

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

**Seventy-Fifth Session
May 5, 2009**

The Committee on Transportation was called to order by Chairman Kelvin Atkinson at 1:40 p.m. on Tuesday, May 5, 2009, 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/75th2009/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, Chairman
Assemblyman Mark A. Manendo, Vice Chair
Assemblyman John C. Carpenter
Assemblyman Chad Christensen
Assemblyman Jerry D. Claborn
Assemblywoman Marilyn Dondero Loop
Assemblyman Pete Goicoechea
Assemblyman Joseph M. Hogan
Assemblyman Ruben J. Kihuen
Assemblywoman Ellen B. Spiegel
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator David R. Parks, Clark County Senatorial District No. 7

STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Committee Policy Analyst

Darcy Johnson, Committee Counsel

Sharon McCallen, Committee Secretary

Steven Sisneros, Committee Assistant

OTHERS PRESENT:

Erin Russell Hayes, representing Boyd Gaming Company, Las Vegas, Nevada

General Billy McCoy, State Director, Selective Service System, Las Vegas, Nevada

Susan A. Cappo, Director, Selective Service System, Great Lakes, Illinois

Tom Fronapfel, Administrator, Field Services Division, Department of Motor Vehicles

Captain Dan Palazzo, Las Vegas Township Constable's Office, Las Vegas, Nevada

Steve Kilgore, Deputy Director, Henderson Township Constable's Office, Henderson, Nevada

Robert "Bobby G" Gronauer, Constable, Las Vegas Township, Las Vegas, Nevada

Earl Mitchell, Constable, Henderson Township, Henderson, Nevada

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

Bryan Gresh, representing the Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada

Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada

Zev E. Kaplan, General Counsel, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada

Fred Hillerby, representing Washoe County Regional Transportation Commission, Reno, Nevada

Chairman Atkinson:

Meeting called to order. [Roll called.] Please mark Mr. Christensen present when he arrives.

We have four bills in front of us. Senate Bill 217, Senate Bill 218, Senate Bill 245, and Senate Bill 249. We will take them in order.

Senate Bill 217 (1st Reprint): Enacts provisions relating to the Department of Motor Vehicles and registration under the federal Military Selective Service Act. (BDR 43-119)

Erin Russell Hayes, Las Vegas, Nevada, representing Boyd Gaming Company, Las Vegas, Nevada:

Unfortunately, Senator Coffin is unable to join us this afternoon to introduce his bill. I am pleased to say I do have with me Boyd Gaming Company's esteemed colleague and board member, retired General Billy McCoy, who currently serves as the State Director in the Selective Service System.

Additionally, joining us is Sue Cappo who is manager of the Data Management Center for the Selective Service System.

As you are aware, the Selective Service System is a federal law requiring young men between the ages of 18 and less than 26 years to register. Registration is a way our government keeps a list of names of men from which to draw in case of a national emergency requiring rapid expansion of our armed forces.

This bill gives men the option to register with the Department of Motor Vehicles (DMV). As you will hear from the testimony, currently 36 states have already passed legislation linking Selective Service registration with driver's license laws. This is a system increasing the compliance rate so it is fair and equitable; so young men do not forfeit opportunities such as federal loans and certain government employment. Presently, Nevada is ranked at a 72 percent compliance rate ([Exhibit C](#)).

General Billy McCoy, State Director, Selective Service System, Las Vegas, Nevada:

I deeply appreciate and am honored to appear before you today in support of Senate Bill 217 (R1). I am also very grateful to Senator Coffin for sponsoring this very important legislation.

I know you are already aware of the purpose of S.B. 217 (R1) and I also believe you have been provided with supplemental data that supports my brief comments. I would like to provide the summary that addresses this effort in its broadest context.

[Read from prepared text ([Exhibit D](#)).]

There are already five methods in existence for young men to register with the Selective Service System. They may register online, from the post office, by

mail, a check box when applying for federal student loans, and they can register through their high schools.

[Resumed reading prepared text ([Exhibit D](#)).]

As you know, today's military is comprised of an all volunteer force. You will agree that they have represented our country well and they have shown unmatched patriotism. But, if an unforeseen destabilizing world event should occur, the kind of threats that would unquestionably challenge our national security and our basic freedoms, the all volunteer force may not be enough. The response, should diplomacy fail, may require national mobilization. In that context, the primary goal of the Selective Service System is to ensure a fair and equitable conscription process should we ever have that national emergency.

