

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION AND HOMELAND SECURITY**

**Seventy-fourth Session
April 17, 2007**

The Senate Committee on Transportation and Homeland Security was called to order by Chair Dennis Nolan at 3:01 p.m. on Tuesday, April 17, 2007, in Room 2149 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dennis Nolan, Chair
Senator Joseph J. Heck, Vice Chair
Senator Maurice E. Washington
Senator Maggie Carlton
Senator John J. Lee
Senator Joyce Woodhouse

COMMITTEE MEMBERS ABSENT:

Senator Mark E. Amodei (Excused)

GUEST LEGISLATORS PRESENT:

Assemblyman Joe Hardy, Assembly District No. 20
Assemblywoman Ellen M. Koivisto, Assembly District No. 14

STAFF MEMBERS PRESENT:

Elana Graham, Assistant to Committee Manager
Lynette M. Johnson, Committee Secretary
Dan Lindholm, Intern to Senator Nolan
Nicholas Marquart, Intern to Senator Nolan
Josh Selleck, Assistant to Senator Nolan
Matt Szudajski, Committee Policy Analyst
Sharon Wilkinson, Committee Counsel
Carolyn Allfree, Committee Secretary

OTHERS PRESENT:

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

Paul J. Enos, Nevada Motor Transport Association

Rusty McAllister, Professional Firefighters of Nevada

CHAIR NOLAN:

We will open the hearing on Assembly Bill (A.B.) 5.

ASSEMBLY BILL 5: Revises provisions relating to the registration of certain heavier motor vehicles. (BDR 43-528)

ASSEMBLYMAN JOE HARDY (Assembly District No. 20):

I will give you a brief synopsis of A.B. 5. It provides for staggered registration, which has been proposed in the past, but amendments have killed it. We hope this bill will be moved along without any encumbrances.

Assembly Bill 5 will allow the Department of Motor Vehicles (DMV) to stagger registration of 100-percent-Nevada-based motor-carrier vehicles throughout the year, rather than have them all expire on December 31, as they do now. By staggering the registration renewal period, the Motor Carrier Division of the DMV will be able to more evenly distribute its workload throughout the calendar year. This will provide more responsive and expedited customer service and more consistent distribution of revenue throughout the year to Nevada's counties and the Highway Fund, giving those entities the ability to forecast budgetary needs and increase efficiency.

EDGAR ROBERTS (Administrator, Motor Carrier Division, Department of Motor Vehicles):

The Nevada Motor Transport Association and the Associated General Contractors have worked with the DMV to develop A.B. 5. I have provided you with a printed copy of my testimony ([Exhibit C](#)). Staggered registration will save the DMV costs in staff overtime by distributing the workload more evenly throughout the year.

CHAIR NOLAN:

There appears to be no opposition to this bill. What was the opposition in the past? Please refresh our memory.

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ASSEMBLYMAN HARDY:

The difference is that this is staggered registration only. There is nothing else in this bill. Previous bills were encumbered by amendments.

SENATOR CARLTON:

Help me picture something that weighs 26,000 pounds.

ASSEMBLYMAN HARDY:

A garbage truck hauling garbage might be 26,000 pounds.

SENATOR CARLTON:

Thank you. That is a perfect example.

PAUL J. ENOS (Nevada Motor Transport Association):

We believe passage of this bill will give the trucking companies more flexibility in managing their cash flow and registering their vehicles.

SENATOR HECK MOVED TO DO PASS A.B. 5.

SENATOR CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR AMODEI WAS ABSENT FOR THE VOTE.)

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CHAIR NOLAN:

We will close the hearing on A.B. 5 and open the hearing on A.B. 239.

ASSEMBLY BILL 239: Requires a vehicle dealer to notify the buyer of a vehicle service contract if the provider of the vehicle service contract ceases doing business in this State. (BDR 43-971)

ASSEMBLYWOMAN ELLEN M. KOIVISTO (Assembly District No. 14):

Assembly Bill 239 came about because, two years ago, I took a vehicle in for repair. I thought I had an extended warranty on the vehicle, but learned that the company had moved to the Cayman Islands and was no longer honoring its extended warranties. The same thing has happened to a number of other people.

