

**MINUTES OF THE
SENATE COMMITTEE ON ENERGY, INFRASTRUCTURE AND
TRANSPORTATION**

**Seventy-fifth Session
April 16, 2009**

The Senate Committee on Energy, Infrastructure and Transportation was called to order by Chair Michael A. Schneider at 9:12 a.m. on Thursday, April 16, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, 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 Michael A. Schneider, Chair
Senator Maggie Carlton, Vice Chair
Senator John J. Lee
Senator Shirley A. Breeden
Senator Randolph Townsend
Senator Barbara K. Cegavske
Senator Dennis Nolan

GUEST LEGISLATORS PRESENT:

Assemblyman Ruben J. Kihuen, Assembly District No. 11
Assemblyman John Ocegura, Assembly District No. 16
Assemblyman James Ohrenschall, Assembly District No. 12
Assemblyman Tick Segerblom, Assembly District No. 9

STAFF MEMBERS PRESENT:

Matt Nichols, Committee Counsel
Scott Young, Committee Policy Analyst
Lynn Hendricks, Committee Secretary

OTHERS PRESENT:

Martha Barnes, Administrator, Division of Central Services and Records,
Department of Motor Vehicles

Senate Committee on Energy, Infrastructure and Transportation
April 16, 2009
Page 2

Jeanette Rae, Program Manager, Office of Veterans Services
Jennifer Lazovich, Pardee Homes of Nevada
Kyle Davis, Nevada Conservation League
Lesley Pittman, Nevada Rental Car Group
Bill Gregory, Enterprise Rent-A-Car
Mandy Murphy, Enterprise Rent-A-Car
Brian O'Callaghan, Las Vegas Metropolitan Police Department
Michael Geeser, American Automobile Association
Jim Wadhams, American Insurance Association
Peter Krueger, Nevada Collision Industry Association

CHAIR SCHNEIDER:

I have a packet of news articles compiled by Scott Young regarding recent advances in energy ([Exhibit C](#), original is on file in the Research Library). I will open the hearing on Assembly Bill (A.B.) 109.

[ASSEMBLY BILL 109 \(2nd Reprint\)](#): Revises provisions governing special license plates. (BDR 43-958)

ASSEMBLYMAN RUBEN J. KIHUEN (Assembly District No. 11):

This bill began some years ago when Senator Breeden called Assemblyman Segerblom and me, before she became a senator, and said veterans who ride motorcycles would like to have veterans' license plates on their motorcycles. We looked into it and found the statutes did not allow for specialty plates on motorcycles. We introduced a bill, A.B. No. 278 of the 74th Session, requiring the Commission on Special License Plates to study whether the Department of Motor Vehicles (DMV) could issue specialty plates for motorcycles. Currently, under *Nevada Revised Statutes* (NRS) 482.3824, the DMV can issue specialty plates for use on passenger cars, light commercial vehicles and trailers, but is prohibited from issuing them for motorcycles or heavy commercial vehicles. Assembly Bill 109 removes the prohibition against specialty plates for motorcycles and provides that the fees for such plates be the same as those for specialty plates for cars. There is no fiscal note for the DMV to produce specialty plates for motorcycles.

ASSEMBLYMAN TICK SEGERBLOM (Assembly District No. 9):

When this issue came up in the last Legislative Session, the DMV told us it would cost \$50,000 to make specialty plates for motorcycles. After they completed the study required by A.B. No. 278 of the 74th Session, they now

say it will cost \$5,000 and take another 18 months. They will make back this money tenfold the day they start issuing these plates because people are dying for these plates.

SENATOR SHIRLEY A. BREEDEN (Clark County Senatorial District No. 5):

This is something we have been working on for a couple of years. As a member of the American Legion Riders, I am here to support the concept of specialty plates for motorcycles. This would apply to all specialty plates, not just those for veterans. I urge the Committee's support for this legislation.

SENATOR LEE:

I was instrumental in getting the Mount Charleston specialty plate, and it has been very valuable for us. Do we have an idea of the demand for these motorcycle plates? How much money will they generate for each specialty plate?

SENATOR BREEDEN:

I do not know the number. I do know there are a tremendous number of veterans who ride motorcycles, and all the groups are interested.

MARTHA BARNES (Administrator, Division of Central Services and Records, Department of Motor Vehicles):

The study we did last Session allowed us to look at what we would need to do to provide motorcycle versions for all the specialty plates. We determined that we could purchase the equipment we needed with existing funds, and we were able to do that within that 18 months.

SENATOR LEE:

How many motorcycles are registered in Nevada?

MS. BARNES:

I do not have that information with me. I will find out and get back to you.