[Continued to read from prepared text ([Exhibit D](#)).]

Assemblyman Claborn:

Many years ago, when I signed up for the draft, I was issued a draft card and my local draft board was in Santa Barbara, California. If I remember, you had to stay in some kind of contact with our board so they could reach you if war broke out or there was any kind of emergency. Are you telling me that they do not do this any longer? Is this what this legislation is about? I think it is very good, I like it. We have to get a hold of our young people and get them now. We do not need to chase them to Canada to get them.

General Billy McCoy:

The procedures have not changed because of this Legislation. It only adds another source and ability to capture Nevada's 18- to 26-year-olds. They still get a card, and if they move from one location to another, they are obliged to provide the change of address to the Selective Service System.

Assemblyman Claborn:

I know for a fact when I got married and had some children, I was issued another card changing me from 1A to 3A.

Assemblyman Goicoechea:

For a 15 1/2- or 16-year old going to DMV for a license, would the DMV have the responsibility to make sure you were notified at 18 years of age?

Susan A. Cappel, Director, Selective Service System, Great Lakes, Illinois:

It is the National Data Processing Center where everything related to registration takes place. To answer your question, if this bill is passed, and the information is passed to the Selective Service System prior to a young man turning 18, we

will hold that information in a separate file from those already registered. By law, we cannot register anyone until 30 days before their 18th birthday. At that point in time when they reach that date, we can automatically register them.

Assemblyman Goicoechea:

Maybe we will have some testimony from DMV on how they would approach this.

Susan A. Capps:

I would like to offer something else in addition to what General McCoy has said. One thing that we talked quite a bit about are the benefits related to Selective Service registration. I want to highlight the fact that men 18 through 25 years old, according to federal law, must register with the Selective Service System.

An important date to remember is their 26th birthday. As soon as they turn 26-years old they are no longer able to register with the Selective Service System. At that point in time, they may forfeit all of their rights to the benefits that are tied to registration, which include federal education loans, federal employment, citizenship, and anything else that in the future could be tied to registration.

As the General stated, here in Nevada you do have a low compliance rate. One of the things I am responsible for is communicating with these men who, after they turn 26, call my office and are looking to get a Pell Grant, or they are trying to get citizenship or a job in the federal government. If they have not registered, we search our databases and, unfortunately, we have the responsibility to tell them that it looks like they did not register and may not be eligible for the benefit. That is really difficult to tell someone when they are trying to go back to college or trying to get a job. The bill in front of you would help the young men in Nevada to be aware of their registration requirement and help them protect their rights to these benefits in the future.

Assemblywoman Dondero Loop:

Are you telling me, when you said "may," that if a 27-year-old young man wanted to be a forest ranger or a postman, they could not do that, or they may not?

Susan A. Capps:

They may not because Selective Service is not the deciding authority. What we do is issue a statement to the person administering the benefit; whether it is a University for a loan, or the Forest Service, whoever it may be, and say it looks like this individual knowingly and willfully did not register with the Selective

Service System. It is now up to you to decide whether you want to employ them, give them a loan, or give them citizenship. By federal law, they can be denied these benefits.

Assemblywoman Dondero Loop:

How many of these young men actually know that they are supposed to register? In the old days, when there was a war going on, everyone knew. Do these kids know? Who tells them?

Susan A. Cappel:

There is a variety of methods we have to communicate with the young men. We have people in high schools who are registrars, we do put out promotional materials, we have public service announcements, but frankly, it is hard sometimes for them to be made aware of their registration requirement. That is why this bill is so important. It is another vehicle to make them aware of the registration requirement to help protect the things they are entitled to.

Assemblyman Manendo:

Here we are, Nevada, last in another category. In 2003, we worked on a bill on the very same topic. The policy portion was right on, but unfortunately, it had a fiscal note. This one does not which is good; we will have to see what the Department of Motor Vehicles (DMV) says. This is really important policy.

What other creative ways are there to try to get people to comply?

