

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

**Seventy-Fourth Session
May 15, 2007**

The Committee on Transportation was called to order by Chair Kelvin Atkinson at 1:36 p.m., on Tuesday, May 15, 2007, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Kelvin Atkinson, Chair
Assemblyman Mark Manendo, Vice Chair
Assemblyman David Bobzien
Assemblyman John C. Carpenter
Assemblyman Jerry D. Claborn
Assemblyman Ty Cobb
Assemblywoman Susan Gerhardt
Assemblyman Ed Goedhart
Assemblyman Pete Goicoechea
Assemblywoman RoseMary Womack

COMMITTEE MEMBERS ABSENT:

Assemblyman Joseph Hogan

GUEST LEGISLATORS PRESENT:

Senator Barbara Cegavske, Senatorial District No. 8
Senator Dina Titus, Senatorial District No. 7



STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Committee Policy Analyst
Christine Henriksen, Committee Secretary
Matt Mowbray, Committee Assistant

OTHERS PRESENT:

Michael Geeser, Government Affairs Representative, California State Automobile Association; AAA Nevada
Robert Compan, Government Affairs Representative, Farmers Insurance Group
Joseph Turco, representing American Civil Liberties Union of Nevada
John Pappageorge, representing Republic Silver State Disposal
Steve Holloway, Executive Vice President Association of General Contractors
Paul Enos, CEO, Nevada Motor Transport Association
Robert Matthews, Chairman, Red Rock Citizens Advisory Council
Heather Fisher, Private Citizen, Las Vegas, Nevada
Patricia Van Betten, Resident, Blue Diamond, Las Vegas, Nevada
Troy Dillard, Administrator, Compliance and Enforcement Division, Department of Motor Vehicles
Ralph Felices, Chief Investigator, Compliance and Enforcement Division, Department of Motor Vehicles
John Sande, representing Nevada Franchised Auto Dealers Association
Art Valentine, Private Citizen, Las Vegas, Nevada

Chair Atkinson:

[Meeting was called to order. Roll taken.] Today we have three bills. We are going to take Senate Bill (S.B.) 293 (1st Reprint), Senate Bill 128 (1st Reprint), and Senate Bill 452 (1st Reprint) in that order. We will then have a work session on these bills.

Senate Bill 293 (1st Reprint): Revises provisions governing drivers who are less than 18 years of age. (BDR 43-6)

Senator Barbara Cegavske, Clark County, Senatorial District 8:

Senate Bill 293 (1st Reprint) is Assemblyman Carpenter's favorite bill. [Read from prepared text ([Exhibit C](#)).]

Assemblywoman Womack:

I have teenage granddaughters, and this is a great bill. I would also like to see that they cannot put lipstick on, eat food, talk on the cell phone, and do all the

other things they do while driving. The distraction for a young driver makes it even more difficult. I think the six-month rule is a very good one. Thank you for bringing it forward.

Senator Cegavske:

I appreciate your support.

Assemblyman Claborn:

Is this like the bill you had two or three sessions ago?

Senator Cegavske:

This bill increases the three-month period to six months. The last bill that was passed only had the three-month provision. When you look at the national statistics, the six-month period is where we should be. This is why I introduced it again. I really am a believer in the six-month period. In other states it is more restrictive. This will give Nevada a good graduated driver's license bill when we add the six months. Six months out of the kids' lives really means a lot. When you read the statistics of how many crashes occur at certain ages, you realize that an incremental process of learning how to drive and gradually getting a license is a helpful process when done in stages.

Assemblyman Carpenter:

If I vote for this, is this your last driver's license bill?

Senator Cegavske:

Yes. This gets it to where we need to be.

Assemblyman Carpenter:

It only took us ten years.

Senator Cegavske:

Actually, it took us 12 years.