This is a consumer-protection measure to provide that, if an extended warranty becomes invalid because a company goes out of business or moves offshore, the purchaser of the warranty will be informed.

I have a proposed amendment ([Exhibit D](#)) for this bill. Rather than the dealer doing the informing, the company will need to do the informing.

SENATOR HECK:

Who provided the proposed amendment? Are you acceptable to it?

ASSEMBLYWOMAN KOIVISTO:

Yes, someone asked me for this amendment.

CHAIR NOLAN:

I will ask our legal division to look at the proposed amendment and incorporate it into the bill.

We will close the hearing on [A.B. 239](#) and open the hearing on [A.B. 264](#).

[ASSEMBLY BILL 264](#): Revises provisions relating to certain special license plates. (BDR 43-908)

RUSTY MCALLISTER (Professional Firefighters of Nevada):

We bring [A.B. 264](#) for your consideration. Assemblyman Kelvin D. Atkinson, Assembly District No. 17, sponsored the bill.

The license plate for professional firefighters was established and authorized by the Legislature in 1977. In 2001, the plate started producing and generating revenue. For the first two fiscal years, the revenue generated went to the State General Fund. In 2003, we made changes in the law to have the revenue designated to go to a Level 1 burn-care unit, currently the University Medical Center (UMC) burn-care unit.

During the last interim, a firefighter and his wife were hit by a car in Virginia City. The firefighter was hospitalized and his wife lost her life. Two firefighters have lost their homes from fires. A firefighter in Las Vegas died at the fire station of a heart attack. At that time, the best we could do was to give each of the families \$1,000. I would like to do better than that.

The Professional Firefighters of Nevada has established a benevolent association, a 26 United States Code 501(c)(3) [501(c)(3)] organization, and registered it with the Internal Revenue Service (IRS) and the Office of the Secretary of State. I have provided you with a set of our articles of incorporation and constitution and bylaws ([Exhibit E](#)). We looked for a funding source and decided on the special license plate revenues. Firefighters purchase the special plates and generate the funds. The intent of the Professional Fire Fighters of Nevada Benevolent Association is to do things in a charitable fashion for our members and some members of the public.

It currently costs \$1,000 to send a child to the Muscular Dystrophy Association summer camp at Lake Tahoe. We have been able to send only one or two a year; I would like to do better. It costs \$500 to send a child to the burn camp in southern California. Again, we have been able to sponsor only a couple of children. Additionally, we have discussed providing scholarship money for children of firefighters and to high schools. We have 16 locals in the Professional Firefighters Association throughout the State. We would like to provide a scholarship each year to a high school in each entity.

We are seeking to have the revenue generated from the professional firefighters special plates go to the 501(c)(3) Professional Fire Fighters of Nevada Benevolent Association instead of to the burn-care center.

CHAIR NOLAN:

When was the benevolent association formed?

MR. McALLISTER:

We filed with the Office of the Secretary of State on April 4, 2006. It was registered with the IRS on November 4, 2005.

CHAIR NOLAN:

Was it formed with this particular revenue stream specifically in mind to help fund it?

MR. McALLISTER:

Yes, it was.

CHAIR NOLAN:

The revenue received between 2002 and 2006 on this special plate was a little over \$326,000. The money, to date, has gone to the burn-care unit at the UMC. Is that correct?

MR. McALLISTER:

For fiscal years 2002 and 2003, \$100,000 went to the State. Everything generated from that point forward has gone to the UMC burn unit. I have informed the lobbyist from the UMC of our intent to make this change and he did not make any objection on the Assembly side.

CHAIR NOLAN:

For what kinds of services have they used these funds? Will the funds be missed; will they have to find another revenue source?

MR. McALLISTER:

I cannot tell you how the money was spent. We have never been acknowledged for giving this money to them. They have never told us how they spent the money. An article in the paper the other day said they were considering closing the burn-care unit.

SENATOR CARLTON:

How do you see this working? Will someone apply to the benevolent association for a grant? Have you set up procedures and guidelines for the types of things you would be willing to approve? We want you to send kids to camps. We do not want you to send other folks on other types of trips.