Susan A. Cappel:

We do direct mailings to young men after they turn 18. We have a variety of sources we use to match against our databases to see if young men are not registered. We send a series of letters to them encouraging them to register and to try and make them aware of the requirement to register. It goes to the address we have on file from wherever the source may be. That is one of the things we use. If they choose not to register, when they come back at 26 and say, "I swear I registered," we say "we mailed two or three times to you and you chose not to register."

We have registrars in the high schools as well as registrars in the federal job centers where they can register if they come in for job training or when they go to apply for a Pell Grant. Also, when they go into Immigration and Naturalization Service (INS), we can register them as they apply for their citizenship. We try to put out as much promotional materials into the high schools as our small budget allows as well as through public service announcements, offering the ability to register via the Internet and by telephone.

Assemblyman Manendo:

How long has the Internet registration been available?

Susan A. Cappel:

We began to use Internet registration in 1998. We do like to encourage that. However, you have to be able to meet certain criteria to be able to use the Internet. We have those criteria in place to prevent fraudulent registrations. When you do go on the Internet to register and put your information in, it has to match another file from Social Security under your social security number, date of birth, and your name. That sometimes precludes people from being able to register online.

Assemblyman Manendo:

At least there are some checks and balances. Have you seen an increase over the years since you began in 1998? Do you see more people actually going online and registering?

Susan A. Cappel:

We do see more registration via electronic methods. Frankly the driver's license legislation is the largest source of our registrations.

Assemblyman Manendo:

That is good, but my point is that you are still missing so many people because they do not realize that availability.

Assemblyman Kihuen:

I had a cousin who was actually applying for his citizenship and when they investigated they saw that he had never registered for selective service. He did not know he had to. He did not do it willingly or knowingly, but his citizenship was denied due to the simple fact he had not registered for the selective service. He eventually appealed it and did receive his citizenship.

My question is a little unrelated to the bill but when was the last time the country used selective service for anything?

General Billy McCoy:

The last time we used the Selective Service System was for the draft during the Vietnam War, in between 1959 and 1975.

Assemblyman Goicoechea:

I would still like to know how they would forward this, because typically a driver's license applicant would be 16-years old when he goes in. Would they just automatically forward it?

Tom Fronapfel, Administrator, Field Services Division, Department of Motor Vehicles:

We are currently sending information to the Selective Service Administration as it stands. This bill, as it is written, would only require those individuals who are at least 18-years of age and under 26 years of age to authorize the Department to forward that information directly from our records. Then our information and an application form would include a requirement to notify the Selective Service System in order for the individual, as part of that registration, to remain eligible for federal grants and school loans.

Assemblyman Goicoechea:

But there is no real fiscal note or impact to your Department?

Tom Fronapfel:

As it stands, with the effective date of July 1, 2010, that gives us plenty of time to modify the forms to reflect the information that is requested.

Assemblyman Hogan:

Do you forward the information received from the person coming in for a driver's license or other permit to the agency only when the person requests it or is it an automatic flow; virtually every male that comes in between the ages of 18 to 26 years has his name forwarded?

Tom Fronapfel:

The information that we are currently providing to the Selective Service System is on those individuals who authorize us to forward that information. If we have it and they have authorized us to do so, we would forward their information.

Assemblyman Hogan:

For clarity, if the bill passed, you would just be sending names of those persons who requested it to be forwarded? Prior to now, you may forward any mail without that person necessarily asking for it?

Tom Fronapfel:

Yes, as I understand it. I can certainly clarify that.

Assemblyman Kihuen:

The information would not automatically be sent, correct? The person would have to check the box stating they choose to register via the application, correct?

Tom Fronapfel:

That is correct.

Chairman Atkinson:

As there are no other questions or testimony on S. B. 217 (R1), I will close the hearing on S. B. 217 (R1) and open the hearing on Senate Bill 218 (1st Reprint).

Senate Bill 218 (1st Reprint): Revises provisions governing certain fees charged by and certain duties performed by constables. (BDR 20-846)

Senator David R. Parks, Clark County Senatorial District No. 7:

[Read from prepared testimony ([Exhibit E](#)).]

I want to leave you with two examples of cars that I see on a routine basis on Maryland Parkway. The first car is a relatively new Lexus, top-of-the-line model. It has California tags on it but it has a Lexus of Las Vegas license plate frame, and in the rear driver's side window is a decal that says Las Vegas Country Club 2008.