Michael Geeser, Government Affairs Representative, California State Automobile Association; AAA Nevada:

I included a letter ([Exhibit D](#)) relating to this bill. In the letter you will find reasons why American Automobile Association (AAA) is such a staunch supporter of this bill. As I pointed out in the Senate, when I travel in traffic safety circles I am told that after Senator Cegavske brought the bill to the 73rd Legislative Session we have one of the better bills in the country on the graduated driver's license (GDL) program. We are just missing one component, and she hit it right on the head in this bill. If this bill is passed, Nevada GDL bill would be among the best, if not the best bill, in the country on GDL. What a

message to take to the rest of the country that Nevada takes teen driving seriously, and AAA feels exactly the same way.

We have created a DVD that I will pass around called "Driver's Ed." It works in part with the GDL bill, explaining to teenagers what driving safety is all about long before they get behind the wheel of a real car. On the DVD are 100 different driving scenarios taken with a camera through the windshield of a car so a teen can actually experience different scenarios—real-life situations we all experience as we drive that teens have never experienced.

The simple distraction of having a teen passenger in the car limits teens who have been recently licensed. We support this bill. In addition to the letter, I have attached a parent-teen driving agreement ([Exhibit D](#)) that AAA offers to parents to help them with educating their teens about the rules of the road inside and outside the house. It is simply a tool for the parents to use.

We urge your support of the bill, and I am happy to pass the DVD around. [DVD passed around to members.]

Robert Compan, Government Affairs Representative, Farmers Insurance Group:

We are also in support of this bill. We have always been advocates of teen safety and teen driving. Once again, this bill will only enhance the ability of our teen drivers to become fully competent when they drive. The statistics are there. We also have a video—I do not have it today—I will get all of you a copy. It is called the "Wrecked Video," and it chronicles teens who have had problems and issues with not being able to drive adequately.

We applaud the Senator for her attempt to pass this legislation and urge your passage.

Chair Atkinson:

We will not have time for your video since we have one meeting left.

Robert Compan:

I will get a copy to everybody's mailbox.

Assemblyman Manendo:

Senator, would you be interested in an amendment to your bill?

Senator Cegavske:

As long as it does not get killed in the other House because of the amendment—are you talking about the cell phone prohibition? I do not have any problems with adding that, if that is what the Committee wishes. One

issue that has been brought up is that if we prohibit cell phone use by youths while driving, we need to consider it for adults as well. It needs to be done, or even putting in hands-free language like what was done in New York would help.

Assemblyman Manendo:

It would make it a secondary offense and not a primary offense.

Senator Cegavske:

Correct, as long as it is secondary it makes it a little more palatable.

Joseph Turco, representing American Civil Liberties Union of Nevada:

We are signed in as opposed, but let it be clear, we like the bill. We like it so much we want to make sure it is impervious to constitutional challenge. Originally we had two objections to the bill. There was no intent placed upon the parent. That has now been fixed in my reading of the bill. However, in order to deprive a parent of property or to find a parent guilty, there is going to have to be a proceeding whereby a parent can object, cross-examine, or challenge the finding against them. As I read it, a juvenile court may make this finding, holding a parent guilty, without the parent even being there, and without the parent having the opportunity of notice and to create their own defense. There is a slight adjustment that can be made. There has to be some mechanics in this bill whereby the due process of the parents is protected. We do not see it in the bill as written. This is our only objection. The safety issue is important and the bill is good. Please make a provision for the parent to contest the finding.

Chair Atkinson:

Did you talk to the sponsor of the bill about a possible amendment before today's Committee hearing?

Joseph Turco:

This is the first time I am testifying on the bill. I do not know if others in the ACLU have contacted her.

Chair Atkinson:

Did you talk to the sponsor of the bill before today's hearing?

Joseph Turco:

No.

Chair Atkinson:

Anyone else want to speak on S.B. 293 (R1)? [There was no response.] I know Mr. Manendo wants to talk to you, Senator, about a possible amendment before Thursday. We will give him time to do that and bring it back here. We will close S.B. 293 (R1) and open the hearing on Senate Bill 43 (1st Reprint). We will open our work session documents while we are waiting for the Senator to come upstairs to testify on Senate Bill 128 (1st Reprint).

