

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

**Seventy-Third Session
May 10, 2005**

The Committee on Transportation was called to order at 1:52 p.m., on Tuesday, May 10, 2005. Chairman John Ocegüera presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4406 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:

Senator Sandra Tiffany, Clark County Senatorial District No. 5

STAFF MEMBERS PRESENT:

Marjorie Paslov-Thomas, Committee Policy Analyst
Angela Flores, Committee Manager
Linda Ronnow, Committee Attaché

OTHERS PRESENT:

Andrew List, Executive Director, Nevada Association of Counties, Carson City, Nevada

Mary Walker, Legislative Advocate, representing Carson City, Douglas County, and Lyon County, Nevada

Linda Ritter, City Manager, City of Carson City, Nevada

Dan Holler, County Manager, Douglas County, Nevada

Edgar Roberts, Administrator, Motor Carrier Division, Nevada Department of Motor Vehicles

Steven Grabski, Administrator, Division of Measurement Standards, Nevada Department of Agriculture

Peter Krueger, Legislative Advocate, representing Nevada Petroleum Marketers Association and Nevada Emissions Testers Council

Dan Hyde, Fleet and Transportation Services Manager, City of Las Vegas, Nevada

Marty O'Connor, Legislative Advocate, representing Haycock Petroleum, Las Vegas, Nevada

Neena Laxalt, Legislative Advocate, representing Nevada Propane Dealers Association

Troy Dillard, Administrator, Compliance Enforcement Division, Nevada Department of Motor Vehicles

Glenn Smith, Emissions Control Officer, Compliance Enforcement Division, Nevada Department of Motor Vehicles

Joe Johnson, Legislative Advocate, representing the Toiyabe Chapter of the Sierra Club

Daryl Capurro, Managing Director, Nevada Motor Transport Association, Sparks, Nevada

Chairman Ocegura:

[Meeting called to order. Roll called.] I will open the hearing on S.B. 181.

Senate Bill 181 (1st Reprint): Authorizes certain counties, upon approval of voters, to impose additional taxes on certain motor vehicle fuels. (BDR 32-596)

Andrew List, Executive Director, Nevada Association of Counties, Carson City, Nevada:

We are here today to urge your support for S.B. 181. This bill allows counties in all jurisdictions other than Washoe and Clark to index their fuel tax, if that index is voter-approved. This bill was brought before our board of directors,

representing all seventeen counties and other elected officials. At our board of directors meeting last fall, it was unanimously endorsed, and it has the full support of all seventeen counties.

Mary Walker, Legislative Advocate, representing Carson City, Douglas County, and Lyon County, Nevada:

Senate Bill 181 authorizes rural counties to go to their voters and to enact what is called "fuel tax indexing." Fuel tax indexing was successfully implemented in Washoe County upon approval of their voters. It is a more moderate means of increasing gas taxes, since the tax can only be increased by an inflationary amount every year. The maximum amount the fuel tax can increase is the lesser of 4.5 percent, or a 5-year average of the CPI [Consumer Price Index].

Senate Bill 181 also requires that rural counties go back to their voters to reapprove the imposition of this indexing every 8 years. Since 1982 and 1983, the fuel tax has lost 93 percent of its buying power. We feel this is politically palatable, particularly in the rural areas, where we have tried to increase our fuel taxes but have failed. We do believe that indexing may be a lot more palatable than increasing the fuel tax by 1 cent or 5 cents. This is basically one of our rural self-sufficiency bills, and we need the tools to help ourselves. Edgar Roberts from the Department of Motor Vehicles has a friendly amendment ([Exhibit B](#)), which we support.

Linda Ritter, City Manager, City of Carson City, Nevada:

We have seen an erosion of our purchasing power as the price for streets and roads go up. Our gas tax is a flat amount per gallon of gas sold. What this will do is provide us a tool to address that erosion. It does require a vote of the people, so we will go to our community members and justify what we would like to do with the increase that we will see through the indexing. It does provide a level of accountability, because it has to be renewed after 8 years. After 8 years, we will have to go back to our people and demonstrate that we have been wise in using their money.

This proposed legislation was approved unanimously by our Board of Supervisors. We strongly encourage your support.