The second vehicle I see is a PT Cruiser convertible. It has in very big letters a phone number with an area code of 702, then it says under that, "alarms and cameras." The license plate is a Florida tag and says SEL ADT. It is someone driving a Florida registered vehicle, with a Nevada phone number and publicizing a Nevada based private contractor who sells ADT alarm systems.

Chairman Atkinson:

Thank You, Senator Parks. If there are no questions, we will take testimony from Las Vegas.

Captain Dan Palazzo, Las Vegas Township Constable's Office, Las Vegas, Nevada:

I am testifying on behalf of the majority of constables throughout the state. We are in favor of Senate Bill 218 (R1) with amendments. The amendments to the bill we are proposing should include language that is similar to that in Assembly Bill 291 which will be heard on May 19, 2009, in front of the Senate Committee on Energy, Infrastructure and Transportation. The language that we are in favor of from A.B. 291 is in section 2, subsection 4, page 3, lines 19 through 28 which states, "A person who violates provisions of subsection 3 is guilty of a misdemeanor and, except as otherwise provided in this subsection, shall be punished by a fine of \$1,000. The fine imposed pursuant to this subsection is in addition to any fine or penalty...."

Chairman Atkinson:

Excuse me. You were speaking of an amendment?

Captain Dan Palazzo:

Yes sir.

Chairman Atkinson:

Okay, where is it? We are trying to follow along with you, but the Committee members do not have it. Do you have it? Have you submitted it to the Committee?

Captain Dan Palazzo:

No, Mr. Chairman. What we are trying to do is basically combine one of the sections in A. B. 291, which increases the fine, to be included in S. B. 218 (R1).

Chairman Atkinson:

In the future, when you come to this Committee with something like this, you need to have it for us because we are not going to be trying to look it up. Assembly Bill 291 has not even passed out of the Senate yet.

Assemblywoman Spiegel:

[Inaudible discussion regarding meeting with Senator Parks to discuss this amendment.]

Chairman Atkinson:

Okay. Senator Parks, you are aware of what they are doing?

Senator Parks:

I was unaware that the Las Vegas Township Constable's Office was specifically asking for this to be added into this bill. As Assemblywoman Spiegel indicated, we are collaborating on both of our bills in the hope of resolving any differences and to make both of the bills viable bills.

Chairman Atkinson:

But the constable had not brought this to your attention or yours either, Ms. Spiegel? Not good. Go ahead; we will let you proceed now that we are caught up.

Captain Dan Palazzo:

I apologize. The language, again in A. B. 291, essentially would persuade the drivers in this state that do not have current registration to register their vehicle or face consequences. In the current language, there is no incentive to legally register their vehicles because, if they were to get a citation for an unregistered vehicle, it would cost the owner less than the cost of the registration. That is why we are in favor of that particular language from A.B. 291.

Other than the proposed change I just stated, all the language currently in A.B. 291 is included in S. B. 218 (R1).

Steve Kilgore, Deputy Director, Henderson Township Constable's Office, Henderson, Nevada:

The testimony I have is very brief, addressing one specific issue in S.B. 218 (R1). It is the change of the monetary cap from 2 percent of the \$3,500 fee to the \$10,000 fee.

To give you a very brief history in case there are any questions about this; the Constable's Office serves as the enforcement arm of the Justice Court. The Justice Court had a cap that they could hear any matter up to \$3,500, beyond that it went to District Court. Somewhere in the 1990s, Justice Court's cap began to rise through different legislative actions but the Constable's office did not change their cap to keep pace with the agency they were in charge of enforcing. Justice Court went from a \$3,500 cap to a \$5,000 cap, then to a \$7,500 cap to what it is now. It is a \$10,000 cap in Justice Court. They can hear matters up to that financial amount. What we are attempting to do is to get us to the same monetary cap.

Robert "Bobby G" Gronauer, Constable, Las Vegas Township, Las Vegas, Nevada:

I am in support of S.B. 218 (R1). I apologize for any miscommunication and lack of protocol on my part with regard to collaboration between Ms. Siegel and Senator Parks. I thought the language just had to be melded together.