Senate Bill 43 (1st Reprint): Revises provisions relating to an unauthorized speed contest on a public highway. (BDR 43-435)

Marjorie Paslov Thomas, Committee Policy Analyst:

Senate Bill 43 (1st Reprint) revises provisions relating to an unauthorized speed contest on a public highway. It was heard on May 3 and May 10. It was sponsored on behalf of the City of Reno.

There are three proposed amendments with a mock-up ([Exhibit E](#)). [Read from handout.]

Chair Atkinson:

If you recall when we considered this bill in a work session last week, there were some concerns that S.B. 43 (R1) and Senate Bill 394 (R1) had some conflicting language in them. Ms. Thomas and Ms. Wilkinson worked with the sponsors to alleviate those concerns as you saw in the proposed amendments by Mr. Anthony. Unless the Committee has some additional comments or concerns at this time, I have read the amendments and believe they are fixed. Does anyone have any questions? [No response.] I will entertain a motion.

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND
AND DO PASS WITH THE THREE AMENDMENTS.

ASSEMBLYWOMAN GERHARDT SECONDED THE
MOTION.

THE MOTION PASSED. (ASSEMBLYMEN GOEDHART
AND HOGAN WERE NOT PRESENT FOR THE VOTE.)

We will close the work session for S.B. 43 (R1) and open Senate Bill 128 (1st Reprint) because the Senator has arrived.

Senate Bill 128 (1st Reprint): Prohibits certain vehicles from traveling on that portion of State Route 159 that is designated as a scenic route and

requiring the Department of Transportation to erect suitable markers along that portion of the Route. (BDR 43-211)

Senator Dina Titus, Clark County Senatorial District No. 7:

[Read from prepared text ([Exhibit F](#)).] We have a four-minute video we would like to show to point out why this is so important. [Video not working properly.]

John Pappageorge, representing Republic Silver State Disposal:

We are in support of S.B. 128 (R1); however, we want to offer an amendment that clearly defines garbage trucks. You have the amendment before you ([Exhibit G](#)). It would go in page 2, Section 3, subparagraph 3, and you would add (e) so it would say "a licensed franchised hauler of garbage and refuse as defined in *Nevada Revised Statutes* (NRS) 484.748." That would clearly take out our problem, and we would support it 100 percent.

Steve Holloway, Executive Vice President, Associated General Contractors:

We worked with Senator Titus and support this bill as amended. We think it will improve safety. We have had several accidents on that road that probably should not have occurred.

Paul Enos, CEO, Nevada Motor Transport Association:

I am in support of S.B. 128 (R1). We appreciate the work that Senator Titus has done on this bill with us, especially Section 4 which establishes a clear process in the future when we talk about banning trucks on certain roads. It will help prevent the unintended consequences that may occur when the impact on the alternative routes or the environmental or economic impacts are not considered. With that amendment to the bill, we are in full support of it.

Senator Titus:

The Department of Transportation (NDOT) is here and is available as a resource, as is the Regional Transportation Commission (RTC), if you have any questions. There are people in southern Nevada who are residents and users of this road as bicyclists, and would like to be on the record.

Robert Matthews, Chairman, Red Rock Citizens Advisory Council:

Senate Bill 128 (R1) is definitely a positive step for all of Nevada. I would like to read a paragraph out of the *Northwest Clark County Land Use Plan Draft*, which is going to be coming forward. It is only a few sentences. They are talking about the proximity of northwest Clark County communities to recreational amenities and how dependence on state highways has created several problems and the number one conflict: recreational traffic. The Mount Charleston and Blue Diamond residential developments are in close proximity to recreational amenities. Typical problems include traffic congestion, nonresident

parking, subdivision, and accidents. This is also being addressed by Clark County.

The speed limit should be lowered on State Route 159 from the present 60 miles per hour. At the March 6 meeting I attended, Jacob Snow of RTC said it was going to be approximately three months before the study was done on an arterial from State Route 160 to Interstate 215 (I-215), and hopefully that could go on some fast track to help the traffic.

