

The meeting was called to order at 9:00 a.m. Senator Close was in the Chair.

PRESENT: Senator Close  
Senator Hernstadt  
Senator Dodge  
Senator Raggio  
Senator Sloan  
Senator Ford  
Senator Don Ashworth

ABSENT: None

SB 19 Raises monetary limit of jurisdiction of justices' courts.

For further testimony on this measure, see the minutes of the meeting for Thursday, January 25, 1979.

Miriam Shearing, Justice of the Peace, Las Vegas, representing the Nevada Judge's Association; and Tom Davis, Justice of the Peace and Municipal Judge, Carson City, also representing the Nevada Judge's Association testified in support of this measure.

Judge Shearing stated that they supported increasing the jurisdictional limit principally because there is a large group of claims that are, in effect, without a remedy because they fall into the range where it just doesn't pay to get an attorney and go into District Court.

Senator Close asked if she would recommend different limits for Small Claims Court and Justice Court. Judge Shearing replied that the only distinction between Small Claims and Justice Court civil cases was that the former was started by a simple affidavit and the latter by regular complaint and answer. She felt there should be the same jurisdiction across the board.

Senator Close asked if, when a defendant in Small Claims desired representation, the case was automatically transferred to Justice Court.

Judge Shearing responded that that was left to the discretion of the individual courts. She stated that some courts do not allow attorneys in Small Claims but that she did if the issue was such.

Judge Davis further stated that the remedy available to all Justice Courts was to dismiss the matter without prejudice, which allows the parties to take the next step up into a higher court.

Senator Raggio expressed concern that the collection agencies were usurping the major portion of time of the Small Claims Court.

Judge Shearing stated that that was not a problem in Las Vegas. A large percentage of the filings are by collection agencies, however, most of them are not disputed. They are default judgments and court time is not taken up by them. She further stated that at one time, Justice Court in Las Vegas decided that they would exclude all attorneys because of the collection agencies; that the agencies had an unfair advantage because they could have their attorney for all their cases and the individual would be left without representation. However, what happened was that whoever came in for a collection agency had been there so many times before that he was an expert whether he was an attorney or not. What it did, in effect, was to deprive the defendant of expert legal counsel if it was needed.

Senator Dodge asked if they were both taking the position that attorneys need not be prohibited at the small claims level. Both Judges responded that they were. Judge Shearing further stated that she favored the present law which prohibits attorney's fees in Small Claims Court.

Senator Dodge asked what they felt would be a realistic upper limit for these courts. Judge Davis favored \$750 for Small Claims and \$1,500 for Justice Court civil actions. Judge Shearing felt that \$1,000 would be adequate for both. She further stated that there is presently no distinction between the two; it is \$300 across the board.

Senator Dodge asked how they felt about a transitional type approach where they would raise the limit to \$600 and get a few years experience with that. Judge Shearing replied that she felt that the majority of the judges would be in favor of that.

Senator Raggio asked if raising the jurisdictional limit would necessitate additional Justice Courts. Judge Shearing felt that there would be a backlog without any additional help. People who are presently writing off claims would not do so any more and a number of people who are filing in District Court would write their claims down to get into Justice Court. She also stated that she felt it would be possible to handle the additional work load but that there would have to be a change in the Nevada Supreme Court ruling on the 2 week hearing requirement.

Judge Shearing further suggested that Justice Courts be allowed to appoint masters. She felt that this would help lighten their expected case load increase.

Samuel D. Mamet, Management Analyst, Clark County stated that they were not taking a position on the jurisdictional limit but that they wanted to provide the Committee with a rough financial analysis of the impact of this bill should it become law. See attached Exhibit A.

Senator Hernstadt asked Judge Shearing if she agreed with these figures.

Judge Shearing felt that they were much too low.

Senator Hernstadt pointed out to Mr. Mamet that his projections did not take into account the increased revenue from the expected higher case load.