Dan Holler, County Manager, Douglas County, Nevada:

One of the key issues for us has been looking at ways to enhance funding for road maintenance. If you talk to any city or county in the state, that is one of their challenges, in terms of adequate funding for road maintenance. Our unfunded list is almost as large as our funded list, as each year we work through our maintenance projects. Allowing us to go to our voters ties this into an index. The people understand CPI, and they don't see it as a massive

increase process. Capping it at 4.5 percent keeps us from being hit from a large increase in the CPI index. If we have a maximum cap on it or it is the average rate of CPI, it will lower those two. Having it tied to an 8-year review process where it sunsets or it stops that indexing process without going back to the voters is another plus that we think the voters like. Putting those in place is a way to raise additional funds for needs they see in their community. It has that cap on it; it goes back to the voters if it is to be maintained into the future. We see it as a win-win situation for both our local government and our voters.

Assemblyman Hogan:

After you have completed the hurdles of getting it passed here and getting it voted in by the public, would your starting point then be whatever is the tax amount, or would there be any backing it up to catch up? Is that correct?

Dan Holler:

That would be correct.

Edgar Roberts, Administrator, Motor Carrier Division, Nevada Department of Motor Vehicles:

We have an amendment ([Exhibit B](#)) before you today which covers the costs and reimburses the Department for the costs associated with the portion of the index tax. We submitted a fiscal note on the other side, and it was around \$20,500.

Chairman Oceguela:

We will close the hearing on S.B. 181 and open the hearing on S.B. 295.

Senate Bill 295 (1st Reprint): Revises provisions governing motor vehicle fuel and petroleum products. (BDR 51-658)

Steven Grabski, Administrator, Division of Measurement Standards, Nevada Department of Agriculture:

Senate Bill 295 primarily is threefold. It has modified some of the definitions as far as advertising motor vehicle fuel, explaining what the actual stations can and cannot use to display their products and advertise their prices. The penalty phase was modified to correspond to some of the other weights and measures laws that already exist. We feel that this is good for the public and business owner, because it provides due-process procedures for them.

Peter Krueger, Legislative Advocate, representing Nevada Petroleum Marketers Association:

We are in support of this bill. We worked with the weights and measures people during the interim to clarify and sharpen some of the language. We are in support of the additional penalties, where people who are misrepresenting fuels to the public can receive some significant fines. We think that is important, and the labeling requirement simply strengthens that and provides better consumer knowledge and protection to a very expensive commodity.

Chairman Ocegüera:

We will close the hearing on S.B. 295. Let's move to our work session document.

Senate Bill 219 (1st Reprint): Revises provisions governing issuance of permits for certain oversized vehicles. (BDR 43-642)

Marjorie Paslov-Thomas, Committee Policy Analyst:

Senate Bill 219 is sponsored by Senator Care. It revises provisions governing issuance of permits for certain oversized vehicles. It was heard May 5, 2005. The first reprint provides that, in all counties except Clark County, NDOT [Nevada Department of Transportation] will be the permitting authority for any oversized vehicle or load that is not more than 120 feet in length, that would be operated on highways under its jurisdiction. The governing body of each county and city will issue permits for such vehicles operated on highways in the jurisdiction of that city or county. In Clark County, NDOT will issue permits for oversized vehicles or loads of more than 120 feet in length for any portion of a state highway. The governing body of a city or county at the point of origin will issue a permit for any such oversized vehicle that will not be operated on a highway under NDOT jurisdiction in Clark County.

This bill, in the first reprint, also requires local governments to adopt regulations pursuant to these provisions, to ensure that those regulations are consistent with NDOT regulations to the greatest extent possible. It also requires that NDOT and the appropriate local governing bodies meet periodically with the effective parties to ensure that regulations remain consistent.

The measure will require NDOT and local permitting authorities to develop and expedite a permitting process where a permit will be issued within one working day for a load 168 inches wide or less, and within two working days for a load over 168 inches wide.