Heather Fisher, Private Citizen, Las Vegas, Nevada:

On behalf of the dozen people here and the other thousand who have been rallying behind this project to protect Red Rock, I will say that we are in support of S.B. 128 (R1). I would like to introduce the people who are in support of the bill: Jerry Duke and Tracy Bowers from the RTC; Barbara Luke; Pauline Van Betten; Trent Billingsley; McClain Pederson; Joseph Nicolso; Herman and Pat Van Betten; and Robert Matthews.

Senator Titus:

Would you let Heather point out that she represents a bicycling association as well as being a resident of Blue Diamond?

Heather Fisher:

I ride that road every day on my bicycle as well as hundreds of my friends. As a mother, I drive that road every day and see a lot of accidents and I appreciate this bill.

Assemblyman Manendo:

Do you think speed is one of the reasons there are so many accidents out there?

Heather Fisher:

Yes, I do. When the road was built it was 40 or 45 miles per hour and was a scenic corridor. There were wild animals, people running and biking on the sides—there was a lot going on. Now with more cars, it is making it more dangerous. A slower speed would increase reaction time and decrease accidents, especially around the many curves out there.

Assemblyman Manendo:

I would like to see a reduction in the speed limit. We would probably have to do a study first. Maybe we could put in a mandated study and they could report back. Has that been discussed?

Senator Titus:

There have been a number of studies and no stretch of road in Nevada has been studied as much as this one. Fences are being put up by Bureau of Land Management (BLM) to keep the horses and donkeys off the road, a bicycle path is being constructed, and studies have been done regarding the speed limit about which NDOT can answer questions. All of these have been moving forward and I am very supportive of them. I would like to get this truck limitation in place first before we take the next step or else you run the risk of losing it all.

Patricia Van Betten, Private Citizen, Las Vegas, Nevada:

I thank you, Senator Titus, for what you are doing, and I support the bill. I have concerns about the amendment; it makes me a little nervous. This looks like the trucks that are going to and from the wallboard plant will be exempted. How do you differentiate between those trucks and others? My hope is that this bill will pass, but the window will stay open to look at change as other options become available for these trucks to transport so we can keep the scenic byway available and clear for the tourists and nature lovers. I find it very odd that you are encouraged to drive through the canyon at 60 mph, Assemblyman Manendo, and you miss the beauty of the canyon because you have people tailgating you if you are not going fast enough. The minute you leave the canyon you have a sign that says "caution speed reduction," and it reduces the speed to 45 mph as you get onto Charleston and head toward I-215. I would like to have that explained at some future time, perhaps. I do support the bill as amended because the most important thing is that this bill passes.

Senator Titus:

I do not want to take up more of your time. You can go to their website. "The Improvements Coming to State Route 159" is the title from July 10, 2006.

[Video shown with Assemblyman Manendo's microphone for audio.]

Chair Atkinson:

Anyone in Las Vegas or Carson City wishing to speak on S.B. 128 (R1)?
[There was no one.]

We do not have a quorum to vote. Some of our members are testifying in other committees. As soon as they come back we will vote on it.

We will close the hearing on S.B. 128 (R1) and open the hearing on Senate Bill 452 (R1).

Senate Bill 452 (1st Reprint): Makes various changes to provisions governing the regulation of motor vehicle manufacturers, dealers, distributors, brokers, rebuilders, and lessors. (BDR 43-644)

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

Senate Bill 452 (1st Reprint) is a Department-sponsored bill. Ninety-five percent of this bill is clean-up language based upon cases that we have experienced over the years. Amendments need to be made to bring the statutes up to date with the cases and the attorney issues that go on in those cases. In addition, the Committee has received a mock-up of the proposed amendment ([Exhibit H](#)) of S.B. 452 (R1).

I would like to cover the proposed amendment to the bill. In Section 1, it is simply clean-up language from a misunderstanding on the Senate side as to what that amendatory language was supposed to read. That has been cleaned up by the Legislative Counsel Bureau (LCB).

Section 15.5 is new language that changes the definition of a used car by making a used car eligible if it is one model year old or older and has previously been registered for a minimum period of 30 days. This amendment was proposed on behalf of the industry. They brought forth some circumstances, such as high-end cars that collectors have held and not registered. Under the current law, if those vehicles had not been previously registered and had 2,500 miles on them, they were considered new and could not be sold except by a dealer franchise. This is an attempt for them to be able to correct that.