Mr. Mamet agreed and stated that he would report back to the Committee with those projections.

Terry Reynolds, Judicial Planner, Administrative Office of the Courts appeared at the request of the Committee to discuss the fiscal impact on the Justice Courts if the jurisdiction were raised. He discussed 3 areas:

- 1) The effect on the Justice Court if the monetary limit were raised;
- 2) The effect on filing fees; and
- 3) If they were made courts of record, what would recording equipment costs be as opposed to stenographic reporters.

Exhibits B and C show present caseload and population per judge.

Exhibit D indicates civil filing fees for both District and Justice Courts.

Exhibit E gives a breakdown of District and Justice Courts civil filings for 1977.

Mr. Reynolds informed the Committee that the difficulty with collecting this type of information is that each court collects different types of statistics. He stated that that is what accounts for the large discrepancy between the Reno and Las Vegas civil filings (4,901 as compared to 258 for Las Vegas).

Senator Hernstadt asked if he could recommend increases for filing fees.

Mr. Reynolds stated that he would suggest going to a sliding scale; \$0 to \$500 would have a \$10 filing fee, and so on. He felt that if the jurisdictional limit were increased to \$2,000 that a filing fee equal to that in District Court would be appropriate.

Ronald C. Jack, Ph.D., Deputy City Manager, City of Las Vegas testified in support of this measure. For his comments, see attached Exhibit F.

Joe Midmore, Nevada Consumer Finance Association stated that they were in favor of SB 19.

Darryl Cappuro, Nevada Franchise of Automobile Dealer's Association concurred with previous remarks in support of this measure.

In response to a question from Senator Hernstadt, Mr. Bob Beach, Northern Nevada Finance, stated that the finance companies would have no objection to increasing the filing fees.

No action was taken at this time.

SB 105 Clarifies procedures and requirements for disclaimers of property interests.

Senator Don Ashworth stated that this bill had been taken from an identical bill in California and that it had been approved by the Nevada Bar Association. He stated that it was an estate planning tool which basically, for all intents and purposes, relates to inheritance through wills, and inter vivos gifts and trusts.

Senator Hernstadt asked if the Internal Revenue Service recognized such a generation-skipping device. Senator Don Ashworth replied that there was a provision in the IRS code which allowed an individual to disclaim within 9 months.

The Committee reviewed the bill section by section.

Section 1: Senator Don Ashworth stated that he felt this should be under Title 12 and not Title 10.

Section 2: Senator Close asked how a disclaimer could be filed on behalf of someone else. Senator Don Ashworth stated that this applied to minors, infants, and incompetents. Senator Close stated that he would be opposed to such a provision. He felt that, for the time being, it should apply only to competent adults.

Section 3: No discussion.

Section 4: No discussion.



Section 5: Senator Raggio asked when the interest would become indefeasibly vested. Senator Don Ashworth responded that, in his estimation, it would have to be prior to a decree of distribution. Senator Dodge stated that if that were the case, you could be a long way into an estate administration before the interest was no longer subject to any contingency or condition. Senator Don Ashworth concurred and further stated that if that was indeed the case, then that would actually vitiate the purpose of the disclaimer.

Section 6: Senator Raggio asked how a copy could be "filed with" an executor. He felt that it should read "notice or copy served upon" the executor.

Senator Close asked if you fail to file a disclaimer after recording one or if you record a disclaimer but fail to file, do you have a disclaimer?

Senator Don Ashworth responded that you would not as you had not adhered to the requirements of what must be done.

Senator Close stated that according to lines 12 through 15, failure to file a disclaimer which is recorded does not affect the validity of any transaction. He asked Senator Don Ashworth to check into that situation.

Section 7: Senator Don Ashworth stated that subsection 3 was added by the Legislative Counsel Bureau and was not part of the California law. He felt that if some limitation were not placed on it, it would vitiate the entire section.