[Marjorie Paslov-Thomas, continued.] There were several amendments proposed by Cheri Edelman from the City of Las Vegas and Steve Holloway of the Associated General Contractors. The amendments are only in conceptual form. Behind Tab A ([Exhibit C](#)) is a copy of the language and the mockup provided by Ms. Edelman and Mr. Holloway:

- Amend the bill to specify that NDOT may issue permits to operate oversize vehicles on state highways under its jurisdiction, and a city or county may issue permits to operate oversize vehicles on streets or highways under its jurisdiction. This would provide more flexibility to the cities or counties.
- Amend the bill to provide that the legal maximum size limitations for oversize vehicles are consistent with federal requirements.
- Provide that NDOT or a city or county may issue a permit to operate an oversize vehicle that is more than 102 inches in width, 14 feet in height, or 70 feet in length, unless the issuance of such a permit would create a safety hazard or impede the flow of traffic.

Ms. Edelman did request during her testimony to take out "upon application" to NDOT or to a city, and put in the word "request" instead of "application," since many people use the telephone to try to get that permit.

- Amend the bill to provide a county whose population is 400,000 or more, which generally applies to Clark County and the cities within that county, to issue a permit to operate an oversize vehicle that is more than 102 inches in width, 14 feet in height, or 70 feet in length, if the operation of that vehicle does not include operation on any portion of the state highway system, and the governing body has jurisdiction over the street where the proposed route of operation will begin.
- Amend to require NDOT or a governing body to coordinate the issuance of the permit with each affected entity prior to the issuance of the permit. The governing body must issue either single-trip or annual permits consistent to the greatest extent practicable with regulations adopted by NDOT.

It was testified that not everyone is issuing annual permits, and this would make it more consistent.

- Require NDOT, the city, or the county to establish an expedited procedure for issuing a permit to operate an oversize vehicle that is 15 feet or less in height or 110 feet or less in length. NDOT, the city, or the county must issue a permit within 1 working day of the request if the vehicle is 144 inches or less in width, or within 2 working days of the request if the vehicle is more than 144 inches and up to 168 inches in width.

[Marjorie Paslov-Thomas, continued.] This gives two different categories depending on the dimensions, and it was testified that anything over 168 inches may take a little longer because of the concern to make sure that it fits along the roads.

Chairman Oceguela:

This was a bill we heard the other day. We had the cities and counties come in and say, "Yes, we think we can do this."

Assemblyman Hogan:

I am concerned about the language that would require the city to issue a permit within one or two days. If we are going to ask that a decision be made by a city or local government, we should make it optional for them to make a decision, not require them to approve something. It might be cured by changing the language a bit; instead of demanding an approval within 24 hours, the statement should be, "a decision will be made on the request within 24 hours."

ASSEMBLYMAN HOGAN MOVED TO AMEND AND DO PASS
SENATE BILL 219, INCLUDING THE VERBAL CHANGE
REQUIRING A DECISION BE MADE ON THE REQUEST
WITHIN 24 HOURS.

ASSEMBLYWOMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Carpenter and Mr. Goicoechea were not present for the vote.)

Chairman Oceguela:

Marjorie will tell us about Senate Bill 307.

Senate Bill 307 (1st Reprint): Requires local assessment of unscheduled air transport companies that only use three or fewer small planes.
(BDR 32-1289)

Marjorie Paslov-Thomas, Committee Policy Analyst:

Senate Bill 307 would require local assessment of unscheduled air transport companies that use three or fewer small planes. It was sponsored by Senator McGinness and was heard on May 3, 2005.

Senate Bill 307 provides for local assessment of small airlines with unscheduled flights. Currently, these companies are centrally assessed by the Department of Taxation. The bill limits the eligible airlines to those with 3 or fewer fixed-wing aircraft with a weight of less than 12,500 pounds.

There was one proposed amendment, which you can see behind Tab B ([Exhibit C](#)), by Mike Alastuey, representing Clark County. He proposes to amend the bill to allow individual owners to elect whether their property is locally assessed and to permit them to choose the method of assessment and the reporting method best suited to the type of business conducted. During testimony, the fiscal note indicated by Clark County said that they were happy with the current process, while the other counties that reported were also fine with the amendment.

Chairman Ocegüera:

This is a consensus amendment; it seems reasonable to me.

ASSEMBLYWOMAN OHRENSCHALL MOVED TO AMEND AND DO
PASS SENATE BILL 307.

ASSEMBLYMAN CLABORN SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Goicoechea and Mr. Carpenter were
not present for the vote.)

Chairman Ocegüera:

Marjorie will discuss S.B. 417.