Section 51 and Section 52 are LCB clean-up changes to match Assembly Bill 393, which has similar language in it. The language was changed in that bill.

Section 56 is the same. There is new language on page 5 of the amendment that Sharon did not put in. It is being offered by the Department today based upon a conversation with Artie Valentine, a former chairman of the Assembly Committee on Transportation, who brought forward an issue. We came up with an agreement that places language back into Section 27 of the bill on page 17. The language had been removed. This amendment puts the language back in but amends it on lines 15 and 16, so that the amount may be reduced by no less than 50 percent of the bond requirement established in this procedure. Mr. Valentine will testify and address that it met his concerns. With that I will turn it over to Ralph Felices who will walk you through the high points of the bill.

**Ralph Felices, Chief Investigator, Compliance Enforcement Division,
Department of Motor Vehicles:**

I would like to present the Department-sponsored proposals for S.B. 452 (R1). The amendments, changes, and proposed additions to the law in the chapters outlined in this act are the result of many hours of research, discussion, and consultation with industry members and others affected by the legislation. Our collective efforts have culminated in the bill you have before you today. Many of the amendments are in response to the changes in today's competitive vehicle sales environment with increased protections for both our licensing use and our citizens and consumers of various automobile products. There are increased penalties for those who endanger consumers and industry members alike by the imposition of fraud and other financial abuses against "licensees, private citizens, and consumers." There are other proposals that help protect and safeguard the auto sales industry, which is recognized for its importance to this State's economy, from those who attempt to disguise themselves by fraudulent or deceptive means as part of this privileged group to do harm rather than service the consumers involved in the purchase or sale of an automobile. Much of the language is proposed in an attempt to enhance past legislation that was designed to protect consumers and licensees involved in the purchase and sale of vehicles. With that comes an amendment to clarify the Commission on Economic Development's (CED) authority in addressing such matters. There are proposed changes addressing shortfalls and inconsistencies in current licensing procedures due to the demographic, economic, and market growth changes. There are other proposals that provide clarity and direction to the resurrection of banished and salvaged vehicles, adding additional definition and safeguard criteria to the inspection of such vehicles, certifying their worthiness of operation on the highways of this State. Still other changes are in response to those influences that are applied to consumer and industry protections relative to the vehicle repair and service industries.

Unfortunately with Nevada's continued record of increased population come increases in those who prey on our citizens and consumers in all facets of the auto industry. This act contains proposals to strengthen penalties against those who would violate the public trust and prey on consumers through fraud, other deceptions, and unlawful conduct involving the sale and disposal of vehicles. There are proposals for certain licensing requirements for schools and training of drivers, and still others requiring certain types of businesses to provide proof that the vehicles used in the training are kept in a condition in accordance with certain safety standards. Other proposals would add additional safeguards and consumer protections to those businesses that sell vehicles.

In review of S.B. 452 (R1), it incorporates a number of changes and amendments to several existing chapters of law as well as the addition of new

laws that we think will have a positive effect on a number of industry-related businesses. In preparation of S.B. 452 (R1), hopefully we have addressed a number of inconsistencies created over time that have, given the changes in our State's auto industry markets, had unexpected and sometimes adverse effects on local businesses and consumers alike in doing business with each other in either a wholesale atmosphere or as individuals involved in the retail transaction with each type of business specified. Given this Committee's agenda, discussing each provision section by section would probably take much longer than the Committee has or wishes to afford time for. As an alternative, I would be happy to answer any questions that you may have as to the specifics of any part of the proposed legislation.

Assemblyman Goicoechea:

What scenario does the provision fall under that says, "Repeals the authority of dealers to register certain vehicles without paying the governmental services tax"? I was not aware that there was an exemption.

