

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON TRANSPORTATION**

**Seventy-Third Session
March 1, 2005**

The Committee on Transportation was called to order at 1:30 p.m., on Tuesday, March 1, 2005. Chairman John Ocegüera presided in Room 3143 of the Legislative Building, Carson City, Nevada, and via simultaneous videoconference, in Room 4401 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. John Ocegüera, Chairman
Ms. Genie Ohrenschall, Vice Chairwoman
Mr. Kelvin Atkinson
Mr. John Carpenter
Mr. Chad Christensen
Mr. Jerry Claborn
Ms. Susan Gerhardt
Mr. Pete Goicoechea
Mr. Joseph Hogan
Mr. Mark Manendo
Mr. Rod Sherer

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Chris Giunchigliani, Assembly District No. 9,
Clark County
Assemblyman William Horne, Assembly District No. 34, Clark County

STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Committee Policy Analyst
Randy Stephenson, Committee Counsel

Angela Flores, Committee Manager

OTHERS PRESENT:

Sarah Stadler, Youth Coordinator, Mothers Against Drunk Driving, Lyon County Chapter

John Phillips, Owner, Drive Friendly Driving School, Las Vegas, Nevada

Rich Heinrich, President, Nevada Professional Driving School Association, Las Vegas, Nevada

Cliff King, Chief Insurance Assistant, Division of Insurance, Department of Business and Industry, State of Nevada

Jeanette Belz, representing Property Casualty Insurers Association of America, Reno, Nevada

Kenneth Kruger, Past President, Nevada Professional Driving School Association, Reno, Nevada

Ron Kendall, Volunteer, New Driver Education, Western Nevada Community College, Carson City, Nevada

Joe Guild, Legislative Advocate, representing State Farm Insurance Companies, Reno, Nevada

Robert Compan, Government Affairs Representative, Farmer's Insurance Group, Las Vegas, Nevada

Joyce Haldeman, Executive Director, Community and Government Relations, Clark County School District, Las Vegas, Nevada

Dotty Merrill, Assistant Superintendent, Washoe County School District, Reno, Nevada

Thomas Fronapfel, Administrator, Field Services Division, Nevada Department of Motor Vehicles

Chairman Ocegura:

[Meeting called to order. Roll called].

First today on the agenda we have Assembly Bill 77. Presenting that today are Mr. Horne and Ms. Giunchigliani.

Assembly Bill 77: Revises provisions regarding courses in automobile drivers' education and issuance of driver instruction permits and requires reduction in insurance premiums for certain insureds. (BDR 34-474)

Assemblyman William Horne, Assembly District No. 34, Clark County:

[Introduced himself, read from Exhibit B.]

In 1977, I took driver's education at Western High School in Las Vegas. We had classroom instruction, simulator instruction,

and behind-the-wheel training. If I remember correctly, I got an "A."

In 1978, I turned 16 years old. I was eager to get my driver's license. It was a rite of passage that would afford me the level of independence that getting rides from my mother did not afford me. A long-time friend who was a driver instructor at the DMV [Department of Motor Vehicles] gave me my driver's test. He also proceeded in failing me. I had to wait another month before I could take the test again.

I share this story with you because I wanted to highlight how far the pendulum has swung since my time as a novice driver. Today, we have a lot less driver education in school than I did, but I am not sure if it is as difficult to obtain a license as it was for me. In 1995 the school districts in the state of Nevada asked for and were granted flexibility concerning their driver's education programs. Unfortunately, flexibility resulted in the elimination of driver's education in most of our high schools. Currently, the only schools in Clark County that offer classroom instruction are Bonanza—which will discontinue driver's education in 2005-2006 school year—Centennial, Palo Verde, Sierra Vista, Silverado, Spring Valley, and Valley High Schools. What else has happened since that time? The state's population has increased significantly and therefore so has the number of drivers on the road. Those of us who have been in Nevada, particularly in Washoe and Clark County for at least the last five years, have seen the number of drivers on our roads increase dramatically, all with varying skills behind the wheel. In allowing our schools to eliminate driver's education at a time of such rapid growth in our state has not only put our teenage drivers at risk, but all of us who share the road with these younger drivers.

This bill is to reprioritize the importance of driver's education in the state of Nevada. Our schools are supposed to educate our youth and in many ways prepare them for adulthood. We do them a disservice by not adequately preparing them for the roads and highways they will have to negotiate as they enter adulthood. Moreover, when these youth begin driving, they're not only responsible for transporting themselves to and from school and work, oftentimes their passengers include younger siblings and teenage friends. Why wouldn't we ensure that they are as prepared

as possible for the newfound responsibilities they will have upon receiving a Nevada driver's license?

Assembly Bill 77 mandates classroom or virtual distance driver's education and behind-the-wheel training. The behind-the-wheel training can be accomplished either by the school, or the school can contract with an outside driving school to provide the instruction.

There will also be an amendment presented to provide for reduction of insurance premiums for students who achieved at least a "B" in their classroom instruction. This is important to encourage meaningful participation on the part of the students. This benefit was provided for me, and I was told by my mother that there would be no driving if I failed to achieve a "B" or higher.

I urge your support of A.B. 77. It is the least we can do for our children before we send them on the road in a vehicle that weighs more than a ton and moves at speeds in excess of 70 miles an hour.

Assemblyman Goicoechea:

Assemblyman Horne, you talked about the four or five schools that still offer driver's ed down in the Las Vegas area. Have you got any numbers as far as the cost per student?

Assemblyman Horne:

We recognize that there is a fiscal note involved in this and we are addressing the public policy portion of this. When this occurred and the schools were allowed to choose not to offer driver's education, they had things like simulators, cars, and even personnel, and they sold all of this stuff. I would ask, where's that money? If this Committee so chooses to pass it out, it will go to Ways and Means and they'll deal with the fiscal impact on the school districts.

Assemblyman Goicoechea:

In the language in your bill, I didn't see anywhere where you were truly looking for funding for the program. Don't get me wrong; I definitely support driver's ed. I was at least a decade ahead of you when I got my "A" in driver's ed. I do support it; I'm just concerned about the fiscal impact, especially on some of the rural areas or any area that really doesn't have the wherewithal. Even in Clark County it would be very expensive to put this program back into place.

