

LOCAL GOVERNMENT
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 12, 2025

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

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

Local Government Responses
AB93 / BDR 53 - 160

City/County: City of West Wendover Approved by: Bradlee Hillaker, Chief of Police Comment:				
Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Sparks Approved by: Tiffany Pugh, Accounting Manager Comment:				
Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Reno Approved by: Jason Gortari, Urban Economist Comment: Section 1 of this bill revises the definition of “police officer” for purposes of certain benefits and exemptions under Nevada law. The bill expands the definition to include several categories of personnel, such as school police officers appointed by school district boards, juvenile probation officers, bailiffs and deputy marshals of municipal courts, marshals and deputy marshals of cities or towns, and all Category I peace officers not previously covered under this definition. As a result, the newly included personnel would become eligible for various benefits, including industrial insurance coverage under the Nevada Occupational Diseases Act, exemption from serving as grand or trial jurors, compensation for temporary disabilities, and group insurance and medical coverage for the surviving spouse or children of a police officer or firefighter. This change would specifically extend police officer benefits to 11 City positions, namely Municipal Court Marshals who are Category I peace officers. These positions would gain eligibility for several workers' compensation benefits, such as heart, lung, hearing, and mental stress benefits, as well as annual physical exams, as outlined in NRS 617.457, 617.344, 616C.180, and 617.135. The estimated total annual cost for these additional benefits is \$624,284 per year for each year of the current biennium and will continue as ongoing expenses in future budget cycles.				
Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$624,284	\$624,284	\$1,249,168

City/County: **City of Las Vegas**

Approved by: Rocio Martinez Saucedo, Grants Administrator

Comment: City of Las Vegas' third-party administrator provided the following methodology during the 2023 legislative session to calculate estimated claims expense: annual average heart and lung claims (\$16,121.83) x number of Marshals and Marshal Sergeants (117) x industry percentage of individuals developing heart disease (57.95%).

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$1,100,000	\$1,100,000	\$1,100,000	\$2,200,000

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: Assembly Bill 93 would have a fiscal impact to the City of Henderson. The City would incur additional insurance premium and annual examination costs starting at \$31,000 per year and then adjusted for inflation. The City could also incur additional claims against the Worker's Compensation Fund. These additional claims may have a lifetime cost of up to \$2,500,000 million per claim. Expanding coverage would increase the City's future liability.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$31,000	\$31,930	\$32,887	\$68,763

City/County: **City of Fernley**

Approved by: Robert Carson, City Treasurer

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Ely**

Approved by: Jennifer Lee, City Clerk

Comment: AB93 expands the definition of "police officer"; it will not fiscally impact the City of Ely due to the size of our public entity and the size of White Pine County's Sheriff Department, which we contract with for police protection services.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Elko**

Approved by: Annette Robinson, City Clerk

Comment: The City of Elko has reviewed the bill and has determined that there is no fiscal impact.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Carlin**

Approved by: Melinda Harris, City Clerk

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **Carson City**

Approved by: Sheri Russell-Benabou, Chief Financial Officer

Comment: Carson City currently has 9 probation officers, 5 are over 40, and 2 Marshal/Bailiff's who do not currently receive annual physicals. The cost of adding these is \$7,315, adjusted annually by 5%. The other item to attempt to quantify is how much this may impact claims costs. In 2024, the City has added 2 significant heart disease claims that may hit the excess layer. That is for about 200 public safety employees who currently qualify for the benefit. In any given policy year, that is about a 1% chance of having a claim per employee, using historical estimates. The excess layer is \$2 million over the life of the claim. That multiplied by .01 = \$20,000 that CC would be responsible for x 11 = \$220,000. I estimate the benefit costs would be paid over 30 years, giving a yearly increased cost of \$7,333.33.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$14,648	\$15,014	\$31,199

City/County: **Churchill County**

Approved by: Alexa Robinson, Executive Assistant

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **Clark County**

Approved by: Chris Wardlaw, Budget Manager

Comment: Under current statute, the only county employees defined as police officers for the purpose of determining coverage for presumptive benefits are Bailiffs. This bill expands eligibility for presumptive benefits under workers' compensation to include Juvenile Probation Officers and the County's Public Safety Officers.

