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FOR INFORMATIONAL PURPOSES ONLY REFERENCING:

**NEVADA DEPARTMENT OF CORRECTIONS
ADMINISTRATIVE REGULATION – 258
INMATE FISCAL PROCEDURES FOR INMATE BANKING**

Exhibit 10

This exhibit serves as an informational document to explain and apprise the Board of Prison Commissioners of the current situation pertaining to the Nevada Department of Corrections (NDOC) Administrative Regulation – 258 “Inmate Fiscal Procedures for Inmate Banking” (AR258) and the passing of Senate Bill 22 in the 2021 Legislative Session.

During the 2021 Legislative Session, Senate Bill 22 (SB22) was passed and became effective July 1, 2021. As it relates to deductions applied to offenders’ funds, the following took effect:

- Priority of the victim-specific restitution deduction to be consistent with Marsy’s Law in the state constitution, and the re-prioritization of other offender deductions;
- A 25% cap on total deductions which may be applied on offender deposits (non-wages); and
- A 50% cap on total deductions which may be applied on offender wages.

AR258 is NDOC’s current regulation detailing the agency’s offender banking policies including the various offender deductions. Section 1.3 of SB22 now requires that any regulation adopted by NDOC to carry out the provisions in NRS 209.247 (non-wages) and 209.463 (wages) “...must be adopted in accordance with the provisions of chapter 233B of NRS.” This process is also known as Administrative Rulemaking or Administrative Procedures Act process. Therefore, specific to any changes impacting offender deductions, the NDOC Director no longer has the authority to approve a Temporary AR, and the Board of Prison Commissioners no longer has the authority to approve a Permanent AR. Based on this statutory change, NDOC could not unilaterally or immediately implement its regulation impacting offender deductions.

Since the Administrative Rulemaking process is now in effect, NDOC is in the process of drafting a revised AR258 to remove all language pertaining to offender deductions and the revised regulation will be routed through the Administrative Rulemaking process. A new, proposed regulation only pertaining to offender deductions from wages and sources other than wages is in the process of being drafted. NDOC will draft, deliver, and post a Notice of

Public Workshop subject to Open Meeting Law to conduct a workshop inviting feedback of the proposed new regulation regarding offender deductions. The proposed regulation draft is then submitted to the Legislative Council Bureau (LCB) for review. Once NDOC receives the drafted regulation from LCB, we post a Notice of Intent to Act Upon Regulations, participate in a public hearing, and work with LCB on any revisions. Finally, the regulation would need to be submitted for approval by the Legislative Commission.

Pursuant to direction from the Governor's Office, NDOC Inmate Services Banking Section (ISBS) is working with its contracted banking system vendor to update the new priorities, deductions, and total caps pursuant to SB22 and will implement prior to the approval of the new, drafted regulation. Once the vendor develops the changes, NDOC will test the system changes, and roll them out into the production environment. NDOC and the vendor are targeting an implementation date of August 2, 2021.

Also, a revised AR258, Temporary is being revised to remove any verbiage pertaining to offender deductions and will be routed through NDOC's standard approval process pursuant to AR100 – Administrative Regulations. After an internal review of the policy, that revised AR258 will then be submitted to the BOPC for final approval.

Until the banking system is updated, NDOC is applying deductions consistent with Temporary AR258, that was effective January 25, 2021. When the system is updated, NDOC ISBS staff will be manually reversing and re-posting all new wages and deposits received since July 1, 2021, so the new deductions are applied.