Senator Don Ashworth suggested that the Committee withhold action on this matter and he would contact Las Vegas attorney, Chuck Johnson for his remarks. He stated that Mr. Johnson was instrumental in the drafting of this and would probably be able to shed some light on the Committee's questions.

No action was taken at this time.

SB 88 Allows costs to prevailing defendant in certain actions.

For testimony on this measure, see minutes for the meeting on Monday, January 29, 1979.

Senator Ford moved that SB 88 be passed out of Committee with a "do pass" recommendation.

Seconded by Senator Dodge.

The motion carried unanimously.

BDR 1-152 Requires interpreters for certain handicapped persons in judicial and administrative proceedings. (SB 143)

Senator Close informed the Committee that Senator Keith Ashworth had requested that the above be introduced.

BDR 1-152 was unanimously approved for Committee introduction.

Senator Raggio requested Committee approval to draft a bill which would make Justice Court courts of record.

His request was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,

  
\_\_\_\_\_  
Cheri Kinsley, Secretary

APPROVED:

\_\_\_\_\_  
Senator Melvin D. Close, Jr., Chairman

# MEMORANDUM

## OFFICE OF THE COUNTY MANAGER

RICHARD W. BURRIS  
County Manager

BRUCE W. SPAULDIN  
Assistant County Manager

SENATE JUDICIARY COMMITTEE

FROM: SAMUEL D. MAMET, MANAGEMENT ANALYST

SUBJECT: SB 19

DATE: JANUARY 29, 1979

Pursuant to the Committee's request, we have prepared the following fiscal impact information relative to raising the jurisdictional limit of justice court to \$2,000. This information was developed by our county budget office in cooperation with the clerk of the justice court.

### Personnel

Small Claims Referee (1)	\$ 27,243	
Office Assistant I (6)	76,770	
Secretary (1)	<u>14,650</u>	
Sub-Total	\$118,663	(Incl. fringe benefits)
Rental costs for office space	<u>26,325</u>	
Final Total	\$144,988	

These estimates were based on a projection which justice court indicated it would have to have in terms of staff to meet the \$2,000 limit.

We cannot provide any information on the number of cases \$2,000 or less which have come before our district court. This information is just unavailable. However, our clerk of courts indicates that the number of cases is probably very few because of the prohibitive costs involved to a litigant in bringing a case of this value before district court, therefore, there might be some legitimacy to the argument that district courts workload will be lessened by increasing the jurisdictional limit of justice court. However, this is purely conjecture on our part.

As a matter of general information, attached you will find a very brief discussion of our justice court's budget which is taken from Clark County's Budget In Brief publication. We thought that you might find this of interest.

SDM/mg

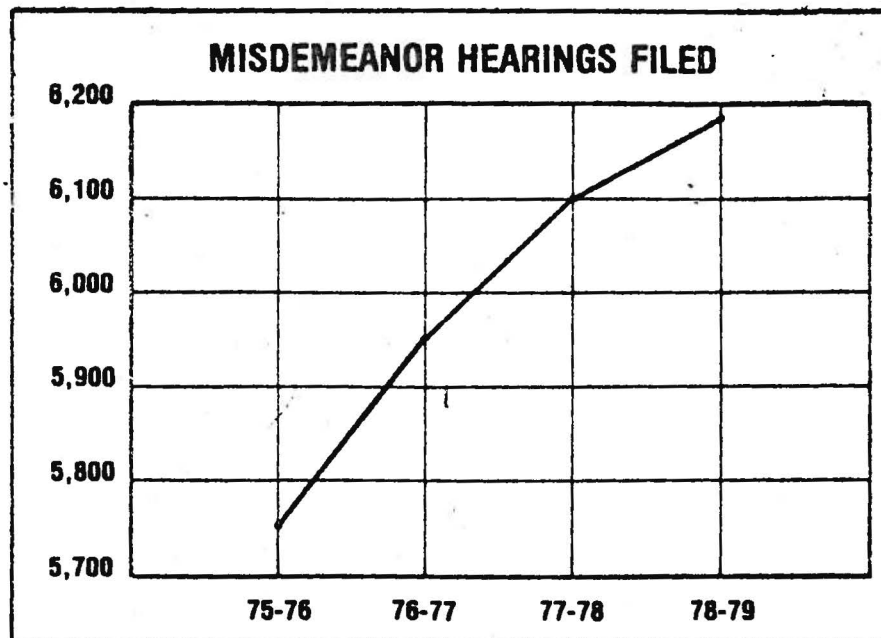
Att.