Assemblyman Horne:

Supporters also have those concerns. But first we wanted to state the message and have our Assembly state clearly that this is something we want to do, and it's the right thing to do. Again, this is a public policy committee and we'll work out the figures on the fiscal matters.

Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County:

[Introduced herself, read from [Exhibit C](#).]

I'm proud to be a cosigner on this legislation with Assemblyman Horne. I see this bill as a very simple approach to the return of some sanity to the issue of driver's education. The genesis of portions of this bill was actually an outcome of a discussion I had with the principal of Sean Latimer, the young man who unfortunately had some very bad experiences with driving inappropriately in many different ways. But what the principal said to me is, it's time to bring back driver's ed. We've allowed the flexibility, as Assemblyman Horne said, since at least 1995. With that flexibility, driver's ed basically went away.

In Clark County, out of about 20 high schools, you're down to about 8. Washoe is about the same. Several of the rurals still offer it, but it's very minuscule as far as what's available out there any longer. Driver's ed was allowed to be pushed out of the schools because of the curriculum changes that were added with no extra length in the school day and with additional standards that were put into play. That is part of what's driving this whole debate in the long run.

We offer Assembly Bill 77 for discussion purposes, and while it's not perfect yet—I know you will help to get it there—it does resurrect the issue of where to start as you debate the whole issue of a graduated driver's license.

I believe we should be mandating driver's ed class instruction. We should be mandating behind-the-wheel experience with trained instructors. We should be making sure that our kids are earning a credit for taking driver's education. We should be making it available during school, before school, after school, and on Saturdays if that's what it takes for them to have access to it. We should work out a partnership with the charter school students so that if this becomes mandatory, those kids will have access to it as well. We must simplify the age requirements for permits and licenses. We must require that if a student gets a "B" or higher, then the parents should receive the break on their insurance rates,

and that's the suggested amendment that Assemblyman Horne mentioned.

Most importantly, we have to remember that a driver's license is not a right; it is a privilege. Last week I reintroduced a bill to prevent the execution of juveniles under the age of 18, and yesterday the United States Supreme Court ruled that it was unconstitutional to execute those under age 18. The reason I even mention this is because the whole issue centered upon development, maturity, impulsivity, and irresponsible behavior. Science has shown that brains are not truly fully developed until age 20. That is exactly what we should consider when we debate what age we should be issuing permanent license versus a temporary license versus an instruction permit.

I have an article I'll hand out for the Committee that speaks to what I'm talking about on brain development ([Exhibit D](#)). Twenty-three states mandate driver's education. Some states even charge students a fee. Some get a percent of their driver's fines and restitution citations—we may want to take a look at that. Some recognize that not all families can pay and districts then cover that cost. I feel confident that we can make this work. We can look at the insurance liability cost for the districts. I don't know if that's part of what played in dropping that, but maybe there's an umbrella plan we can bring into play or assist them with that. We could have the school district administrators give up their cars that they don't really need anyway and turn them back to the schools for driver's education behind the wheel training.

The districts were funded for driver's education. Many cars were sold and so was the equipment. They didn't return the money to the State, so I guess they must still have it in that per pupil funding some place. I ask you to look at the policy and help us save the lives of our youth. Assemblyman Horne mentioned the one amendment that we would suggest.

After reading through these statutes as we were looking through this bill trying to figure out how to do a flow chart for all of you, it is extremely confusing. I'm almost to the point where I think we should throw out what's in the book and recraft simply what we want. When is it a temporary instruction permit? When is it a behind the wheel permit? When does it actually become a temporary license? Right now, we're kind of stuck having to react to what we already

have on the books, and maybe it's gotten too convoluted through amendments. It may be time just to throw all that out and start over again.

In the article ([Exhibit D](#)), it did mention that teenagers are four times more likely than older drivers to be involved in a crash and three times as likely to die in one, according to the Insurance Institute for Highway Safety. Right now, our first subjects are reaching driving age, and what better application can there be than to save their lives and to require driver's education to be returned back to the schools? Really that is the crux of what our legislation is doing. We've given you some other ideas as you deal with the whole graduated driver's license issue and how we get the driver's ed back in the schools so that it can work for all the schools, regardless of which county they're in.

Assemblyman Sherer:

How would that work with home schoolers and also private schools?

Assemblywoman Giunchigliani:

Home schoolers should have access to what we talked about. Say we did some Saturday schools and allowed them for a fee to come in and utilize that. The charter schools will need to come up with some of that. We even have kids within each of our districts that are in an alternative education program that we would need to make accommodation for. I think this is a flexible issue.

Unfortunately, with those teachers leaving as they got rid of it, you don't have that many driver's ed-licensed teachers anymore. I believe [Superintendent of Public Instruction Keith Rheault] has been looking at some different ways or some coursework that, either through the college or the university, we could get someone to be licensed as an instructor. I think there's ways that we can work around that, but I think that's an important point we shouldn't forget.

Assemblyman Carpenter:

There are so many schools that are so small out in the rural areas, and we need to make some kind of provision so that they're either excused, or that we find some way to bring them into the program. So many of these schools are very small and it probably wouldn't be feasible to try to get a program in every school, so we have to have some sort of flexibility.

Assemblywoman Giunchigliani:

Absolutely. What you could do is look at a regional point for some of the outlying areas. That might have to work for Nye County. Maybe every high school will have to offer one and then depending on its location you do a regional type so that the kids can access it. That's why I still think Saturdays might be an opportunity for some young men and women. We may want to

explore with Great Basin in your case or some of the other colleges. There is the extension program through the tech centers in Pahrump; maybe we could have some kind of class instruction there for some of the young men and women as well. The instruction exists. We just have to make sure it's not just a fly-by-night course, and we have to be careful that if we require this for young men and women, we want to make sure that it's the right type of information. Truthfully, we've tried to deal with that practice time of having the parents verify the 50 hours. No disrespect to the parents, but it's not tracked and not documented. By putting behind-the-wheel back in the classroom in some way, I think we actually do a better service to both the parents and the young men and women, and then maybe we could scale back the number of hours required.

Assemblyman Horne:

There is one request I have. Sarah Stadler, Youth Coordinator with MADD [Mothers Against Drunk Driving], is here today. She has to work this afternoon so I requested that she go next. And then we have people in Las Vegas as well.