Chairman Atkinson:

It is not an issue as it is during a hearing where we usually take amendments. We just wanted to make sure we were caught up and the right people were involved in the discussion. That is all.

Earl Mitchell, Constable, Henderson Township, Henderson, Nevada:

I am piggybacking on what Bobby G. has stated. We were under the assumption there was collaboration here. That has been clarified, but we and the Henderson Township Constable's Office are very supportive of S.B. 218 (R1).

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

I will be giving very similar testimony on Assemblywoman Spiegel's bill. Our association is part of a group of Nevada insurance lobbyists. We were talking about issues relating to motor vehicle insurance and one of the things we try to do is reduce the number of uninsured motor vehicles in the State of Nevada. One of the issues that arose while talking about how to do that was that unregistered vehicles are almost always related to uninsured vehicles as well. We were the group who approached Senator Parks about a bill draft and he was gracious enough to put one together. We subsequently found out it died. Assemblywoman Spiegel was also working on a bill draft. We are very supportive of these efforts and really appreciate everyone's efforts to make this happen.

Chairman Atkinson:

Senator Parks, evidently there is still some things to work out with respect to your bill and then A.B. 291. Am I still reading that correctly?

Senator Parks:

The Chair of the Senate Committee on Energy, Infrastructure, and Transportation asked Assemblywoman Spiegel to work with me and see that both our bills coincide. We are doing that with Legal.

Chairman Atkinson:

When you feel it is worked out to your satisfaction, we will bring it back and have a work session it. We will close the hearing on S. B. 218 (R1) and open the hearing on Senate Bill 245 (1st Reprint).

Senate Bill 245 (1st Reprint): Makes various changes relating to regional transportation commissions. (BDR 22-585)

Bryan Gresh, representing the Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada:

The first thing to mention is that the bill you see before you is a collaboration. We have worked with Clark County and the City of Las Vegas to bring to you a clean bill at this point. There has been work done before it was brought to your Committee.

The one other thing I would like to say is that although it appears to be voluminous, the first half of the bill, 45 sections or so, is existing language in *Nevada Revised Statutes* (NRS). There is not a word here that does not exist in current law. We are trying to establish a new section in NRS and that is why

it has all been moved over and may have the look of new language, but it is not. That will become apparent as we testify on this bill.

Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada:

Briefly, I think this collaboration will allow the Regional Transportation Commissions (RTCs) in both the north and the south to be more effective because we have collaborated with the Washoe County RTC on this bill as well.

Ten years ago, when I came to the RTC, I wanted to go through and look at all of the statutes that applied. In my previous career in aviation, I could review applicable statutes as they were all compiled into one statute where it was easy to do the reference work necessary. To my dismay, I found out I had to go throughout the *Nevada Revised Statutes* to find them.

One of the things that has really frustrated us, as well as the taxpayers, over the past decade is, as you know, we manage the freeway system on behalf of the Nevada Department of Transportation (NDOT). We do the traffic signal synchronization, ramp meters, and the dynamic message signs as well. Not too long ago there was a contractor working on the Beltway system and, as part of that contractor's work, he cut through some fiber optic cabling. That caused most of the system throughout the city to go down that day. Under current statute, we have to pay for that contractor's mistake, and for that fiber optic cable. We do not think that is a situation the taxpayers should have to pay for. One of the provisions of this bill would require contractors to pay for that type of repair work. That is a good thing.

This bill would also limit the use of bus stops to public transportation vehicles. Private charter firms and other vehicles stop at these stops intended for public transit. That is a frequent problem we have to deal with. It affects our schedules, the reliability of the system, and also impacts air quality.

From a financial perspective, this bill would help us be more efficient in how we pay for fuel. The RTC already hedges our fuel purchases, but statute only allows us to do that for one year. If we could take advantage of the times when fuel prices are low, like now, we could lock in low costs for fuel for up to five and a half years. That would certainly save the public a lot of money.

Another thing the federal government encourages us to do is best value procurements for the purchases of our buses. Right now, we are not allowed to do that type of procurement under state law. We think that would help us significantly.