**Senate Bill 417 (1st Reprint): Authorizes counties and cities to regulate use of
electric personal assistive mobility devices. (BDR 20-331)**

Marjorie Paslov-Thomas, Committee Policy Analyst:

Senate Bill 417 authorizes counties and cities to regulate the use of electric personal assistive mobility devices. It was sponsored by the Committee on Government Affairs on behalf of Clark County and was heard on April 19, 2005. It provides that each governing body of a city or county may, to protect

the health and safety of the public, enact an ordinance to regulate the operation of an electric personal assistive mobility device within the city or county. There are no proposed amendments.

Chairman Ocegüera:

This is the Segway bill. Mr. Musgrove presented this to us, hoping not to have Segways traveling up and down the sidewalks of the Strip corridor.

ASSEMBLYWOMAN OHRENSCHALL MOVED TO DO PASS
SENATE BILL 417.

ASSEMBLYMAN CLABORN SECONDED THE MOTION

THE MOTION CARRIED. (Mr. Carpenter and Mr. Goicoechea were not present for the vote.)

Chairman Ocegüera:

I will open the hearing on S.B. 288.

Senate Bill 288 (1st Reprint): **Revises provisions regarding alternative fuels.**
(BDR 43-889)

Dan Hyde, Fleet and Transportation Services Manager, City of Las Vegas, Nevada:

Senate Bill 288 is a bill that we support. Its intent is to clarify a current statute that has been on the books since 1991. During the 1991 Legislature, NRS 486A was enacted, which provided for an incrementally increasing number of vehicles to be operating on alternative fuels. This was a full year ahead of the 1992 Energy Policy Act of the federal government. This bill is to clarify and define in greater detail what an alternative fuel is. This is the first time the State has had an opportunity to do so.

It's self explanatory. One member of the coalition wanted to add a potential amendment to the bill, which would be to include "hybrid" as an application of alternative fuel. Hybrids operate on a combination of either gas or diesel and electric power. That is not included in the bill you see before you. That is the only added provision that we wanted to have you include in the bill for further definition and clarity on what an alternative fuel is.

NRS 486A, as it's currently constituted, does not clarify specifically what an alternative fuel is. This clarifies that and puts it on parity with what the Energy

Policy Act clearly defines as an alternative fuel. If someone were to read the law as constituted, they would ask what kind of fuels we are talking about. Fourteen years ago, biodiesel was not in mix, and no one knew that biodiesel existed. Biodiesel is clearly an alternative fuel that makes a significant impact in a positive way on two areas, air quality and displacement of petroleum. This is to clarify the language so that people aren't going to be questioning what an alternative fuel is.

Chairman Ocegüera:

Why would we want to exempt the hybrids, when they may run on one of each?

Dan Hyde:

It runs on a combination of gasoline, diesel fuel, and electric power. Electric power is itself an alternative fuel because it operates cleanly. If you don't give the owners credit, why would they buy hybrids in the first place other than just miles-per-gallon performance? The emissions testing clearly demonstrates that you have significant gains on cleaner emissions with the use of hybrids. It seems like a natural progression.

Chairman Ocegüera:

It seems that it would work on gasoline part of the time and the alternate fuel the rest of the time. Why wouldn't we still want to test those?

Dan Hyde:

Actually, you will. As a city entity, we will be testing them for the degree of emission reductions that is predominant with a hybrid as opposed to any vehicle operating on diesel or gasoline. Diesel or gasoline vehicles operate less cleanly than do hybrids. The technology has evolved to the point where it is clearly an advantage that hybrids be used in fleet applications because they burn so much more cleanly. There is a definite point of view that says they should be getting some kind of credit for that.

Senator Sandra Tiffany, Clark County Senatorial District No. 5:

I met with the fleet managers, school district, sanitation district, and water district in Clark County. One thing they wanted to do was match what was considered to be the alternative fuels from the NAC [*Nevada Administrative Code*] and the statutes. We wanted to make sure that the regulations matched the statutes. In Section 1 you see everything added—the methanol, natural gas, liquefied hydrogen, and electric power. We wanted to talk about the emission standards. It became apparent that there wasn't a system to test the alternative fuels.

Chairman Ocegura:

You are saying we are not testing them now because there is not a way to test?