To accommodate the increased workload associated with extending these benefits to additional positions, the County would need to employ a full-time Registered Nurse, which would incur an approximate annual cost of \$120,000 in salaries and benefits, along with a one-time capital expenditure of \$11,000. Additionally, the County's workers' compensation Third-Party Administrator (TPA) would require an extra adjuster, resulting in increased administrative fees of nearly \$70,000 per year. Furthermore, the County would be obligated to cover the costs of annual physicals for these newly covered employees. With an average cost of \$485 per physical, this would amount to an additional annual expense of \$143,400. This figure does not account for costs associated with potential referrals for further physical examinations, which typically involve three additional visits at an average cost of \$520 per employee, totaling nearly \$11,200 annually.

The County has engaged an actuary to assess the additional costs of presumptive claims arising from this expanded eligibility. In the first year, the County anticipates recognizing case reserves of \$3.8 million for newly eligible claims. In subsequent years, the costs are expected to be limited to net changes that affect liability, projected to be at least five percent.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$4,193,341	\$539,176	\$1,122,537

City/County: **Douglas County**

Approved by: Kathy Lewis, Chief Operating Officer

Comment: Douglas County self-funds our Worker's Comp program. The unknown cost at this time would be the additional reserves and coverage necessary to ensure stability in our Worker's Comp. fund with these additional employee types.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$7,800	\$7,800	\$7,800	\$7,800

City/County: **Elko County**

Approved by: Susan Paprocki, Comptroller

Comment: Initial cost for inclusion of current staff would be \$15,000 per year. Additional future costs cannot be determined at this time.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$15,000	\$15,000	\$30,000

City/County: **Humboldt County**

Approved by: Pauline Salla, Director of Juvenile Services

Comment: In Nevada, specific statutes provide presumptive workers' compensation benefits for certain public safety employees who develop heart or lung diseases due to occupational exposure. These provisions are primarily outlined in NRS 617.455 and NRS 617.457. Lung Diseases (NRS 617.455):

Pros:

Fairness & Equity Across Law Enforcement Roles

Other law enforcement personnel, such as correctional officers, probation officers, and dispatchers, may also face high-stress environments that contribute to heart and lung conditions.

Expanding coverage ensures that all high-risk law enforcement roles receive similar protections.

Improved Workforce Morale & Retention

These benefits can make law enforcement careers more attractive, helping retain experienced personnel and reduce turnover.

Employees may feel more valued knowing their health risks are recognized and covered.

Acknowledges Occupational Health Risks

Stress, shift work, exposure to airborne contaminants, and physical exertion can also impact correctional officers, parole officers, forensic investigators, and other public safety workers.

Extending benefits recognizes that they, too, face increased risks of heart disease and respiratory conditions.

Cons:

Increased Cost to Government & Taxpayers

Expanding benefits would significantly increase workers' compensation claims and insurance premiums for local and state governments.

Public agencies may need additional funding to cover medical and disability benefits for a larger group of employees.

Potential for Abuse or Overuse

The language of this bill has the potential for a significant fiscal impact on Juvenile Services. Currently, juvenile probation officers do not meet the criteria for specific provisions relating to eligibility for benefits under the Nevada Occupational Diseases Act. If this legislation is passed as written, 3 juvenile probation officers will meet the criteria, increasing the cost per PO up to 9,000 per person (estimate)

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$27,000	\$0	\$0

City/County: **Lincoln County**

Approved by: Denice Brown, Admin Asst

Comment: If the County has a juvenile probation officer it would increase the potential benefits of that position.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$20,000	\$0	\$0	\$0