Zev E. Kaplan, General Counsel, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada:

The vast majority of this bill is really a shift from various sections throughout NRS, primarily Chapters 373 and 377A, but there are several others as well. It puts them all into one new chapter, Chapter 277, which will be known as the RTC Act. We have worked with the Washoe County RTC and I have conferred with Mayor Crowell of Carson City and the Chairman of the Carson City RTC regarding this bill and they are also in support of this. Mayor Crowell wanted me to let you know that he could not be here due to another matter in the Legislature. Feel free to contact him if you have questions for him.

There are actually ten new provisions that are not in existing law or that amend existing law. The first two deal with street banners. Sections 15 and 28 of S.B. 245 (R1) authorize our member entities, through an interlocal agreement between the RTC and a member entity, to permit street banners along right-of-ways which the member entities would determine. Currently in existing law, cities have that authority but Clark County does not. We were approached by a private contractor in the advertising business to pursue this. He said "It is really the county's jurisdiction," the county said "No, we do not have the authority." We agreed to put that in here. In consultation with our member entities, primarily the county, this would enable the county to permit street banners if they so desired, designate the right-of-way where they could be displayed, and a fee would be charged. In the interlocal, the member entity, whether county or city, would then determine the administrative fee paid to the RTC for administering the program on their behalf; the remainder of the money would go to the member entity. There is a restriction that the money is to be used for road projects.

Sections 17 and 31, deal with vending stands. This is more of a clarification to enable RTCs to provide vending stands in their actual transit terminals. The Regional Transportation Commission of Southern Nevada currently has two. We have the downtown transportation center, soon to be relocated to a new location as the Central City Transfer Terminal and we have a South Strip Terminal. We will also be having several Park-and-Ride facilities. This would enable us to have vending operations for our customers in those locations. It would do the same for Washoe or Carson if they had similar facilities.

Section 26 is new language. It deals with fare evasion. It would enable RTCs, by ordinance or resolution, to impose a civil penalty for fare evaders. There currently exists a criminal misdemeanor if someone does not pay their fare. However, it has been problematic to get law enforcement with obviously more important matters to take up than the issues of fare enforcement with someone who does not pay a dollar or dollar and a half fare, or evades the monthly

fare which might be up to \$50. This would enable the RTCs to set up a civil process, much like a parking violation. As a practical matter, it will be more of a public relations matter as people realize we are trying to enforce the fare and would encourage more people to not evade the fare. It would also allow RTCs to designate who could enforce those fares, whether it is contracted services or existing employees. The intent was not to have them be actual law enforcement. These would not be armed law enforcement personnel. It would be more in the nature of a parking enforcement.

Section 27 deals with the problems we have encountered with various private contractors who try to use the public transit stops along various rights-of-way. In Las Vegas that is primarily along the Las Vegas Strip. We have various shuttle buses that try to use the public transit stops. There is already existing law which says that it is not permitted except for emergency purposes. However, it has been very difficult to enforce. This really just clarifies that and gives it more teeth.

Section 29 is the procurement issue. Currently, most of the procurements by the RTCs are with federal money. We have had a conflict between federal and state law for procurements as relates to these transportation matters. In goods and services, federal law allows best value. It requires competitive procurements, but does not restrict you solely to low bid. A number of these transportation equipment and services are somewhat unique. Under federal law you have the opportunity in a competitive nature to rank the various factors you would like to score. Price may not be the most significant determinate. You want to get the best value for the public, not solely the lowest price. This would enable us to do that and would make it consistent with the federal procurement laws. The overwhelming majority of these procurements related to the transportation services do include federal money. We would eliminate our conflict.

Section 34 relates to the Freeway and Arterial System of Transportation (FAST) which is both the freeway and the arterial traffic signalization and the dynamic message boards that we have and administer in conjunction with NDOT. We have had issues in the past with placement of some of those. This would designate FAST as a public utility for the limited purpose of utilizing utility easements to place the communications systems. It would also allow us to enforce the "call before you dig" provisions that are in state law now. If a contractor is going to be doing the work, you will have to call before you dig, and we will then have the appropriate enforcement ability. The Regional Transportation Commission can go out and do the repairs and then pursue the contractors for reimbursement of costs for the damage they may have done.

There is a provision in that section on behalf of the number of utilities who are concerned that the RTC may be going into competition with them with their own communications systems; that was never the intent. On the Senate side, that amendment was added to clarify that RTC would not be leasing or selling their communications facilities or directly competing with cable or telephone systems.