Ralph Felices:

There is a provision in the law in the form of NRS 482.321. It was enacted years ago to provide a number of base registration plates. They are indistinguishable from any other plate. It started out as three plates, then it increased to five, and over time it was increased until the current amount of 12. Those plates allowed a dealer to register any vehicle he chose free of any tax; he only paid the registration fee. A dealer could buy a \$250,000 motor home and pay \$48 to register it and drive it for as long as he wanted and never pay taxes on it. That plate was originally designed for philanthropic purposes. It was intended to be attached to a loaned vehicle given to a non-profit organization by the dealers, University of Nevada, and government entities. However, over time, subsequent legislation created the "loan" plate which is now used for that specific purpose. Loan plates are distinguishable by the markings on them. The adoption of the loan plate eliminated the philanthropic use of the special registration plate, and its use became abused. The Dealers Association, ourselves, and others involved agree that this plate needs to be eliminated to prevent its abuse by parties in the automobile sales industry.

John Sande, representing Nevada Franchised Auto Dealers Association:

We are supportive of the bill. We worked with the DMV to make sure that it was appropriately drafted and we are very pleased with the bill and support it entirely.

Chair Atkinson:

Is there anyone who wants to testify in opposition of S.B. 452 (R1)?

Art Valentine, Private Citizen, Las Vegas, Nevada:

I came to testify against this bill, but I have met with DMV and we have solved the problems that I had with the required \$100,000 bonding issue.

Assemblyman Carpenter:

On page 5, Section 6, lines 8 and 9, it says, "a person displays for sale, sells or offers for sale any vehicle which he does not personally own." If I have somebody who wants to put his vehicle on my property with a "for sale" sign, would this mean that I would be subject to this provision?

Ralph Felices:

No sir, those lines address a person who is not part of the exemption in NRS 482.020—the definition of a dealer. If someone acts as an unlicensed entity to try to sell vehicles from private lands that he does not own or control and does not have permission from the property owner, the property owner has no liability in the matter.

Assemblyman Carpenter:

It says that these activities are evidence that a person engaged in them is a vehicle dealer.

Troy Dillard:

Property owners are not affected by this because they are not the person selling this vehicle or displaying it for sale. They are just providing the property. As long as they are within the zoning regulations, they can lease their land to anyone they choose for lawful activity.

Assemblyman Carpenter:

Is the person selling the car subject to these provisions?

Ralph Felices:

It says "except as otherwise provided in subsection 2 of NRS 482.020." The provisions of that statute outline who is and who is not considered a dealer. Persons who sell up to three personally owned vehicles are exempt from dealer licensing. The proposed provisions apply to those who do not fall under the exemptions in NRS 482.020 and are additional criteria by which the Department can measure *prima facie* evidence of people who engage in unlicensed dealer activities.

Assemblyman Carpenter:

I believe it says that a person can get up to six license plates for family. If someone receives a set of those plates, is he required to pay taxes on it?

Ralph Felices:

Through the repeal of NRS 482.321, we added six plates by which the dealers can use as loan plates. The plates are issued to dealers for various purposes within the operation of the business. It is a privilege of the dealer to take a vehicle from his inventory and loan it to a family member. Typically, these vehicles are returned after a short period of time and sold by the dealer. However, it has always been unlawful for anyone who is unlicensed by the Department to use the privilege plates and it has got a number of dealers' wives and children in trouble for driving with dealer plates. This bill contains a provision that attempts to make it legal a practice for up to six vehicles for family members to have the privilege plates.

Assemblyman Carpenter:

Do they have to pay taxes on those vehicles?

Ralph Felices:

No, sir. This applies to vehicles taken from their inventory. They are not sold to the family member so no taxes are paid, and they are not registered to the family member or to the dealer. They are simply loaned for a specific period of time.

Chair Atkinson:

Mr. Carpenter raises a very good question. Does the dealer continue to loan vehicles to family members all year with different cars so his family never has to pay taxes?

Ralph Felices:

That is a privilege already extended to licensees including salesmen, general managers, and dealers. They can drive a car tax free from their inventory with dealer plates for as long as they wish. This provision adds six more to allow the dealer to loan vehicles to whomever he chooses.

Assemblyman Goicoechea:

This is a little off the subject, but there used to be a practice where you could sell up to three vehicles a year without paying sales tax. Is that still in effect?