Sarah Stadler, Youth Coordinator, Mothers Against Drunk Driving, Lyon County Chapter:

[Introduced herself, read from [Exhibit E.](#)]

I am very much in favor of all school districts in Nevada being required to have and maintain driver's ed courses for all students. It has never made sense for students only in large cities or densely populated counties to be mandated to receive driver's ed. The job of driving is just as serious and requires just as much training and concentration no matter where you live.

I also agree that driver's ed should be a combination of classroom study and behind the wheel, when available. I took an independent study driver's ed course at Carson High and I studied and learned and took the course seriously, probably because I had 10 years of volunteering with MADD and knowing all the crash data. Many of my peers who took the independent study did the very minimum to pass the course and thought of the training as a joke.

I feel there is no cost too great in making sure we have safe drivers. Independent study driver's ed is no longer offered at Carson High, and actually, the classroom driver's ed has been off-loaded by the high school to WNCC [Western Nevada Community College], which does seem to work well. So there is room for flexibility by the school districts.

I also support, and my mom especially supports, the provision to provide lower insurance premiums to those who have completed driver's ed. My mom was very surprised to learn that in Nevada, insurers made no reduction on premiums when teens had completed driver's ed. If the driver's ed curriculum includes the appropriate safety information and the student's parents verify the statutory 50 hours of driving experience, the new driver should get a reduction on insurance costs, as is done in many other states. This provides an incentive to become a properly trained new driver.

I'd like to end by stating that I've heard many disturbing comments from my peers, such as, "If I can get a license, anyone can." These are attitudes that this bill will hopefully change and save young people from getting in crashes and dying. Please join me in supporting Assembly Bill 77.

John Phillips, Owner, Drive Friendly Driving School, Las Vegas, Nevada:

[Introduced himself.] I have a neutral position, but naturally being the owner of a driving school, I have a little bias. First, let's talk about the problem—that we don't have driver's education in high school. I also went through driver's education in Cincinnati, Ohio, my home town, both behind the wheel and in the classroom. I don't remember what the quality of the instruction was, but I think it was free. The cars were provided by a local dealership. They had dual wheels and dual brakes. There is definitely a merit of having it back in the high school curriculum again.

We have to ask, why was the program dismantled? We have 33 high schools here in the valley. Next year we'll have three more built, giving us 36 high schools in the Las Vegas Valley. Only seven of them have driver's ed, and that is classroom only, and they do have driver's ed during summer school.

The next question is, does the leadership of the school district want a return of the driver's education program? The feedback that I have gotten in the past on this particular situation is, we don't want to give up an instructor; we don't want to give up a classroom for driver's ed. The answer is obvious. We don't have enough principals who have volunteered to continue it.

What is the total cost of implementation in the return of this program, which we all feel is very important? We constantly hear about how the school districts are always running out of money. The crisis down here is our health clinics have run out of money, so the school board won't be meeting until March 10, 2005, and

they're talking about shutting down the clinics for kids who are sick at school who can't afford health care. We have to look at the money situation.

Fourth, where is the money going to come from? The taxpayers have in the past passed a bill where money would come out of our pockets to pay for driving education. My question is, where did that money go?

Of the seven schools that do have driver's ed, I have to ask, what are their qualifications to teach driver's ed? How were they certified? We can't just say that a teacher, because he has a bachelor's degree and teaches math or science, can be an effective certified driving school instructor.

We have to address all of these five things I talked about before we say and do what we did in 1999, just pass a law saying that the 30-hour course will start. In October 1999, that's what happened, and no planning was set up. The bill was passed and there was a mad rush to try to come up with a program down here to meet that requirement.

Sincerely, I would not like to see this bill passed without those questions being answered and a plan established to make it a worthwhile, well-constructed, well-thought-out action plan. My recommendation is, if the bill is passed, that you put a realistic target date as to when it would be implemented. The key thing is that we have to have driver's education that has teachers who are well-prepared to teach the subject using the best available teaching techniques and curriculum.

Chairman Ocegüera:

Have you ever been contracted out by a school district in Clark County to do driver education training?

John Phillips:

No. When we did have the program down here, we had simulators, and those simulators were disconnected and done away with, and we were wondering what happened to the money that was in the driver education program. I purchased 17 simulators at Green Valley High School. These things probably cost more than \$500 apiece and I got them for \$25 total. I purchased them and distributed them to all of the private entrepreneurs to use in their driving schools. We had a program that was dismantled, and now we're trying to bring it back. But if we want to bring it back, let's do it the right way, with a lot of thought, realistic timetables, and instructors who are certified to teach—meaning qualified—not just appointed by the principal.

Assemblyman Sherer:

I was wondering if we could buy those back for \$25.

John Phillips:

They were originally hooked up to a screen and electrically motivated and operated, and that's all been dismantled, so we just have the skeleton of the simulators that we use effectively. But there's no computer hooked up to them where you could actually view the roadway and make driving decisions.

**Rich Heinrich, President, Nevada Professional Driving School Association,
Las Vegas, Nevada:**

[Introduced himself.] The main focus of our association is to promote driver safety throughout the entire state of Nevada. As I look at Assembly Bill 77, I remain neutral on the bill because, although I'm a firm believer in driver's education and also graduated driver's licensing, unfortunately things have changed since Assemblyman Horne went through driver's education when he was in high school. Today, we have gym teachers, football coaches, and Spanish teachers teaching our young people how to drive a car. The only problem is, they give them a book say, "Here, read it, and answer the questions in the back." They also do crossword puzzles with driving terms in it. My daughter even attended driver's ed because I wanted to see exactly what they teach. To my chagrin, my daughter knew more than her instructor did. The main focus is that we should have qualified personnel teaching driver's education. Driver's ed has changed a lot in the last 5 years, let alone the last 25 years. You learn everyday how to teach this course. We cannot allow students to sit in a classroom and not learn.

Although the simulators did an okay job, the main focus should be on behind-the-wheel experience. States that have had mandatory reductions in accidents, fatalities, and injuries, all have a major component of behind-the-wheel with a licensed professional. That can be expensive. I can tell you that car insurance on each vehicle is very expensive. There are no multi-car discounts. You're looking at a minimum of about \$4,000 per vehicle, and there are insurance companies that do give a reduction between 5 and 20 percent if the mandatory behind-the-wheel with a licensed professional has been completed—a minimum of six hours. The National Transportation Safety Board has already graded our state, and we are in the bottom 11, saying our laws are too weak in governing new drivers. I agree with that. If this bill passes and we have the qualified personnel in order to do the best job possible in teaching the most up-to-date defensive driving techniques, then that would be a good thing. However, if we leave things status quo, as what's happening in the seven high schools down here in Las Vegas, then we are not doing a good enough job to make sure that our young drivers are taught the proper techniques.

