a fiscal impact for an entire biennium as well as we get into that exercise.

**Chair Monroe-Moreno:**

That is what I am looking at. All right, hearing no other questions, I will ask if there is anyone who would like to provide testimony in support of A.B. 268.

**Francisco V. Aguilar, Secretary of State:**

I am speaking in favor of A.B. 268. Our offices only work because of the people in them. We cannot bring our state offices into the modern age or implement strategic plans to better serve Nevadans without fair and competitive wages for state employees. I know you are working hard to find a solution. The ability for the state of Nevada to serve the people is only possible because of our incredibly hardworking staff. Like many other agencies, the Secretary of State's Office is critically understaffed. Even though our Office is one of the highest generators of revenue to the State General Fund, we still cannot pay our employees the wages they deserve. Assembly Bill 268 would be an amazing gesture to those employees who have stuck with us through thick and thin.

**Susan Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO:**

On behalf of over 150,000 members and 120 unions, the Nevada State AFL-CIO supports A.B. 268. Our state government employees work hard in and out to keep Nevada moving. And for that, we thank them. This legislation will ensure that the Executive Branch workers who guarantee that our government continues to run, can continue doing their hard work without financial stress. Retention incentives, such as the one proposed in this bill, make sure that we continue to have people with vital institutional knowledge within our government. I urge the Committee to pass A.B. 268.

**Randy Soltero, representing the American Federation of State, County and Municipal Employees International:**

We are grateful for the state for offering these incentives. We know that in the next budget there is some language that could be helpful in that regard as well. I think it has been said before, and I know everybody knows that our state workers are dealing with a lot and have been there through the pandemic. The individuals at unemployment were overworked and had to deal with thousands and thousands more claims than they were normally used to, as an

example. I appreciate what this Committee is doing to examine all those numbers and make sure that everybody is going to have this opportunity to get this bonus and retention. With that, the American Federation of State, County and Municipal Employees International supports A.B. 268.

**Douglas Unger, UNLV Chapter President and Government Affairs Representative, Nevada Faculty Alliance:**

The colleges and universities are also suffering critical staffing shortages, especially at the junior levels. In my own department, we have suffered three losses of employees who have gone on to other things, mainly because of salaries and despair about salaries. Among our classified staff, we have a constant turnover. We are constantly training new classified staff in our departments to do the administrative work of the English Department, which serves 13,000 students per year. The English Department at the University of Nevada, Las Vegas is larger than many small colleges all on its own because it teaches all the basic writing courses and sophomore literature courses. I want to say university wide; we immensely appreciate the efforts of this Legislature to include NSHE employees in this bonus. It is sorely needed, and it will make a difference. Thank you for your support of A.B. 268.

**Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance:**

Ditto to what has been said. I am here in support of the representation that NSHE is included. We are part of the Executive Branch. We have been told that we are state employees over and over. There are a lot of different categories of employees at NSHE, and we would be happy to be a resource on those categories if we are talking about part-time that includes semester-by-semester contracts and lots of other individuals. We will help with that. I do want to say thank you for fast tracking this. It will not happen overnight because payroll must do payroll, and that gives me an opportunity to give a shout out to NSHE payroll services who did magic to get the furlough reimbursements out before the end of the calendar year before other state employees. But we are also state employees.

**Chair Monroe-Moreno:**

I do not see anyone else who would like to provide testimony in support. Is there anyone here to provide testimony in opposition to A.B. 268? [There was no one.] Is there anyone who would like to provide testimony in neutral on A.B. 268? [There was no one.] Would the presenters like to come back with any closing remarks?

**Ben Kieckhefer:**

I want to say thank you for the quick introduction hearing on A.B. 268. We know that taking care of state employees is a shared priority of both the Governor and the Legislature. We look forward to partnering with you this session to make sure that we move significantly in the right direction on that front.

**Chair Monroe-Moreno:**

With that, we will close the hearing on A.B. 268. The last item on our agenda tonight will be public comment. Is there anyone who would like to make public comment? [There was no public comment.]

There being no further business before the Committee, this meeting is adjourned [at 7:35 p.m.].

RESPECTFULLY SUBMITTED:

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Janice Wright  
Committee Secretary

APPROVED BY:

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Assemblywoman Daniele Monroe-Moreno, Chair

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a chart titled "Survey of Judicial Salaries," submitted by Jerry A. Wiese II, Chief District Court Judge, Eighth Judicial District Court, in support of Assembly Bill 15.