Ralph Felices:

That is not exactly correct. In NRS 482.020, it allows a private person to sell up to three vehicles that he personally owns in one year without having to have a tax resale number or be licensed as a dealer.

Assemblyman Carpenter:

I think it is stretching it to allow a dealer to issue up to six plates to family members.

Troy Dillard:

For clarification, current law allows for 12 plates for this purpose; this bill is reducing the number to six.

Assemblyman Goedhart:

Are these dealer plates only good in the State of Nevada or are they also able to travel across state lines?

Ralph Felices:

The plates are honored in any state that has reciprocity with Nevada. I am not aware of any states that reject the use of these plates. To clarify, dealers could purchase any vehicle they wanted under the 12-plate rule regardless of whether they sold it or not. In other words, a used vehicle dealer could purchase a brand new \$250,000 motor home, put one of those dealer plates on it, and not pay any of the special government services taxes that were due. In the proposed legislation, the vehicles must be from their own inventory.

Assemblyman Goedhart:

I realize that these plates are also used as a sales tool. A dealer can drive a new sports car home with these plates and a neighbor might come over and take a look at it.

Assemblyman Manendo:

Where does it say that the number of plates is being reduced from 12 to 6?

Troy Dillard:

It is in the "Text of Repealed Section" portion where it eliminates the 12-plates privilege. The bill now proposes to amend the loaner plates section to allow not more than six plates, and they have to be tracked on a log sheet.

Assemblyman Manendo:

Does this include used car dealers as well? I would like to know an accurate number of how many privilege plates we are anticipating.

Troy Dillard:

The proposal includes all dealerships. Six plates are available for each license. Dealers have other loaner plates that they can use for other purposes, but they are limited to a maximum of six for loaning to family members.

Assemblyman Manendo:

How many businesses do we have statewide?

Troy Dillard:

We have approximately 1,250 licensed dealers.

Ralph Felices:

Currently, dealers have the equivalent of one and a half dealer plates for every licensee in their business. Loaner plates are different and each dealer is issued 40. Loaner plates are typically used for service departments to lend to customers who are getting repairs. If they wish to donate a car to a non-profit organization, they can do so with a loaner plate as a philanthropic use. This measure adds an additional use to loaner plate privileges for family members for whom the dealer special plate was being used in the past.

Assemblyman Carpenter:

I get a lot of comments from people who see these vehicles with dealer plates wondering why they do not have to pay a privilege tax. The tax that is collected goes to the schools and the counties, and personally I think there are too many of these tax-exempt plates, especially when we allow family members this privilege. It just does not seem fair to me that because someone is an auto dealer, they do not have to pay the privilege tax for a vehicle.

Troy Dillard:

The Department feels the same way, and that is the purpose of the repeal of the 12 dealer plates. For clarification, there are no additional plates in this bill. The dealers already have these as loaner plates; in fact, they are losing 12 plates per year that they were able to avoid paying taxes on.

Assemblyman Carpenter:

That was the problem before; the average citizen did not think that was right.

Chair Atkinson:

I think everyone on this Committee understands that the number of plates is being reduced, but six plates for each of the 1,200 dealers is a lot. The concerns may not be directly related to the bill, but they are brought up because of the bill.

Assemblyman Goedhart:

Just to verify, there are 40 loaner plates aside from the dealer plates for the sales professionals and the six family member plates for the principals.

Ralph Felices:

That is correct. The 12 dealer plates were for vehicles that they purchased out of their inventory, not from the manufacturer, and very rarely were put up for sale. Over time, the privilege of the license was abused. The new provision takes six of the loaner plates that would otherwise be loaned to non-profit organizations and allows the dealer to give them to family members.

Troy Dillard:

Even though every dealer is entitled to 40 plates, it does not necessarily mean that each dealer has all 40. They have to pay a \$12 fee per year for each plate. The majority of dealers who have loan plates use them to loan vehicles to customers who are getting repairs done.

Chair Atkinson:

Are there any additional questions from Committee members or anybody else who would like to speak to S.B. 452 (R1)? [There were none.] I will close the hearing on S.B. 452 (R1).