JEANETTE RAE (Program Manager, Office of Veterans Services):

A major part of our charge at the Office of Veterans Services is to reach out to veterans of Nevada to let them know of our services and inform them of their benefits. We do this by attending community events and providing briefings at various veterans' functions. The funds we receive from veterans' license plates have allowed us to enhance this program greatly. For instance, in September we

cosponsored the Lieutenant Governor's Nevada Veterans Conference for veterans of the global war on terror, and last month we held our second annual Women Veterans Summit. We currently have offices only in Reno, Fallon, Elko, Las Vegas and Boulder City. The license plate funds recently enabled us to acquire a fifth-wheel trailer to serve as a mobile office. It will allow our service officers to attend community events, such as Hawthorne's Armed Forces Days and Tonopah's Jim Butler Days, to reach many of Nevada's veterans who are not currently served and who are otherwise not able to reach us.

While it may not appear that the funds generated by specialty plates help the General Fund, in reality these funds make possible an important part of our mission, a part we would otherwise have to fund from our budget. In essence, this is money we have not had to request from the General Fund. We urge you to pass A.B. 109 so not only can veterans proudly display their status, but also so we can continue to provide rural veterans with the same benefit opportunities currently enjoyed by veterans in the larger communities.

SENATOR CARLTON MOVED TO DO PASS A.B. 109.

SENATOR LEE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

CHAIR SCHNEIDER:

I will close the hearing on A.B. 109 and open the hearing on A.B. 163.

ASSEMBLY BILL 163 (1st Reprint): Authorizes certain governmental entities to adopt regulations or ordinances to allow certain low emission and energy-efficient vehicles to be operated in designated lanes. (BDR 43-40)

ASSEMBLYMAN JAMES OHRENSCHALL (Assembly District No. 12):

This bill came out of a discussion with environmentalists on ways to encourage people to buy hybrid vehicles that use less fossil fuels and produce less emissions. In the 74th Legislative Session, I proposed a bill to give a number of incentives to owners of low-emission vehicles, including free metered parking, no registration fee, lower sales tax and the ability to drive in high-occupancy vehicle (HOV) lanes. The bill had a huge fiscal note and died. However, there

was one really good idea from that bill that other states have adopted, and that was allowing certain fuel-efficient hybrid cars to use HOV lanes. It does not impose a huge burden on our treasury, and it is an extra incentive to buy these cars, especially in southern Nevada where traffic congestion can be bad. There are currently some 5 miles of HOV lanes in southern Nevada on U.S. Highway 95, and I believe within a year there will be 15 miles.

Originally, A.B. 163 required the Nevada Department of Transportation (NDOT) to establish this program. This has been changed to make it permissive, substituting the word "may" for the word "shall" in section 1.5 of the bill. This was done for a number of reasons. First, representatives from the NDOT, the DMV and the Nevada Highway Patrol (NHP) felt the change gave them flexibility to react to specific traffic situations. For example, if the HOV lane on Highway 95 to Summerlin became so congested that they did not feel it could handle the extra traffic of hybrid vehicles carrying only the driver, they could not allow hybrids in that HOV lane, but still allow them in the HOV lanes on the Beltway. Second, there is the mandate of federal law. The exception at 23 U.S. Code (U.S.C.) section 166(f)(3) that allows states to let hybrid vehicles into their HOV lanes expires on September 30, 2009. Hopefully, Congress will reauthorize the exception and continue to allow states to offer this incentive. But since there is no guarantee this will happen, it seemed prudent to change "shall" to "may."

The NDOT, the DMV and the NHP have worked together with me on this bill and support it. This is something they will work to implement, and I hope the Committee will look favorably on A.B. 163.

SENATOR TOWNSEND:

Can you be specific about the portion of U.S.C. section 166 that will expire this year? How many models of car fit into the description "low emission and energy-efficient vehicle" referred to in section 1.7, subsection 2, paragraph (a) of A.B. 163?

ASSEMBLYMAN OHRENSCHALL:

I have an excerpt from the *Federal Register* regarding that section of the U.S.C. ([Exhibit D](#), original is on file in the Research Library). The figures I have from the DMV indicate that out of 2,311,000 vehicles registered in Nevada, about 59,000 are nontraditional. Of those, about 11,400 vehicles are gasoline-electric. Not all of those will qualify under this statute. In the hearing in the Assembly

Committee on Transportation, a representative from the DMV said the number of qualifying vehicles was a fraction of the 11,000 gasoline-electric vehicles.

JENNIFER LAZOVICH (Pardee Homes of Nevada):

We appreciate Assemblyman Ohrenschall allowing us to place a friendly amendment on his bill in section 1.7. Pardee Homes is the master developer of Coyote Springs, which is a large master-planned community to be built in southern Nevada that will cross the border between Clark County and Lincoln County. Our amendment in this section would allow counties and cities to create an ordinance to allow low-emission vehicles, specifically golf carts, to have a designated lane within a planned community. This would keep those types of vehicles away from lanes with traditional cars, thus cutting down on the use of the larger vehicles for short trips.