EXHIBIT A

# DEPARTMENT: JUSTICE COURTS

## Department Description

The Justice Courts hear preliminary examinations, hold trials on misdemeanors, and handle all civil matters where the amount in controversy does not exceed \$300. They also perform other duties such as issuing search warrants, summonses, and arrest warrants.



## Program Objectives

- To complete all misdemeanor cases filed.
- To ensure the judicious and efficient disposition of traffic cases set for trial or arraignment.
- To ensure the expeditious adjudication and processing of small claims cases.

## Performance Indicators

Performance Indicators	FY 1976-77 Actual	FY 1977-78 Estimated	FY 1978-79 Projected
Misdemeanor hearings completed	4,383	5,286	6,189
Number of traffic citations issued	141,900	192,200	220,000
Number of small claims filed	10,100	10,975	11,300

## Appropriation and Position Summary

Fiscal Year	1977-78		1978-79	
	Adopted Budget	Estimated Expenditures	Department Request	Final Adopted
Appropriation	\$1,484,207	\$1,390,514	\$1,697,360	\$1,739,869*
Positions				
Permanent	62		74	
CETA	10		9	

\*This increase represents an increase in the number of Justice Courts from 4 to 5.



ATTACHMENT D - listed by population

Judicial District	Township or City	Population Per Judge	Caseload Per Judge
21 Fourth	Jarbidge	34	<100
18 Fourth	Eastline	105	3,000
41 Seventh	Baker	131	<100
23 Fourth	Tecoma	239	<100
35 Sixth	Gold Run	279	150
44 Seventh	Lund	285	<100
32 Fifth	Round Mountain	290	<100
39 Sixth	Paradise Valley	301	<100
48 Eighth	Bunkerville	330	<100
49 Eighth	Goodsprings	425	10,000
30 Fifth	Mina	450	200
13 Third	Beowawe	461	100
56 Eighth	Moapa	478	900
61 Eighth	Searchlight	482	300
33 Fifth	Schurz	489	<100
54 Eighth	Logan	577	<100
46 Seventh	Pahranagat Valley	605	1,200
12 Third	Austin	629	1,000
14 Third	Eureka	629	800
10 Second	Wadsworth	762	<100
6 Second	Gerlach	795	<100
55 Eighth	Mesquite	913	800
45 Seventh	Meadow Valley	974	400
20 Fourth	Jackpot	976	900
28 Fifth	Gabbs - M	980	300
9 Second	Verdi	984	2,500
26 Fifth	Goldfield	992	6,500
66 Ninth	Smith Valley	1,006	200
42 Seventh	Caliente - M	1,036	400
63 Ninth	Dayton	1,126	1,250
22 Fourth	Mountain City	1,221	200
38 Sixth	McDermitt	1,274	400
31 Fifth	Pahrump	1,303	1,200
2 First	Virginia City	1,327	300
27 Fifth	Gabbs	1,353	<100
17 Fourth	Carlin - C	1,471	1,300
25 Fifth	Beatty	1,530	900
60 Eighth	Overton	1,811	200
37 Sixth	Lovelock - M	1,820	1,300
62 Ninth	Canal	2,004	3,500
24 Fourth	Wells - C	2,383	6,000
34 Fifth	Tonopah	3,099	900
36 Sixth	Lake	3,183	5,000
11 Third	Argenta	3,423	3,000
15 Third	Fallon - M	4,172	2,259
29 Fifth	Hawthorne	5,332	3,500
67 Ninth	Tahoe	5,399	8,000
40 Sixth	Union - C	5,627	7,500
47 Seventh	Ely - M	5,791	1,200
64 Ninth	East Fork	6,924	4,000
65 Ninth	Mason Valley - C	7,071	4,500