City/County: **Lyon County**

Approved by: Josh Foli, Comptroller

Comment: This would expand presumptive heart and lung coverage to additional County employees. This coverage is extremely expensive as it automatically presumes that many diseases of heart and lungs are due to working conditions. This bill would also necessitate annual physicals by the County for all affected employees, as well as health counseling.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$25,000	\$50,000	\$125,000

City/County: **Pershing County**

Approved by: Karen Wesner, Administrative Assistant

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Cadence Matijevich, Government Affairs Liaison

Comment: Revising the definition of police officer would result in Washoe County having a fiscal impact regarding PERS contributions. Based upon current staffing levels, 30.5 current FTEs would be impacted by this change. It is estimated that the fiscal impact of the additional PERS contributions for these FTEs would be approximately \$494,000 per fiscal year for the first full year the bill is effective and would increase in future years based upon projected salary increases in future biennia. Additionally, heart/lung coverage claims would potentially increase causing further fiscal impact that cannot be determined at this time.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Cannot Be Determined	\$0	\$235,202	\$493,924	\$1,063,172

School District: **Carson City School District**

Approved by: Spencer Winward, Chief Financial and Operations Officer

Comment: Carson City School District does not employ police officers and sees no fiscal impact from this proposed legislation.53-160

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Churchill County School District**

Approved by: Christi Fielding, Comptroller

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Elko County School District**

Approved by: Cody Krenka, Director of Human Resources

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Esmeralda County School District**

Approved by: Anabel Guerrero, Financial Manager

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Humboldt County School District**

Approved by: Dr. David Jensen, Superintendent

Comment: HCSD contracts services with the City of Winnemucca for SRO purposes. No anticipated fiscal impact.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Lincoln County School District**

Approved by: Pam Teel, Superintendent

Comment: Cannot determine cost if requirements to a school district, but will impact.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Lyon County School District**
 Approved by: Kyle Rodriguez, Fiscal Services Officer
 Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Nye County School District**
 Approved by: Alma Wright, Executive Secretary
 Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Pershing County School District**
 Approved by: Dennis Holmes, Superintendent
 Comment: Unfortunately our district does not have a School Police Officer (SRO).

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Washoe County School District**

Approved by: Mark Mathers, CFO

Comment: Changing the definition of a police officer to include a school police officer changes the insurance rates for both liability and worker's compensation. Currently rates for school police liability and worker's compensation is rated with all other occupations associated with education. If their definition changes then separate, more expensive coverage will be required to cover their daily activities. The intent of providing additional coverage for heart, lung, and cancer claims for first responders was to provide benefits for those unique situations associated with responding to major fires, vehicle accidents, homicides, armed robberies, and other high stress situations. Provided police support for school facilities is generally less hazardous from the standpoint of chronic stress, carcinogen exposure, and armed suspects. The liability coverage associated with police operations is much harder to purchase coverage for than school operations. Currently school police and nurses are rated the same as all other educational employees because the high risk activities are minimized. If passed, then a specialized police liability policy may need to be purchased. Annual physicals may also be required to get baseline results for heart, lung, and cancer claims.

Given the short timeframe to complete this fiscal note, we are not able to quantify the cost impact.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **White Pine County School District**

Approved by: Paul Johnson, CFO

Comment: The school district currently contracts with the local sheriff's department for school resource officers services. The officer is an employee of the county instead of the school district. Services are defined through an interlocal agreement. This bill should not have a fiscal impact on the school district because the position and compensation flow through the County's budget.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

The following cities/counties/school districts did not provide a response: City of Yerington, City of Winnemucca, City of Wells, City of North Las Vegas, City of Mesquite, City of Lovelock, City of Fallon, City of Caliente, City of Boulder City, Esmeralda County, Lander County, Mineral County, Nye County, Storey County, White Pine County, Eureka County, Douglas County School District, Eureka County School District, Lander County School District, Mineral County School District, and Storey County School District.