Down in Las Vegas, nobody supervises to make sure the curriculum is being taught properly. Somebody must step up and make sure that the teachers are teaching it properly. The professional driving schools have to answer to the DMV [Department of Motor Vehicles], maybe the Department of Education has to get a little bit more involved in this, or an outside entity, to make sure that we're not just sitting there and letting students do whatever they like when this is the most important thing that they have to learn.

Assemblyman Carpenter:

How long does it take for someone like you to learn to teach driver's ed? What are we looking at as far as time and cost to get people properly trained to teach driver's ed?

John Phillips:

Using myself as a personal example, I went through a driver education program put on for driving instructors in the Clark County School District back in July 1999. That course went for one week and we went in a session from 8 a.m. to about 4 p.m. I also went through a 40-hour course put on by the Clark County Community College that cost about \$300. I am now the instructor for that course, and I do it about three times a year. These are for people who want to become driving instructors and driving school owners. I also attend annual seminars like doctors and nurses and other professionals go through. The purpose of those is to stay current with the new laws and new techniques and to be able to bring that back and share it in the classroom.

Chairman Ocegüera:

I think the genesis of Mr. Carpenter's question was more in line with the minimum requirements.

John Phillips:

I would say one week.

Chairman Ocegüera:

Could you give us an estimate of the cost of that course?

Mr. Phillips:

I would say probably \$150 per person, and again the hours are between 8 a.m. and 4 p.m.

Cliff King, Chief Insurance Assistant, Division of Insurance, Department of Business and Industry, State of Nevada:

[Introduced himself. Read from [Exhibit F.](#)]

Assembly Bill 77 encourages public safety and provides incentives to families and young drivers to make Nevada streets and roads safer for all. As you are aware, A.B. 77 mandates insurers of liability for automobiles to provide a reduction in premiums if a person has completed a course in driver's education. The Division believes that this discounted premium would not cause a hardship on insurance companies or the Division of Insurance.

Many insurance companies that write personal automobile insurance in Nevada already have an approved discount in place for successfully completing a driver training course. There are other insurers that have discounts for driver training, but have behind-the-wheel requirements. Other insurers may have their own training program requirements, such as requiring that a young driver view a video. And there are some companies that do not have a discount in place for completion of a driver's education course.

If Assembly Bill 77 passes, non-compliant companies will need to submit a discounted rate filing to the commissioner for approval or disapproval. However, A.B. 77 offers enough flexibility for insurers to determine the appropriate credit for such education, and we do not anticipate this to cause a disruption in the marketplace. We also do not anticipate a hardship on the Division, as these filings would be considered routine and could be reviewed by existing staff.

In conclusion, we do not see a hardship for either insurance companies or the Division of Insurance. We do see many benefits for our young drivers and the public.

Assemblyman Christensen:

I am a signer with Assemblyman Horne on this bill. From my personal experience, I wanted to say that I remember driver's education very well. It was one of the courses that stuck out quite a bit in my mind. It's where I learned how to use the emergency brake in the event that the master cylinder in your braking system goes completely out. I remember those simulations. I remember the gory videos, and I will never forget them.

Having lived over in Germany for a time, I know that they're 18 by the time they're able to qualify for a license, and by the time they've gone through all their driver's education—it's almost the equivalent of us here in the U.S. getting

a pilot's license. I know that their driving-related youth fatality figures are significantly less than here in the U.S. I'm a strong supporter of this primarily from my perspective because I see this as a cultural issue. Eighteen years ago, hardly any of us in this room wore seatbelts, but now, because of all the PR and education that we've gone through, we all just know that it's a good idea, but that was a cultural change.

[Mr. Christensen read a letter from Delise Sartini, President, Moms on a Mission, Las Vegas, Nevada ([Exhibit G](#)).]

I write representing Moms on a Mission, a group formed early last year in response to a teen vehicle tragedy. What I have learned in the last year compels me to write in support of your bill to put driver's education back into the high school curriculum.

Assembly Bill 77 can bring driver's education back to the classroom where it belongs. I would hope that you would go so far as to make successfully completing driver's education as requirement for all those graduating in 2008 and beyond.

Far too many of our youngest members of society are being lost in vehicle crashes. In fact, crashes are the leading cause of death for not only Nevada teens, but teens across the United States. Looking at crash statistics in other countries, you don't find the fatality rates that you do in the U.S. This difference is attributed to far more driving education before getting a license. It is not unusual in European countries to spend two years and thousands of dollars obtaining a license. I fear we treat this milestone as a right and not the privilege that it is.

Every one of the members of our group is a mother with children who would benefit from this piece of legislation. Some of us also have older children who have been subjected to the lax education requirements now mandated by the state. My eldest son took his driver's education in summer school, and my younger son, who is currently a senior, took his required education by Internet course.

Neither got the education they needed, nor were they prepared for the dangerous situations they can get into behind the wheel, and more importantly, how to get themselves safely out of the situation. I am convinced that meaningful education offered in the classroom has the potential to turn out teens better prepared to drive.

I sincerely hope that you can get your bill through the Assembly and Senate without compromising every nuance that needs to be part of driver's education in order for it to have the opportunity to change novice driving behavior. If I can be of any assistance, please don't hesitate to contact me. Thank you for your efforts to keep our children safe on Nevada roads.

Jeanette Belz, Legislative Advocate, representing Property Casualty Insurers Association of America, Reno, Nevada:

[Introduced herself. Read from [Exhibit H.](#)]

The Property Casualty Insurers Association of America (PCI) is a trade association representing over 1,000 member insurance companies that write property/casualty insurance policies in the United States. Currently, 79 PCI member companies write automobile insurance in the state of Nevada. PCI members are responsible for approximately 52 percent of the private passenger auto liability premiums written in our state.

PCI supports the effort to promote driver education courses. Teaching new drivers about the effects of drugs and alcohol in the operation of a motor vehicle or about auto insurance are important components of this education.