Section 38 is the fuel language. Under existing law, RTCs can make an investment in a fuel hedge, but that is limited to an annual basis. It would be wise to enable RTCs to have the flexibility to go out into the marketplace when fuel prices are low, as they are now relative to where they have been, and lock in the fuel prices on a multiyear basis. The reason it is a five and one-quarter year time frame is because it was determined that the Budget Act required some flexibility to go beyond the simple five years. That is the reason for the additional quarter year. This enables the RTCs to budget more effectively and know what their actual fuel costs will be. The RTC has done it on an annual basis in the past and in four of the past five years it has been very beneficial financially. This current year, with the up and down spikes, it did not work quite as well. Overall we have done quite well.

The final section that is new deals with the dissolution of the RTCs. As you know, the local jurisdictions and the counties were authorized by state law to create RTCs. That has happened in Washoe County, Clark County, and Carson City. Carson City is a consolidated city-county so it is not much of an issue. In Washoe and Clark Counties, the counties themselves created it by ordinance and could have it dissolved to the detriment of the other member entities. This would change that to say that as a regional body, it can only be dissolved if the member entities all agree to do so, rather than just one entity.

That is a summary of the operative new provisions in the Act and as we have noted, the rest is just transferring existing language from the various chapters into one consolidated chapter.

Chairman Atkinson:

Did you go to section 32? What is that? How did that get in here? Page 12, starting on line 1, is not in the bill summary.

Zev Kaplan:

That is not new language. That was from two sessions ago. Previously all bus shelters were franchised by the various member entities to usually an advertising company that would then install the bus shelters and bus stops in exchange for the right to advertise on them. The revenue went to the member

entities. That was transferred two sessions ago to the RTCs as a responsibility along with the franchises.

Chairman Atkinson:

If it is not new language, why is it in bold? It says in the bill "explanation and matter in bold italic is new." That is definitely bold italic to me.

Zev Kaplan:

If you read through most of this, sections 2 through 41 are to be known as the RTC Act. Most of these, other than the ones I have noted, are all existing law and for some reason when the Legislative Counsel Bureau (LCB) drafted this, because it is being moved from different sections into one new consolidated chapter both on the Senate side and here, it is all bold for some reason. It really is not new language.

Chairman Atkinson:

We will check on that to make sure. Things happen.

Bryan Gresh:

I believe at the very back of the bill, page 45, you will see the lead lines of repealed sections that should coincide with the language that is being moved to the front part, which should balance out what appears to be new language but is not. It is simply the movement from one part of NRS to a new part which is going to become Chapter 277.

Zev Kaplan:

On page 46 where it references NRS 373.1185, that is the specific language from two sessions ago that is being moved.

Assemblyman Manendo:

In section 26, you are referencing having some type of security in trying to catch people who are not paying their fares, and you talked about using current employees or maybe getting a security company. I am trying to envision how you are planning on doing this. I had a bill in a previous session dealing with certain people having the authority to write tickets to people who were parked illegally in handicapped spots. They were to be trained by the Las Vegas Metropolitan Police Department, and they had to have the proper uniform; we went through everything to make sure it was not just anyone writing tickets. I am trying to figure out how this is going to work, how would you be able to get their information to send them a ticket? Are they going to voluntarily hand over their ID? Are these people going to be bonded?

Zev Kaplan:

It is my understanding the intent would be for the Commission to establish all of that by resolution or ordinance. As a practical matter, there are devices that will print out a ticket just like for moving violations or when you rent a car. The RTC currently has a contract with the Wackenhut Corporation for security on a number of the routes. They would most likely be utilized as well as some RTC employees. They would ask the individual for identification. As I indicated in the testimony, it is really more the fact that someone will be going around and checking and asking that will dissuade fare evaders; more so than the actual ability to get the identification, send a ticket, and recover a fine. The first thing you would do is ask them to pay the fare if they do not have the proof. Assuming they do not do that, you would ask them either for their identification so you could issue the citation, or you would ask them to leave the vehicle. In essence, we do everything now except for issuing them a citation. The goal is to give the enforcement process more teeth. We have had a problem with law enforcement because it is a relatively insignificant amount of money involved.