Senator Tiffany:

Dan Hyde is a fleet manager and works with the Clean Air Coalition. He could address the testing for emissions. There is also a question from the DMV [Nevada Department of Motor Vehicles] about the way we defined diesel.

Dan Hyde:

There are standards for emissions testing for a full spectrum of vehicles operating on a whole variety of alternative fuels. There is not currently technology in place that does everything. Hybrid vehicles are a lot cleaner than they were ten years ago. The technology to test and measure the emissions is still evolving. I think over the next couple of years we will have a more definitive testing method in place that will be available for that purpose.

What we are after in this legislation is to clearly define the current recipe of alternative fuels that currently exists. These fuels don't burn perfectly clean, with the exception of hydrogen, but they burn far more cleanly than anything we currently see on the market. That is the purpose of clarifying this language as much as possible.

Marty O'Connor, Legislative Advocate, representing Haycock Petroleum, Las Vegas, Nevada:

The John Haycock Company has personally invested in alternative fuels in the valley. We stand in support of this bill and hope that this will give us an opportunity to grow our business and to help our local environment.

Neena Laxalt, Legislative Advocate, representing Nevada Propane Dealers Association:

In the 2003 Legislative Session, legislation was passed that required special fueled vehicles to go through the rules process with DMV, in conjunction with DEP [Nevada Division of Environmental Protection]. We are dealing with two definitions. One is a special fueled vehicle, and the other is an alternative fuel vehicle.

An alternative fuel vehicle, as defined in this section of law, applies to a fleet. Those fleets only apply to a government entity. Special fuel vehicles are always in a separate section of statute, and that section is for taxing purposes only. Last session, the DMV was required to develop rules to establish emissions standards and testing for special fuel vehicles. This bill is now in conflict with S.B. 366. We now have one area of statute that is requiring emissions testing, and another that is now exempting it. Clarifying whether that applies only to

government, I testified in the Senate on this bill. I thought it was more of a policy issue that this was exempting only government vehicles. I wasn't in opposition or in support.

[Neena Laxalt, continued.] I believe that if you are going to exempt alternative fuel vehicles, then all alternative fuel vehicles, including the ones that were required last session under the definition "special fuel," should also be exempt. The policy issue should be made one way or the other based on the same argument.

Chairman Oceguela:

When you brought that up in the Senate, what happened?

Neena Laxalt:

Nobody listened to me. My argument wasn't nearly as organized in thought as it was just now. The private fleet from Las Vegas was there for another bill, and they got up and testified in support of the bill, because they were also under the misconception that, perhaps, it applied to them. Alternative fuel vehicles, as it applies to fleets, are only defined as government vehicles.

Troy Dillard, Administrator, Compliance Enforcement Division, Nevada Department of Motor Vehicles:

It does appear that the exemption applies to all vehicles, not just government vehicles; at least that is our interpretation.

Chairman Oceguela:

Would this bill apply to all vehicles?

Troy Dillard:

The way we are interpreting the wording is that the exemption is in relation to NRS chapter 445B.700 through 445B.845. That, in effect, is the entire portion of the emissions testing requirements that exists for all vehicles today. The exemption then applies to everybody listed in the requirements of those statutes. We weren't present on the Senate side, and it didn't affect our program until the exemption requirement for the emissions testing was added, and that was the same discussion that I heard today. The intent seemed to be related to government vehicles only.

Chairman Oceguela:

Were we just trying to get to government vehicles, or are we trying to get to everybody?

Senator Tiffany:

It was supposed to be government vehicles only. The only people I talked to were the fleet managers; I didn't talk to anyone in the private sector. With these alternative vehicles, the lion's share is with the government, it's not in the private sector. There are very few private sector cars that use alternative fuel. If you would like to make it for all, or not make it for all, it's okay with me.

Chairman Ocegüera:

What is currently being done?

**Glenn Smith, Emissions Control Officer, Compliance Enforcement Division,
Nevada Department of Motor Vehicles:**

Currently, any vehicle which runs on liquid fuel, whether it is diesel, gasoline, or E85—which is alcohol based, biodiesel, or ethanol of 85 percent—can be tested. If the fuel is induced into the engine in a vapor form, it is not tested. If it is liquid, it is tested. Fuel in vapor form would include propane and natural gas. They are exempt at this time.

Chairman Ocegüera:

What about the hybrid?