We are going to go back to S.B. 128 (R1) to take a motion on the bill. There was some confusion because we were not sure if we had enough Committee members to vote, but some members have returned so we can entertain a motion and vote at this time.

ASSEMBLYMAN MANENDO MOVED TO AMEND AND DO
PASS SENATE BILL 128 (R1).

ASSEMBLYWOMAN GERHARDT SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Goicoechea:

I am not familiar with the area, so I just want to make sure what we are doing. We are going to close 14 miles of State Route 159 to vehicles over 26,000 pounds.

Assemblyman Goedhart:

In the past, have we declared sections of highway off-limits to vehicles in excess of 26,000 pounds or are we setting a precedent here?

Assemblyman Goicoechea:

I believe the majority of those involved in motor transport are pleased with the bill. Section 4 establishes the criteria that must be used before they move ahead with any closures. Page 2, Section 4, states that NDOT would have to

consider certain criteria before establishing a section of highway as a scenic route, so I believe this would be the first occurrence.

MOTION PASSED. (ASSEMBLYMAN HOGAN WAS ABSENT FOR THE VOTE.)

Senate Bill 394 (1st Reprint): Makes changes relating to certain traffic violations. (BDR 43-991)

Marjorie Paslov Thomas, Committee Policy Analyst:

[Read from handout ([Exhibit I](#)).] Senate Bill 394 (R1) was heard on May 10 and was sponsored by Senator Nolan. It increases the penalties for certain traffic violations. For example, aggressive driving and reckless driving are both punished as misdemeanors, but the penalty is not specified. This bill will implement specific penalties.

Chair Atkinson:

Is there any discussion on S.B. 394 (R1)? [There was none.]

ASSEMBLYMAN BOBZIEN MOVED TO AMEND AND DO PASS
SENATE BILL 394 (R1).

ASSEMBLYMAN CLABORN SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

MOTION PASSED. (ASSEMBLYMAN HOGAN WAS ABSENT FOR THE VOTE.)

Senate Bill 450 (1st Reprint): Makes various changes to provisions relating to the regulation of oversized and overweight vehicles. (BDR 43-1140)

Marjorie Paslov Thomas, Committee Policy Analyst:

[Read from handout ([Exhibit J](#)).] Senate Bill 450 (R1) was sponsored by the Senate Committee on Transportation and Homeland Security and was heard in this Committee on May 3.

Mr. Fontaine has provided some suggested language for the proposed amendments ([Exhibit J](#)).

Chair Atkinson:

The language suggested was agreed upon by the sponsor. Is there any discussion on S.B. 450 (R1)? [There was none.]

ASSEMBLYMAN GERHARDT MOVED TO AMEND AND DO PASS
SENATE BILL 450 (R1).

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

MOTION PASSED. (ASSEMBLYMAN HOGAN WAS ABSENT FOR
THE VOTE.)

Is there anyone in the audience who would like to comment or are there questions or concerns from the Committee? Seeing none, the work session is now closed. Our next meeting will be Thursday at 1:30 p.m.
[Meeting adjourned at 3:11 p.m.]

RESPECTFULLY SUBMITTED:

Christine Henricksen
Committee Secretary

APPROVED BY:

Assemblyman Kelvin Atkinson, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: May 15, 2007

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Sign-in Sheet
S.B. 293	C	Senator Cegavske	Handout
S.B. 293	D	Michael Geeser, California State Automobile association; AAA Nevada	Letter and AAA Parent- Teen Driving Agreement
S.B. 43	E	Marjorie Paslov Thomas	Work session document
S.B. 128	F	Senator Titus	Prepared remarks
S.B. 128	G	John Pappageorge, representing Republic Silver State Disposal	Proposed amendment
S.B. 452	H	Troy Dillard, Administrator, Compliance and Enforcement Division, Department of Motor Vehicles	Mock-up
S.B. 394	I	Marjorie Paslov Thomas	Work session document
S.B. 450	J	Marjorie Paslov Thomas	Work session document