M - Municipal

C - Combined JP and Muni

Judicial District	Township or City	Population Per Judge	Caseload Per Judge
57 Eighth	Nelson - C	7,691	2,000
43 Seventh	Ely	8,710	2,000
19 Fourth	Elko - C	9,694	9,000
16 Third	New River	12,810	4,000
51 Eighth	Henderson - M	18,092	8,000
50 Eighth	Henderson	22,244	7,000
1 First	Carson City - C	29,000	8,000
8 Second	Sparks - M	35,633	14,136
7 Second	Sparks	39,447	8,000
53 Eighth	Las Vegas - M (4)	40,060	31,000
59 Eighth	No. Las Vegas - M	41,123	12,978
5 Second	Reno - M (2)	43,978	28,000
3 Second	Reno	62,192	17,500
4 Second	Reno	62,192	17,500
52 Eighth	Las Vegas (5)	64,815	28,750
58 Eighth	No. Las Vegas	76,240	9,300

## ATTACHMENT E - listed by caseload

Judicial District	Township or City	Population Per Judge	Caseload Per Judge	Present Salary
6 Second	Gerlach	795	<100	2,189
10 Second	Wadsworth	762	<100	1,500
13 Third	Beowawe	461	100	6,000
21 Fourth	Jarbridge	34	<100	434
23 Fourth	Tecoma	239	<100	2,052
27 Fifth	Gabbs	1,353	<100	5,200
32 Fifth	Round Mountain	290	<100	No Judge
33 Fifth	Schurz	489	<100	No Judge
39 Sixth	Paradise Valley	301	<100	660
41 Seventh	Baker	131	<100	534
44 Seventh	Lund	285	<100	540
48 Eighth	Bunkerville	330	<100	2,604
54 Eighth	Logan	577	<100	2,604
35 Sixth	Gold Run	279	150	600
22 Fourth	Mountain City	1,221	200	840
30 Fifth	Mina	450	200	4,200
60 Eighth	Overton	1,811	200	2,604
66 Ninth	Smith Valley	1,006	200	6,250
2 First	Virginia City	1,327	300	7,200
28 Fifth	Gabbs - M	980	300	1,080
61 Eighth	Searchlight	482	300	2,604
38 Sixth	McDermitt	1,274	400	2,196
42 Seventh	Caliente - M	1,036	400	2,700
45 Seventh	Meadow Valley	974	400	3,000
14 Third	Eureka	629	800	7,200
55 Eighth	Mesquite	913	800	2,604
20 Fourth	Jackpot	976	900	3,300
25 Fifth	Beatty	1,530	900	8,800
34 Fifth	Tonopah	3,099	900	12,000
56 Eighth	Moapa	478	900	2,604
12 Third	Austin	629	1,000	8,440
31 Fifth	Pahrump	1,303	1,200	8,080
46 Seventh	Pahrangat Valley	605	1,200	4,800
47 Seventh	Ely - M	5,791	1,200	1,800
63 Ninth	Dayton	1,126	1,250	8,350
17 Fourth	Carlin - C	1,471	1,300	10,824
37 Sixth	Lovelock - M	1,820	1,300	9,600
43 Seventh	Ely	8,710	2,000	15,660
57 Eighth	Nelson - C	7,691	2,000	4,030
15 Third	Fallon - M	4,172	2,259	14,000
9 Second	Verdi	984	2,500	7,200
11 Third	Argenta	3,423	3,000	10,800
18 Fourth	Eastline	105	3,000	1,524
29 Fifth	Hawthorne	5,332	3,500	7,200
62 Ninth	Canal	2,004	3,500	8,350
16 Third	New River	12,810	4,000	6,600
64 Ninth	East Fork	6,924	4,000	9,600
65 Ninth	Mason Valley - C	7,071	4,500	7,300
36 Sixth	Lake	3,183	5,000	11,000
24 Fourth	Wells - C	2,383	6,000	5,544
26 Fifth	Goldfield	992	6,500	8,000