Glenn Smith:

The hybrid runs on gasoline—a liquid fuel—and it is tested. A hybrid vehicle is a cleaner-running vehicle when it is operating properly. The reason for the emissions test is to maintain that vehicle and to be assured that it is operating the way it was designed to operate. This bill mentions motor vehicles that operate on one or more types of alternative fuels specified in Subsection—they crossed out 4 through 90—inclusive of NRS 486A.30, and which do not operate on gasoline. Hybrid vehicles do operate on gasoline, so it is conflicting there.

Assemblyman Claborn:

Will it also operate on butane and propane? It is liquid as well, correct?

Glenn Smith:

Yes, it is liquid, but when it's induced into the engine, it's in a vapor form. It's a gas form, not a liquid.

Assemblyman Claborn:

Do you have a different type of carburetor to adjust the air in the liquid?

Glenn Smith:

Yes. It is sprayed into the engine in a vapor form.

Chairman Ocegüera:

Mr. Dillard, I don't see a fiscal note on this bill. It seems to me that if we are no longer doing the emission testing, we will be losing money.

Troy Dillard:

That is correct. We didn't discover this until late yesterday afternoon. There would be a fiscal impact if this bill is processed as it is. We are actually neutral on the policy end of the bill. The two main concerns that we have with the wording would be in the E85 vehicles and in the biodiesel vehicles. There is an exemption, provided that you are using those fuels. Those two particular fuels can be utilized in conjunction with the normal fuel, so you can go back and forth between diesel and biodiesel; you can go back and forth between gasoline and E85 with no modifications. All of the others listed require some major modification or specific requirement to the engine, and that's the only thing that they can run on. If they can run on more than that—there are vehicles that run on both propane and gasoline—they are still subject to testing the way the bill is written. There is no concern there. Anybody can claim that they are running biodiesel when, in fact, they are not, and we have no way to test that they are being truthful or that they are, in fact, doing that in every case. Effectively, you could eliminate the entire diesel testing program that exists today and the fiscal impact that would go along with it.

Chairman Ocegüera:

Can you tell me what kind of diesel you said?

Troy Dillard:

Biodiesel. In Section 1, it is number 4, the methanol, ethanol, or other alcohol containing 85 percent. It's commonly known as E85.

Chairman Ocegüera:

There could be an argument made that promoting these types of vehicles would be better for the state in the long run because they are burning clean air. It is going to take money out of the coffers, because we are not testing those vehicles. Do we have any idea what that number will be?

Troy Dillard:

We will get you an accurate figure. I want to say that there were 65,000 tests last year, at \$6.00 each to the impact.

Joe Johnson, Legislative Advocate, representing the Toiyabe Chapter of the Sierra Club:

We signed in on the Senate side in support of this bill. We think that the first two sections are very important, dealing with the identification of the additional

alternative fuels. We would oppose Section 3, not simply on the matter of a fiscal note, but to be consistent. In the past, we have supported testing where there were adequate test procedures, particularly related to the E85 and the biodiesel. Both of these potentially have additional pollutants that can come into air quality.

[Joe Johnson, continued.] Presently, the Nevada Department of Environmental Protection and the DMV have a working group to establish appropriate test protocols. The existing statute says that where there are no existing protocols, there will be no testing until they are there. As written, this would work well for identifying the use and utilization of the governmental fleets on E85 or biodiesel, but the problem of potentially having the entire diesel fleet claiming the exemption is dangerous. I think it's important that you process the bill from the standpoint of Sections 1 and 2, expanding the ability of local agencies to comply by using the alternative in this case, rather than special fuels. Section 3 exemption of the testing protocol would not be a judicious move at this time.

Assemblyman Goicoechea:

When we talk about emission testing on diesels, does that only pertain to those vehicles licensed in Clark and Washoe Counties?

Joe Johnson:

That is correct. There is an on-road testing program that applies in the whole state.

Senator Tiffany:

The intent of this bill was government only. If you have instructed DMV to get a fiscal note, I would like to clarify what that fiscal note says. Do you want the fiscal note on the intent of the bill that I had, which was government only? If so, that changes the fiscal note, particularly because some governments self-test. It would only be the ones in government that then go to the private sector to test. It makes a very big difference if you want to do the fiscal note. If you are going to instruct DMV to get a fiscal note, we need to be very clear on the direction of what they collect.