Section 5 requires a premium reduction for all people who complete specific driver's education courses. The reduction assumes that the course is effective in reducing accidents and insurance costs, which should in turn be reflected in the loss experience of the insurer. If the insurer finds that the discounts provided do not result in a fair and reasonable return, then the insurer may apply to the Insurance Commissioner to adjust the rates.

PCI's position is that any discounts on automobile insurance should be based on solid experience that shows a relationship between a course and lower insurance costs. However, the provision of a discount is a factor which insurers can use to compete in the highly competitive market to attract customers. Although PCI members are not able to discuss the details of their books of business due to anti-trust consequences, we have anecdotal information through previous testimony that some companies do in fact provide a driver's education discount. They use this as a competitive tool to attract particularly young drivers.

In reading Section 5, we would also suggest that several points need to be reviewed. This section fails to provide a time frame for the discount. In addition, there is no requirement that the person receiving the discount maintain a good driving record. Without some time limit, a person who takes a course in high school would remain eligible for a lifelong discount even though the person has a terrible driving record.

PCI supports the goal of Assembly Bill 77, but we believe that the proposed discount should not be required across the board. It should continue to be a competitive tool.

Chairman Ocegüera:

Ms. Belz, do you want to submit an amendment? I just need to remind people that if they're going to submit amendments, they need to put their name, contact information, whatever the suggested amendment is, and the intent of that amendment in writing to the Committee so that we can look at that amendment in a work session.

Jeanette Belz:

Ultimately, if you're going to a work session, we'd want to participate in that. We do support sections of the bill more than we support other sections, and I think our first priority would be to keep the discount in a competitive market. But if you were moving toward a required discount, then we would want to participate in making sure that that was addressed.

**Kenneth Kruger, Past President, Nevada Professional Driving School
Association, Reno, Nevada:**

We are the ones requesting the amendment. The way the bill is drafted right now, it says it's mandatory that all school districts teach during school, during the summertime and outside school hours. I don't really believe that was intended. So we've suggested the language they "may" teach outside school hours. Another reason for the amendment is to keep the public schools from teaching subjects that do not count toward graduation credit, as everything taught in the public schools should count toward graduation credit. This is the only course that I have ever seen a high school teach that didn't have credit for graduation. If you teach a pottery class, you get credit toward graduation. But since Nevada requires the driver's ed, Washoe County now sells the course—which is on our turf, when they start selling it—they sell the course during the summertime and after school hours. Clark County is now contracting with an outside agency to do their course online, which isn't really their course, and doing it for sale. So they're using it as revenue.

I believe that if the high schools are going to teach the course, it should give semester credit for that course. The course should be an elective course. Palo Verde High School now mandates that everybody take driver's ed whether you're ever going to drive in your lifetime or not, you have to take the course. In doing that, they're saying you don't have the prerogative to go to a private-sector school and take the course. I think that's not very business friendly.

They mentioned that the course was going to require behind-the-wheel training, but I see nothing in the bill that states that. To me, driver's education should have a strong comprehensive driving component to it. If you're not going to teach the driving component, then I think you're wasting your time just doing the classroom component. I've seen so many teachers that teach theory in the classroom about all the safe driving techniques there are, and then themselves get out in the car and not drive anywhere near like what they were just talking about. I am one school that does train instructors for behind-the-wheel training.

We spend 18 hours teaching an instructor behind-the-wheel training. The first thing we do is tell them, "We're going to teach you how to drive." By the time they finish the course, they realize that they didn't know how to drive. They were just going through the motions of what their dad taught them. So we have a very comprehensive course that involves what we call the Smith System of defensive driving. Our school does contract with Bishop Manogue High School for their behind the wheel training. We also have contracted for their classroom instruction. We have contracted also at one time with Bishop Gorman High School. We have a very expensive simulator that we use, and we would be more than happy to load it up in the back of a truck and drive off to Carlin or someplace and teach a driver's ed class there. Let the school teach the classroom portion and we'll teach the behind-the-wheel portion. I don't think it's very effective to teach the in-car portion out in the middle of the boonies if you don't have any traffic.

Assemblyman Carpenter:

What would it cost to teach a class in Carlin? Are you going to bring them to Reno and teach them there or will a simulator do that?

Kenneth Kruger:

We have a two-hour course that goes into some very good scenarios. This is an actual virtual reality simulator. It's not like the high schools used to have with films. In this thing I can take them up to 70 miles per hour and say, "Okay, now go off the highway and try to get it back on." Even trained drivers have a heck of a time the first time and crash the car. Once a week somebody dies in Nevada doing just that—going off a highway at 70 miles per hour. We train a

two-hour course at our office for \$140 on a simulator. If we had enough students to where we could back them up one after another, we could probably keep the price about the same and still get out to Carlin to do it.

Assemblyman Carpenter:

So it's your feeling that the simulator is as valuable as behind the wheel, or do you have to have both of them?

Kenneth Kruger:

You do have to have both of them because they do have to get the feeling behind the wheel. However, I'm also a commercial pilot. Pilots today are trained in simulators all the way to their first revenue flight and never been behind the stick of a real airplane. They'll do the entire training in a simulator, and their first time in the right seat of the airplane is on a revenue flight with passengers in the back. So the simulator is a valuable tool and you can do so much more in a simulator that you can't do in a car. Let's say I was to go to Carlin. How am I supposed to teach people how to enter a freeway? When we go through yield signs, we always hope there's a car coming so the guy would have a reason to look. But in the simulator I can always have that car coming, and he has a reason to look because if he doesn't, he gets hit.

Assemblyman Carpenter:

How many hours did you say you need in a simulator?

Kenneth Kruger:

I have two courses that I teach in the simulator. One is two-hour course, and one is a four-hour course, and we run it at \$70 an hour.

Assemblyman Carpenter:

So you could go to the rural schools and test them in a simulator.

Kenneth Kruger:

Yes.

Ron Kendall, Volunteer, New Driver Education, Western Nevada Community College, Carson City, Nevada:

[Introduced himself. Read from [Exhibit I](#).]

My own health disaster five years ago prevented me from driving, and during rehab I observed that our driver training was not all that I thought it should be. As a result, I began to work on the concept of a more effective driver training program utilizing a computer simulator. I was successful in getting Western Nevada Community College (WNCC) interested. They started the four-day new driver

education program, graduating 70 students. As a result of that, your help is needed in reducing vehicle fatalities by improving our current driver training and education programs that will save young lives.