Assemblyman Manendo:

I am okay with all of that except the portion of being able to issue the citation. Maybe we can have Research or Legal look into how you can do that without having some type of official authority. We specifically put it into statute that they had those types of powers to do that, with limitations.

Zev Kaplan:

There exists, in state law, the ability of local governments to designate certain individuals to perform those types of tasks now. This would only establish that the RTC can impose the fine and designate who those individuals would be. This would be consistent. That is in essence what happens with your parking violations now in the local jurisdictions. It is a civil penalty, not a criminal matter. It is not a law enforcement issue per se. It is not criminal in nature.

Assemblyman Manendo:

I am still not comfortable.... I will look into that. Also, in section 31, page 11, regarding vending machines, it says"...commission may provide for the construction, installation and maintenance of vending stands for passengers of public mass transportation in any building, terminal or parking facility...;" then it says in lines 43-45, "...do not apply to a vending stand constructed, installed...." I do not know. Can you walk me through that again?

Zev Kaplan:

I do not recall off the top of my head what those statutory references are, however, it is only limited to where the RTC owns, operates, or leases an actual transit terminal or office building or maintenance facility. Originally there was

some language in the very first draft that would have permitted it at bus stops, bus shelters, and along certain rights-of-way, but we have excluded that and deleted it from the bill.

Assemblyman Manendo:

That was going to be my second question, could they do it at the bus shelters? I could envision a big mess as we have problems there anyway.

Zev Kaplan:

No. That is specifically not authorized.

Assemblyman Carpenter:

My question is with regard to playing the futures market. I know you can make big bucks, but you can lose bigger bucks on this kind of thing. I do not know how you invest, but you are playing with public money so I am wondering how well you will do. The other gentleman said you lost money one year and did well in others, but you could take a bath playing with those kinds of markets.

Jacob Snow:

We really believe the effort behind this initiative is to save the public money based on what we have experienced over the past ten years in dealing with the volatility of fuel prices. The hedging technique allows us to budget effectively as well. Certainly we have the ability to do that on a year-to-year basis, but our experience has been that we would actually save the public money as opposed to risking the public's money. Not that you do not have a good point, Assemblyman, but our experience has been that we would be able to save money. That is in the public interest.

Assemblyman Hogan:

Thank you for your thoroughness in going over the bill with us, we appreciate it.

**Fred Hillerby, representing Washoe County Regional Transportation Commission,
Reno, Nevada:**

I would like to thank Jacob, Zev, and Bryan for all the hard work they have put into this, and I will tell you they did just as they said they would and worked with our agency in developing this, so we are in full support.

Chairman Atkinson:

A few Committee members have questions, so we are not going to move it today. We ask you to see that the Committee members get their concerns addressed. Mr. Gresh, if you would follow up with Mr. Manendo and anyone else who has questions or concerns. I will check on section 32 to make sure it

is existing and we will bring this bill back before the end of session to vote on it.

We will close the hearing on S. B. 245 (R1) and open the hearing on Senate Bill 249.

Senate Bill 249: Revises provisions relating to the medical professionals who may issue a health certificate to a person applying for employment as a taxicab driver. (BDR 58-120)

Is someone getting Senator Nolan? [8 minutes passed.]

It is a short bill, so we will try to bring it back before the end of session. We will reschedule Senate Bill 249. Is there any other business to come before the Committee? Is there any public comment? Seeing none, we are adjourned [at 3:00 p.m.].

RESPECTFULLY SUBMITTED:

Sharon McCallen
Committee Secretary

APPROVED BY:

Assemblyman Kelvin Atkinson, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: May 5, 2009

Time of Meeting: 1:40 p.m.

| Bill | Exhibit | Witness / Agency | Description |
|---------------------|----------------|---|--|
| | A | | Agenda |
| | B | | Attendance Roster |
| S.B. 217 (R1) | C | Erin Russell Hayes, Las Vegas, Nevada, representing, Boyd Gaming Company, Las Vegas, Nevada: | Selective Service System Registration and Compliance Statistics CY2007. |
| S.B. 217 (R1) | D | General Billy McCoy, State Director, Selective Service System, Las Vegas, Nevada | Prepared Testimony |
| S.B. 218 (R1) | E | Senator David R. Parks, Clark County Senate District No. 7 | Prepared Testimony |