Chairman Ocegüera:

I do understand your concern.

Senator Tiffany:

If you stay within the context of the government fleet, the comment was made that you can flip back and forth between biodiesel and diesel. They don't; that is why they have biodiesel in here. They buy very expensive fueling stations for biodiesel. They don't flip back and forth.

Dan Hyde:

I just wanted to echo support for what Senator Tiffany said. The intent is for government fleets, and we are one of the government entities that self-test on smog.

Daryl Capurro, Managing Director, Nevada Motor Transport Association, Sparks, Nevada:

Whether fuel is liquid or vapor when it goes into the engine is the demarcation point. All fuels are vaporized before they go into the engine. That's the purpose of the carburetor or the fuel injector. There is no raw fuel that goes into any of them, and that includes CNG [compressed natural gas], gasoline, diesel, and the like. They are a vapor.

Assembly Bill 36 of the 72nd Legislative Session clearly indicated that the purpose of this bill was to make sure that all vehicles, including alternative fuel vehicles, were tested for emissions. There was a record established with respect to that. I have provided you some handouts ([Exhibit D](#)) relative to this issue. Senate Bill 288 did not originally have Section 3. That was added to the original bill at some point in time. One of the handouts says it's "a motion proposed for the Advisory Committee on Control of Emissions from Motor Vehicles." That is the committee charged with coming up with the procedures and the protocol with respect to testing. It took a year and a half, but they came to the table with a proposed protocol for the testing of alternative fuel vehicles. There is technology available, and there is testing of alternative fuel vehicles in several states, including Utah. There was a study done with respect to A.B. 36 of the 72nd Legislative Session, which delved into that issue. Sitting before you today is the protocol that says they were going to vote to recommend to the Advisory Committee for implementation of the emission criteria and inspection criteria for alternative fuel vehicles. They had also been charged with coming up with a protocol for testing of light-duty diesel vehicles, which was also part of A.B. 36 of the 72nd Legislative Session. If it is good enough for us to be tested—those of us using gasoline and diesel—then it should be good enough for others to also be tested, and that applies whether it is government or not.

Chairman Ocegueda:

If I am running anything other than hydrogen or electric power with any of those other fuels, I could be putting out the emissions the same as gasoline or diesel. Is that correct?

Daryl Capurro:

Yes, sir, that is true. It was shown in a study performed by the California Air Resources Board (CARB) that any vehicle not properly tuned is going to emit

high amounts of different particulates—hydrocarbons or carbon monoxide. One of the other handouts ([Exhibit D](#)) that I provided to you was a result of this study done by the CARB. They did a study of a natural gas bus and an ultra-low sulfur diesel bus. What they found was that the natural gas bus discharged more mutagenic emissions—meaning they affect the gene system of an individual—particulate mass, hydrocarbons, and carbon monoxide than the diesel bus. It has been a general assumption that alternative fuel vehicles are totally clean; that is not the case, as found by several studies. What we testified to last session was the fact that we need to find an inventory of exactly what these vehicles produce in terms of hydrocarbons and carbon monoxide, which is being tested for in the gasoline program today. There are differences between the gasoline program and the diesel program.

[Daryl Capurro, continued.] As to the question of whether the diesel program is only in Washoe and Clark Counties, the answer is no. The heavy-duty diesels can be tested on the highway; they use a stack emission procedure to check the particulate matter against the standard that has been set. It is a statewide program with respect to diesel. You are correct as to the gasoline program; currently, it is only in Washoe and Clark Counties.

We don't believe that anything has changed since the Legislature passed A.B. 36 of the 72nd Legislative Session. It is important to let the Department of Motor Vehicles go forward with the emissions testing program as proposed in this protocol. This was at their last meeting, and they held up the vote because S.B. 288 was before the Legislature, and they didn't feel it was prudent to move forward until the Legislature decided what to do with respect to Section 3. In our view, given the intent of the Legislature both in the past and today, I would suggest that you strike Section 3 of S.B. 288 in the first reprint. I prepared an amendment ([Exhibit D](#)) that would remove Section 3 and adjust Section 5, because of the dates of approval.

Chairman Oceguela:

Depending on how this bill is structured or how it is interpreted, your industry could benefit from the way this bill comes, yet you are testifying that this is not a good thing.