The latest 2003 National Highway Traffic Safety Administration reported Nevada statistics: 76 young drivers ages 15-20 were involved in fatal crashes. The majority of the accidents were because driver training was either nonexistent or was so poor as to be worthless. Without proper training, projections indicate another 10 percent will be killed.

In the past year, using simulator technology, WNCC initiated the New Driver Education Program. Over 70 Dayton, Douglas, and Carson High School students graduated from this program. The classroom instruction, combined with driver simulator training, has been extremely successful. That fledgling program will continue through the summer.

You're being asked to consider mandating driver education in our public schools. In principle, no one would disagree with such a mandate. While most of the arguments will be the funding, the value of driver education cannot be disputed. Ideally, driver training would be done behind the wheel of a car for tort system liability associated with the behind-the-wheel driving. The enormous investment necessary for every 15-year-old to spend from 10 to 15 hours driving with an instructor will prevent this from taking place. The fledgling program already in place at WNCC in Carson City uses a computer-based simulator combined with traditional classroom training.

We can use modern technology to train and evaluate everyone applying for and renewing the Nevada driver's license. After passing a written test, applicants would be required to demonstrate their abilities in all environments presented to them on a simulator.

Aviation, medicine, and military turned to modern technology simulators to address training issues. That is effective, common-sense safety methodology. The simulator challenges the student for a wide variety of circumstances. The environment is forgiving, the student learns from a mistake, we run the event again until you get it right. Live events do not offer forgiveness.

Driver education and licensing based on the ability to pass the tests for visual acuity, written, and short driving exams are ineffective. A simple, inexpensive personal-computer-based simulator encourages and improves individual safe driving skills. The WNCC program is modeled to use the forgiveness of simulators for training. The simulator offers simple, helpful, effective, and challenging behind-the-wheel effects such as distractions from other vehicles, heavy equipment, pedestrians, bicycles or animals, day and night driving, weather conditions, rain, snow, fog, and wind, traffic lights, signs, road repairs, traffic control such as flagmen, patrolmen, rear-view mirrors, side mirrors, and windshield wipers.

A results summary, including average speed, lane position, accidents, and problem behaviors is recorded, displayed, and printed for the student and instructor.

A laptop computer equipped with the novice and DUI [Driver Under the Influence] driver simulator is available for the police academy for training. This is the same DUI software used by the Tucson DUI Task Force. Simulators offer a life-saving concept through education and training.

I ask that you sponsor the WNCC New Driver Education Program; initiate the program in other areas mandated by the Legislature; support the program on a trial basis for three years; determine, by concluding evaluations, if the program should be required statewide; assure program evaluations are conducted with fairness; and establish trial areas large enough to produce statistics that can come to a conclusion.

The simulator itself is available for your review. I have it on a laptop with a projector. I'd be happy to set it up anywhere, anytime.

Assemblyman Goicoechea:

Do you feel that simulator training is adequate—that you can do your two hours in your simulator and at that point you would be willing to sign off that they did meet the criteria?

Kenneth Kruger:

The students are still going to have to have the 50 hours of experience, and I feel that's going to give them the feel of the car and all the things they need. I would prefer not to do two hours, I'd prefer to do three or four because scenarios all have shock value to them. The one thing you never want to do is

let another student stand there and watch a student do this because if the student is watching, he doesn't get the shock value, and when he gets in there he already knows what's going to happen so he's ready for it. When that person gets the shock value, they know from that time on, they'd better be watching that next time they get into that situation.

Assemblyman Goicoechea:

So then the bill would require that they have at least 50 hours of supervised driving after the driver's ed course?

Kenneth Kruger:

That isn't in this bill, but it's in statute right now.

Assemblyman Goicoechea:

With the driver's ed, that wouldn't take the place of the 50 hours of supervised driving?

Chairman Ocegüera:

Not in my opinion, but we all have to agree.

Joe Guild, Legislative Advocate, representing State Farm Insurance Companies, Reno, Nevada:

[Introduced himself.] Just to clear up something that was said earlier, State Farm is one of the companies that does offer driver's education discount to its insureds who have passed a qualified course. I'd like to commend Mr. Horne and Ms. Giunchigliani for bringing this important public policy statement forward because State Farm has always supported these kinds of efforts.

I share the concerns expressed by Jeanette Belz earlier. There is no condition for loss history or no exception for loss history or claims history—in other words, no good driver discount available here, so the only condition the person has to fulfill for this particular discount would be passing the driving test, and the time limits aren't specified. I'd like to propose an amendment to the Committee in a work session also, just to make sure those two minor areas are cleaned up in a technical way.

Assemblyman Carpenter:

What kind of discount is offered to the students who have passed a course?

Joe Guild:

I don't know the amount, Mr. Carpenter. I just know that it's not only offered, it's provided. I think it's something on the order of a 5 or 6 percent discount,

maybe even as much as a 10 percent discount. I can't be absolutely certain, but I will get that information to the Committee, Mr. Chairman.

**Robert Compan, Government Affairs Representative, Farmer's Insurance Group,
Las Vegas, Nevada:**

[Introduced himself.] For the record, Farmer's Insurance has always been an advocate of the safety of our teen drivers. We agree that the implementation of this law, which would require that driver's education be mandated, is good and it would place better drivers on our roads in Nevada. We rate teen drivers based on actuarial data and information that's currently available to our company through other sources. We also offer a good driver discount. We offer a good student discount. We offer anywhere between a 6 and 20 percent discount based on numerous factors, not only including driving records and good students, but also on other things based on multiple car discounts. So it's hard to say what discount will be provided.

We think it's a very good bill, and any time we're going to put safe drivers on the road—and we care about our youth here in Nevada—it's a good deal. We do have some concerns and we'd like to work with the Committee on it if you have any work sessions to address some of the concerns.

**Joyce Haldeman, Executive Director, Community and Government Relations,
Clark County School District, Las Vegas, Nevada:**

[Introduced herself. Read from [Exhibit J.](#)]

The Clark County School District agrees with the premise of most driver's ed legislation: that students can benefit from comprehensive driving instruction and that by providing this instruction we may be able to reduce the teen accident rate. Two years ago, partially in response to the horrific accidents involving students, we closed our campuses at lunch time, keeping our students on school property. Driver safety and driving instruction are laudable goals and we support them completely.