M - Municipal

C - Combined JP and Muni

Judicial District	Township or City	Population Per Judge	Caseload Per Judge	Present Salary
50 Eighth	Henderson	22,244	7,000	18,319
40 Sixth	Union - C	5,627	7,500	10,920
1 First	Carson City - C	29,000	8,000	24,000
7 Second	Sparks	39,447	8,000	25,000
51 Eighth	Henderson - M	18,092	8,000	12,540
67 Ninth	Tahoe	5,399	8,000	14,028
19 Fourth	Elko - C	9,694	9,000	18,704
58 Eighth	No. Las Vegas	76,240	9,300	25,000
49 Eighth	Goodsprings	425	10,000	2,604
59 Eighth	No. Las Vegas - M	41,123	12,978	18,000
8 Second	Sparks - M	35,633	14,136	17,500
3 Second	Reno	62,192	17,500	29,000
4 Second	Reno	62,192	17,500	25,506
5 Second	Reno - M (2)	43,978	28,000	26,000
52 Eighth	Las Vegas (5)	64,815	28,750	30,000
53 Eighth	Las Vegas - M (4)	40,060	31,000	26,000

DISTRICT COURT  
Civil Filing Fees

	<u>Authorization</u>	<u>Fee</u>	<u>Disposition</u>
Civil	NRS 19.013(1)	\$32	County Clerk
Civil	NRS 19.020(1)	\$ 3	County Clerk
Civil	NRS 19.030(1)	\$15	State General Fund
Civil	NRS 19.031(1)	\$ 3	Legal Aid Program (County Option)
Answer	NRS 19.013	\$25	County Clerk

JUSTICE COURT  
Civil Filing Fees

	<u>Authorization</u>	<u>Fee</u>	<u>Disposition</u>
Civil	NRS 4.060(1)	\$ 7	Justice of the Peace or County
Small Claims	NRS 4.060(1)b	\$ 5	Justice of the Peace or County
Answer	NRS 4.060(1)b	\$ 2	Justice of the Peace

DISTRICT COURT CIVIL FILINGS  
 (CONTRACTS, TORTS, PROPERTY, ETC.)  
 FOR SELECTED JURISDICTIONS 1977

County

Clark	6965	(1978)
Washoe	3763	(1978)
Douglas	207	
Elko	152	
Carson	150	
Ely	120	
Fallon	100	
Humboldt	74	

JUSTICE COURT CIVIL FILINGS 1977

<u>Township</u>	<u>Small Claims</u>		<u>Civil</u>
Las Vegas	6,423		258
Reno	2,587		4,901
No. Las Vegas	1,617		495
Sparks	1,082		223
Elko	528		19
Henderson	400		100
Carson	--	415	--
New River	300		11
Ely	255		7
Union	209		4
East Fork	--	154	--

TESTIMONY PRESENTED BY RONALD C. JACK, Ph.D., DEPUTY CITY MANAGER,  
FOR THE CITY OF LAS VEGAS

SB 19 - Raising jurisdiction of the Justice Courts (Issue is whether we should have an amendment to that bill to include the municipal court, from \$300 - \$1,000.)

1. Why does Public Services want this bill?

To be able to recover property damage claims in our own courts. Because it takes less time. Some of the suits have been in District Court for several years (per Ila Britt). Examples: City of Las Vegas vs. William Capri, April 1973, \$843.00 and City of Las Vegas vs. Michael Duffy, January 1976, \$539.00. Both cases are still pending in District Court.