MR. McALLISTER:

The constitution and bylaws state the funds have to be used for charitable endeavors to benefit firefighters and their families or members of the community. Initially, it was set up and the board of trustees was the board of the Professional Firefighters Association so we would have no outside expenditures. We have since amended this constitution and bylaws and have removed the president and vice president of the Professional Firefighters Association from the board and appointed an at-large member from northern Nevada and one from southern Nevada. The Professional Firefighters Association will take care of any expenses incurred. None of the money would be used for anything other than charitable endeavors. There would be no pay, travel expenses or such taken from benevolent association funds. The

benevolent association board will meet twice a year and plan their efforts to solicit requests for scholarship money.

SENATOR CARLTON:

Have there been any discussions about whether volunteer firefighting departments will be able to apply?

MR. MCALLISTER:

We have not talked to any volunteer firefighting departments, because they do not buy our special license plate. They would certainly be able to apply, even though we are not able to apply for revenues generated from their special plates. They generate about \$30,000 a year, which they use for their training.

SENATOR CARLTON:

Thank you for putting all these things on the record. It is what we needed to hear.

CHAIR NOLAN:

The primary objective and purpose of a nonprofit organization shall be to provide charitable assistance to its members, disabled and retired members, their dependents and their survivors, when needs are demonstrated. I like the idea of a benevolent association. However, there might be some potential conflicts with two bills we processed with regard to special license plates. For example, this bill says you may provide assistance to retired members when the need arises. That might be a financial need, for which you could not use special license plate revenue. I am sure you have other sources of funding for the association.

I am wondering if you understood that. You might look at Senate Bill (S.B.) 481, which we passed with some of those requirements.

SENATE BILL 481: Revises requirements for the issuance of special license plates for motor vehicles. (BDR 43-863)

SHARON WILKINSON (Committee Counsel, Legal Division, Legislative Counsel Bureau):

You may be referencing S.B. 315.

SENATE BILL 315: Imposes certain conditions before a special license plate may be designed, prepared and issued. (BDR 43-859)

MS. WILKINSON:

The language adopted in the amendment states that the organization, if not a governmental entity, must be established as a nonprofit organization which provides services to the community relating to public health, education or general welfare.

CHAIR NOLAN:

Was there also a provision that said it had to benefit the community or the State, in general?

MS. WILKINSON:

Yes, other language stated that the name or purpose of the organization may not promote, advertise or endorse any specific product, brand name or service that is offered for profit, the license plate itself may not promote a specific religion, faith or antireligious belief, and the organization must be nondiscriminatory.

CHAIR NOLAN:

I do not think it will hamper you, but for auditing purposes you may want to keep track of the revenue received from the special license plate separately from other contributions, donations, gifts or grants that you might receive.

Also, Mr. McAllister, take a look at S.B. 315. If there is a reason we should be looking at this differently, let us know.

SENATOR HECK MOVED TO DO PASS A.B. 264.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR AMODEI WAS ABSENT FOR THE VOTE.)

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CHAIR NOLAN:

We will close the hearing on A.B. 264. We had asked to see S.B. 319 for review, prior to sending it to the Senate Floor.

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SENATE BILL 319: Revises provisions governing the licensing and taxation of motor vehicles that are exhibited or displayed in certain museums. (BDR 43-1131)

MATT SZUDAJSKI (Committee Policy Analyst, Research Division, Legislative Counsel Bureau):

This is the bill dealing with the National Automobile Museum, The Harrah Collection. The Committee had concerns regarding the proposed amendment, wanting the language to be as tight as possible so as not to create a loophole for registration exemptions to entities beyond the National Automobile Museum.

The amendment language crafted by Ms. Wilkinson ([Exhibit F](#)) confines it to automobiles displayed or exhibited in museums, and those museums must qualify as charitable organizations under 501(c)(3).

CHAIR NOLAN:

If there are no questions, S.B. 319 will be moved to the Senate Floor.

There being no further business, the Senate Committee on Transportation and Homeland Security is adjourned at 3:29 p.m.

RESPECTFULLY SUBMITTED:

Carolyn Allfree,
Committee Secretary

APPROVED BY:

Senator Dennis Nolan, Chair

DATE: _____