Our questions in this matter revolve around the venues for instruction and the role of public schools in achieving the desired outcomes. In Section 1, school districts would be mandated to offer driver's ed during the regular school year, during the regular school day, during the summer, and before and after school. This amounts to requiring instruction in driver education all year long, both within and outside the regular school day, which raises the question, is this required at every school? Would we be able to offer it at a limited number of schools in each district? Clearly, if the mandate is for all schools, then the fiscal note would be fairly

large since such a great deal of instruction would be required outside the traditional contract year.

The bill does imply that we could charge a fee, so we're assuming that we could assess student fees to offset these costs. The question is, would we be able to assess that same fee for students whether they're taking the summer school class, or if they're taking the class during the regular school year? We have questions about those issues.

[Continued reading from [Exhibit J.](#)]

The bill, while requiring districts to offer the instruction, does not address whether or not all students are required to take the course. If driver's ed is to become a course required for graduation from high school, then districts must consider schedule implications for students, which would be significant, as well as staffing implications and the availability of licensed teachers. Currently in Nevada, there is no program for certifying public school teachers for this discipline.

You heard testimony about the quality of teachers. We would never argue with the fact that licensed drivers need to take driver's ed classes. Whether you need to have a driver's ed class to graduate from high school, we think is a different matter.

Chairman Ocegura:

What about whether you could earn credit for it?

Joyce Haldeman:

If you take a driver's ed class in Clark County, you do receive credit for the class. [Read from [Exhibit J.](#)]

A total of 4,072 Clark County School District students took driver's ed last year, either in a classroom setting or through distance education courses. To put this in perspective for the magnitude if this were a required class for all sophomores, in Clark County we project to have 23,219 sophomores next year. We provided 4,000 courses last year; we will have 23,000 students next year. We just need to have you understand the magnitude of what this would mean for us. Public schools are generally well equipped for providing classroom experiences. In the case of driver's ed, though, it is clear that behind-the-wheel instruction is another integral component. However, the costs associated with

vehicles and liability make hands-on instruction in this area a very costly undertaking for districts.

Moreover, standards for obtaining a driver's license fall under the purview of the DMV. Therefore, while schools may be an ideal setting for classroom instruction, some other entity—the DMV or private driving schools—would be a more appropriate venue for the actual driving experience if the Legislature requires it of all potential drivers. This would also ensure that non-public school students—such as charter school students, home schoolers, private school students—would have the same opportunities for hands-on education.

The goal of requiring student drivers to have more exposure to the principles and considerations for safe driving may also be accomplished in a context outside of school, perhaps at a much lower cost. Providing after-school instruction at a contracted hourly wage, rather than through a full-time position that includes salary and benefits, may be more cost-effective yet equally effective for the student.

In closing, the District has an interest in ensuring that adolescents are safe drivers. We also have an interest in being granted the resources to achieve whatever new expectation may be imposed upon us. The bill notes that this is an unfunded mandate, so if we ultimately are expected to add class times—before and after school and during the summer—and expand current programs requiring additional, properly licensed staff—then we would request that the Legislature also provide the means to achieve those ends.

Finally, it is important to note that the CCSD [Clark County School District] currently offers driver's ed via distance education. During the 2003-2004 school year, we served 1,709 students in this manner. We believe that this method could be employed to greater advantage, and serve other districts, too, and we would be willing to further explore this option and with the bill's sponsors if this goes to a work session.

I brought with me some of the disks from our Driver's Education course ([Exhibit K](#)). This is a course that was developed in conjunction with our curriculum department and KLVX Channel 10. It's a course that has 15 disks to it, and each of them have three driver lessons. You can see how they work. Of course they do not provide hands-on experiences or simulators, but they do give

you the course curriculum that we cover in the Clark County School District.

Chairman Ocegüera:

There were questions that came up earlier. Do you want me to ask them again or do you just want to address some of the questions that were brought up in earlier testimony?

Joyce Haldeman:

If there's anything in particular you'd like to hear about, I'd be more than happy to answer those. I do recall specifically the gentleman saying that they bought simulators for \$25 and we immediately went out in the hall to make a phone call to find out how that happened. I would like to mention one thing that Assemblyman Horne brought up, and that is that Bonanza High School next year will not be offering driver's ed. It's one of seven schools that currently offer it in Clark County as an elective. They are not going to offer it next year, and when I asked the principal why not, she said specifically because the simulators can no longer be used. The simulators were purchased in the 1970s, which means they're more than 30 years old—older than some of you. They can't be repaired anymore, and the cost of purchasing new simulators is very expensive. So rather than offering a course without the simulators, she felt a semester-long course is too long for a semester without the simulators, and the option of offering a quarter credit class didn't seem feasible to her, so she's dropping the driver's ed program as a result of that. So the simulators that the gentleman purchased—I think he indicated a little bit later in his testimony that they didn't really work; they couldn't have the simulated highway and I think that's the reason they were auctioned off. If, in fact, they were auctioned for \$25, it probably would be because he was the only bidder.

Chairman Ocegüera:

Obviously the student population has increased dramatically, but in 1997 we authorized the ability to "either/or," and it seems the classes have been diminished since then. Did every school have driver's ed at that point and then we've gradually gone down to six or seven in Clark County?

Joyce Haldeman:

I can't address how many schools did offer driver's ed in 1997. I will tell you that's the time we started going through some serious budget cuts in the Clark County School District. You might recall that in a several biennium period, we went through \$98 million worth of cuts in Clark County. As a result, purchasing the equipment and material for an elective would've been one of the things that we would've chosen not to do. So I think that's part of it. Additionally, the standards that are expected of the students in our schools are higher and higher, both to get into college and to graduate. So for elective choices,

students tend to choose things that are going to help them get into college. There are very few options available for our kids. A typical tenth grade student takes English, science, physical education, math, world history, and usually a foreign language if he's planning to go to college. If he's not planning to go to college, he might take another elective, such as band or music. That doesn't leave much room for something like driver's ed. Many times parents choose to pay for a child to take an elective like driver's ed through the other sources available so they can receive the insurance discount or so their students can take the academic courses to prepare them for college and to help them pass the high school proficiency exam. I think that's part of the reason the electives have moved away from driver's ed.