Daryl Capurro:

Yes, sir, that is correct. The DMV did indicate to you that if we operate using biodiesel, which requires no change to the engine, injectors, fuel pump, or anything else, then under Section 3, we would be exempt from any inspection program. We have always testified that we are willing to do our part in the emission area, and we have, in the past, supported emission testing of diesel and supported A.B. 36 of the 72nd Legislative Session, which brought it down

to the lighter-duty vehicles. The dichotomy you have is that the definitions in Section 1 and 2 are important. We support those, because biodiesel should be recognized as an alternative fuel, but when combined with Section 3, you take them out of the equation regarding emission inspections.

Assemblyman Goicoechea:

Does that only drop back to vehicles of 10,000 pounds or more?

Daryl Capurro:

Yes. It is 10,000 pounds.

Troy Dillard:

Section 3 and Section 4 both account for the exemption. It is a matter of timing when they go into effect and when they expire.

Chairman Ocegüera:

I have a question from a man who has a 1999 [Ford] F-250 diesel and doesn't have a catalytic converter. The person at the DMV emissions testing place said, "If you were a 2000 vehicle, that would be okay." Is that correct?

Glenn Smith:

It depends on whether that vehicle came from the factory with that converter. Some diesel vehicles had them and some didn't, and it depends on how they came from the factory.

Peter Krueger, Legislative Advocate, representing Nevada Emissions Testers Council:

The Nevada Emission Testers Council are the people who perform the emissions tests in Washoe and Clark Counties on behalf of the State. We have the same concerns regarding whether it is public or private. Our members earn their livelihoods from performing this valuable function. While new vehicles come from the factory generally well-tuned and ready to perform at low emissions, new vehicles, after a certain amount of time on the highway—depending on where they are operating—their emissions test equipment can fail. It can be altered or removed. The testing is an important part of the air quality; therefore, we are opposed to Sections 3 and 4 of the bill.

Chairman Ocegüera:

Regarding the cities and counties, some of them have their own testing and are able to be certified by the DMV to test their own vehicles. Is this correct?

Glenn Smith:

Yes. There are some government agencies that have purchased emissions analyzers, and they do their own gasoline testing. In Washoe County, they do not do any diesel testing. They do not have the equipment for it. The ones that do not have their own equipment have it tested outside their facility.

Chairman Ocegüera:

Is it more common that they do it in-house?

Glenn Smith:

In Washoe County it is more commonly done in-house. When the government agencies do their own testing in-house, there is no charge to them for the emission certificate.

Senator Tiffany:

This bill was never amended. Sections 3, 4, and 5 have always been there. There is nothing new in this bill. When I sold some of the used cars on eBay, I sold the alternative fuel cars, and these cars were at least ten years old. The engines were clean and they never emitted any particulate. If they aren't testing what they are emitting, then why test? Particularly after ten years, why have them do this every year?

In Clark County, for the ones that self-test, this doesn't matter to them anyway. You could eliminate Sections 3, 4, and 5 if you wish, and leave Section 1, which aligns the statute with the NAC [*Nevada Administrative Code*]. That would be fine with me. It is okay if you take out the emissions part of it, because it won't hurt most of the people in Clark County. I thought we should have this conversation with alternative fuels because if they don't test for what they are emitting, then why test? If, in the government sector, these cars are ten years old, the engines are clean, and there is no emission, then why do we even do it? If the Committee would like to process the bill without 3, 4, and 5, that would be fine with me.

Assembly Committee on Transportation
May 10, 2005
Page 20

Chairman Oceguela:

We will close the hearing on S.B.288. [Meeting adjourned at 3:13 p.m.].

RESPECTFULLY SUBMITTED:

Linda Ronnow
Committee Attaché

APPROVED BY:

Assemblyman John Oceguela, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: May 10, 2005

Time of Meeting: 1:52 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda (2 pages)
SB 181	B	Edgar Roberts / Nevada Department of Motor Vehicles	Proposed Amendment
SB 219, 307, 417	C	Marjorie Paslov-Thomas / Committee Policy Analyst	Work Session Document (16 pages)
SB 288	D	Daryl Capurro / Nevada Motor Transport Association	Amendment 1st Reprint, (4 pages)