Bill Purvis said the usual amount of such a claim is \$750 - \$1,000.

2. How many go to the District Court under this jurisdiction.

Ila Britt estimated that of approximately 70 cases per year (based on the last two years.) only seven of these were under \$300; 60 cases were between \$300 and \$1,200. Three cases were over \$1,200. They are all for city property damage claims. Ila feels it would be a big plus for us to get it even to the level of Assembly Bill 28 which would raise the level of jurisdiction to \$1,200.

According to (Karen Blanton) the vast majority of cases going to Muni Court in this area are for unpaid sewer bills; property claims are generally greater than \$300.

Lynda Mabrey said raising the level of jurisdiction in Muni Court would have a positive effect on bail bond forfeitures. Don Griffiths confirmed this opinion. Under existing law, in a criminal misdemeanor case the court will set a bail or bond most often higher than \$300, if the person doesn't show up then the court must go after the bondsman for the amount of the bond. With the jurisdictional limit of \$300 now in effect Muni Court really should not be collecting more than \$300 in bond forfeitures from the bail bondsman. Raising the jurisdiction would legitimize the City's current practices.

3. Making Muni and Justice Courts courts of record - This would be costly to the City because it would mean that Muni Court would have to keep more detailed records and would have to be more careful in its activities. Also, the attorney's office would have to prepare written briefs which they don't now do. The court would have to hire four court reporters and purchase equipment and the clerks would have to learn how to take shorthand. Additional personnel time would be required to type court transcripts. Further, Don Griffith would be opposed if they required that jury trials be in process in Muni Ct. It may be some advantage for the appeal process, but in general it would not be a good idea because of the cost.

- Regarding the bill itself: Don Griffith had these comments -
- 1.1.A. Muni Court has no jurisdiction unless the City is a party.
  - 1.B Same
  - 1.C. The City may also be excluded from jurisdiction.
  - 1.D. Parallel for Muni Court.
  - 1.E. Same (thought it should be raised.)
  - 1.F. No effect.
  - 1.G. Should be raised.
  - 1.H.-K. No jurisdiction for Muni Court.
  - Sub. 2 No jurisdiction
  - Sub. 3 Wording changed - No effect.
  - Sec. 2 - District Court (NRS) - No effect.
  - Sec. 3 - No effect. Remainder of bill - no effect.

Griffiths estimated a 1 to 2% increase in caseload in Muni Court if the jurisdictional level is raised to \$1,200.

Muni Court is also interested in the right or power to assess costs in criminal cases.



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SENATE BILL NO. 88—SENATORS CLOSE,  
WILSON AND RAGGIO

JANUARY 23, 1979

Referred to Committee on Judiciary

SUMMARY—Allows cost to prevailing defendant in  
certain actions. (BDR 2-396)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: No.



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EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

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AN ACT relating to costs; allowing costs to a prevailing defendant in certain actions for the recovery of money only; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:*

- 1 SECTION 1. NRS 18.020 is hereby amended to read as follows:  
2 18.020 Costs shall be allowed of course to the prevailing party  
3 against any adverse party against whom judgment is rendered, in the fol-  
4 lowing cases:  
5 1. In an action for the recovery of real property.  
6 2. In an action to recover the possession of personal property, where  
7 the value of the property amounts to \$300 or over [; the]. *The* value  
8 shall be determined by the jury, court or master by whom the action is  
9 tried.  
10 3. In an action for the recovery of money or damages, where the  
11 plaintiff [recovers] *seeks to recover* \$300 or over.  
12 4. In a special proceeding.  
13 5. In an action which involves the title or possession of real estate, or  
14 the legality of any tax, impost, assessment, toll or municipal fine, includ-  
15 ing the costs accrued in the action if originally commenced in a [justice]  
16 *justice's* court.