**Dotty Merrill, Assistant Superintendent, Washoe County School District,
Reno, Nevada:**

Our trustees have not taken a specific position on this bill. I'm appearing before you this afternoon to provide some information to you. We have 14 high schools in the Washoe County School District. Among those 14, we have 4 that are currently offering driver's education as an elective course. The other high schools that do not offer it, do not offer it for some of the reasons that Ms. Haldeman has already shared with you. Either the simulators were so old that they no longer worked and could not be replaced, or the campus needed to use the space to offer a different kind of class as opposed to using the space for simulators, or various other reasons.

We have moved through the years to offer driver education courses through our community education program. Those who choose to take the course through community education pay \$85 for that course. It is a non-credit course. There are no credit courses available through our community education program. If the purpose of this bill is to provide appropriate education for young people before they get their driver's license, I agree with Ms. Haldeman that perhaps providing these programs through school districts is not the best way to do this. The expense of simulators, the expense of automobiles, the expense of providing appropriate training to teachers so that we can have enough who are licensed or certified to be able to teach these courses would be very costly. Perhaps this is an endeavor that would be better handled through the private sector, where an investment can be made and the driving instruction can be provided. It is my understanding that European countries have very, very stringent requirements for driver education, but none of those requirements are mandated to the educational system. Those are all handled through driving schools. So we present that to you as an option.

We certainly support the intention of this bill, which is to have better trained drivers on the road and certainly among young people. That's critical. We

disagree, however, that this is the business of school districts to provide this education at the cost that it would involve, and at the expense of other courses that are needed for our schools to meet the requirements of the No Child Left Behind Act [of 2001] to achieve Adequate Yearly Progress and to better prepare our students so that they are able to attend the university or the college that will best help them, or enter the workforce fully equipped to perform for the employers of our state.

Chairman Ocegüera:

Let's just say, for example, the fee was \$85 and that in Clark County we gave a percentage of those people fee waivers. So let's just say we had 20,000 sophomores take this course at \$85 each. That's about \$1.7 million. It seems to me that the technology has probably gone down in price. I know there's other components, there's teachers, there's training teachers, but it seems like there's room to make this work.

Joyce Haldeman:

We were pricing the cost of the simulators prior to this Committee. They start at about \$4,000 each and can go up to \$30,000. I'm not sure how many simulators we'd have to purchase in Clark County in order to do that, but in addition to the cost of the simulators, the space needed for the simulators—which is more than just a desk for a student—is a consideration for us as well. We think this is a serious issue, and we need to work together to find a resolution to it. Whether the school district should provide simulator and hands-on experience and would be able to do that as well as other companies might be able to do it is something we ought to discuss seriously. The curriculum component—the part that talks about the things that are covered in, for example, this distance ed program—are things that could be done in a classroom. I've talked about these with Ms. Giunchigliani about how we might be able to work those things into the existing bill.

[Joyce Haldeman, continued.] The primary responsibility of the school district is to prepare kids to graduate and to be able to pass the high school proficiency exam and the requirements for that are increasing at an alarming rate. Science will be added to the high school proficiency exam very soon. In Clark County, we're probably going to be mandating that all kids take a third year of science within the next couple of years simply to prepare them for that. The amount of time in the school day has not increased with all these requirements. Students who want to drive—we think that they have enough motivation to find a way to take the driver's ed courses that are available to them through electives in school or through the other avenues that are available. But to mandate that the school require it, and especially to mandate it as part of their graduation requirement, we think places an undue burden on them.

Thomas Fronapfel, Administrator, Field Services Division, Nevada Department of Motor Vehicles:

We don't have a formal position on this bill at this point. We do recognize the need for strengthening provisions for young drivers. There are a number of methodologies by which to go about doing that. In addition, there are a couple of other bills that have already been introduced this session that relate to strengthening those provisions as well. We're maintaining a neutral position at this point to see what happens with those other pieces of legislation as well.

Ron Kendall:

The *USA Today* has an article that's right on point ([Exhibit L](#)): "Deadly teen auto crashes show a pattern." So if you have a chance, pick up the newspaper. In Nevada there were 52 fatal crashes in 2003. That's 16-19 years old. So the statistics I have are 20 and younger. Unfortunately, Nevada ranks 45th. New Hampshire is first. That's the rate per 100,000 licensed teen drivers. So I ask you to take a look at that, because I think with the modern technology, Nevada could be setting a pace and could be a pilot for better driver training. In fact, there were 5,900 teen fatalities, and it's time we do something about it. And it comes down to cognitive skills. If you don't have that, it's deadly.

Assemblyman Goicoechea:

As a representative of some of those people in the "boonies," I do need to make it clear that they learn at a very early age there are consequences for making mistakes when you're driving.

Assemblyman Horne:

I wanted to make clear that this bill does not mandate students take driver's education. What it does is require it be offered for them to take, and I think that's an important clarification to make. Also during the testimony, I heard that they would like to work with us to make this work, but at the same time the schools are not necessarily the appropriate place to offer this. I would differ because I think a school's role is more than just graduating students. I think you have to provide much more than just getting a diploma to our children and sending them on their way. We're supposed to be building quality adults and I think this is part of that.

Chairman Ocegüera:

It would be the Chair's intention to move this bill forward in some fashion this session. I think that it's a very important part of the whole graduated driver's license issue. I think that the educational component is the most important part. So I will be working diligently with all interested parties. If you have amendments for this bill, I would appreciate that they be put in writing, like I said earlier, with your name and all your contact information. Submit them in

writing to Marji [Paslov-Thomas.] It'll be my intention to move some sort of bill forward to add to the whole component of the graduated driver's license. Mr. Horne, I appreciate you bringing this issue before us. I think it's a very important public policy issue and hopefully we can work out the nuances and pass out a bill that works for everyone. Any other comments on Assembly Bill 77? Seeing none. I will close out the hearing on Assembly Bill 77.

[Meeting was adjourned at 3:16 p.m.]

RESPECTFULLY SUBMITTED:

Angela Flores
Committee Manager

APPROVED BY:

Assemblyman John Ocegüera, Chairman

DATE: _____

EXHIBITS

Committee Name: Assembly Transportation

Date: March 1, 2005 Time of Meeting: 1:30 p.m.

[illegible]