CHAIR SCHNEIDER:

How does this affect existing communities?

MS. LAZOVICH:

It would be up to cities and counties to decide whether it could affect existing communities. From a practical standpoint, I tend to doubt it would, since those streets are already a certain width based on traffic studies. The ordinances would probably go to new communities still in the design stage.

CHAIR SCHNEIDER:

How would you identify cars qualified to use the HOV lanes? Some hybrid cars are distinctive, but others look like any other car.

ASSEMBLYMAN OHRENSCHALL:

In our talks with the DMV, the NDOT and the NHP, it was felt they could work together to establish this by regulation. California uses a sticker on qualified cars. From our talks, I gather we were considering something similar. If a driver wanted the benefit, they would apply for the sticker at the DMV, and the fee would be nominal, perhaps \$10 or \$15.

KYLE DAVIS (Nevada Conservation League):

We want to lend our support to A.B. 163. This bill dovetails nicely with what this Committee has already done to increase incentives for people to purchase these fuel-efficient vehicles. We are in support of anything that moves that ball a little further down the road.

SENATOR TOWNSEND MOVED TO DO PASS A.B. 163.

SENATOR BREEDEN SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR CARLTON WAS ABSENT FOR THE VOTE.)

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CHAIR SCHNEIDER:

I will close the hearing on A.B. 163 and open the hearing on A.B. 177.

[ASSEMBLY BILL 177 \(1st Reprint\)](#): Revises provisions concerning short-term leases of passenger cars. (BDR 43-194)

LESLEY PITTMAN (Nevada Rental Car Group):

I have written testimony explaining the situation behind this bill ([Exhibit E](#)).

ASSEMBLYMAN JOHN OCEGUERA (Assembly District No. 16):

We have an issue with auto theft rings that rent cars, then claim they have been stolen. The numbers are astonishing. This bill is one way we hope to fix the problem.

MS. PITTMAN:

We have submitted an amendment with the support of the bill's sponsor ([Exhibit F](#)). This amendment would remove the section of the statute that limits our recovery for damages when a vehicle of ours is vandalized. The reasoning behind this amendment is covered on page 2 of [Exhibit E](#).

BILL GREGORY (Enterprise Rent-A-Car):

We support this amendment. Vandalism is a six-figure issue for Enterprise, and theft has become a major issue. In Nevada, Enterprise loses one to two cars per week to theft. Each branch is self-insured, so these thefts are a direct hit to the bottom line for them.

SENATOR LEE:

What is the process now that allows this to happen?

MANDY MURPHY (Enterprise Rent-A-Car):

Currently, when a renter calls to say a rented vehicle has been stolen, we advise them to make a police report. We ask them for the circumstances of the theft and whether they still have the keys. If they do not file a police report, we hold them responsible for the theft; per the contract, they must file a police report within 24 hours in order for the claim to be valid. They must also produce the keys. One problem with that is you can make a spare key without having to prove ownership of the vehicle, either at a dealership or through a local key vendor. Thieves are getting smarter, and it is a simple matter for them to have a spare key made. They tell us the car was stolen, give us back the key and we have to take the hit.

SENATOR LEE:

Would it help this if we specified they must come to you to get a spare key?

MS. MURPHY:

We are trying to change it so that the renter will be held responsible for the theft regardless of whether they still have the key or not. We offer the collision damage waiver (CDW) when the car is rented. If you choose to purchase the CDW and the car is stolen, you will be covered. If this bill passes, if you choose not to purchase the CDW and the car is stolen, you choose to be responsible for the vehicle regardless of fault. In that case, we will be allowed to pursue you and your insurance company for the loss.

SENATOR NOLAN:

It seems to me that not having to prove ownership of a car to get a spare key made is a much broader problem. If you use the American Automobile Association, they make you show identification. This seems like a bigger problem.

MS. MURPHY:

The issue for us is not the manner in which they are stealing cars. Our main concern is our inability to recover the value of the car once it has been stolen. There are thieves who can steal a car without any key at all. This is not a situation we can control.

SENATOR CARLTON:

I thought I was going to like this bill when I read it, but now I have some concerns. I can imagine a situation in which I rent a car for a weekend

conference, refuse the CDW because I am trying to save money, give the car and its key to valet parking at the hotel and the car is stolen from there. I would not even know that it has been stolen, key and all, for several days. From what I just heard, even if I file a police report, I would still be considered guilty. I know you are not trying to target the ordinary consumer. But this situation could easily happen to me, and I would not know the car was gone for two days.

MS. MURPHY:

If you take your car to valet parking, you get a valet parking slip. That slip is essentially insuring you with the valet parking department of the hotel. They have possession of your vehicle, and they take responsibility for it. When you rented the vehicle, you took responsibility for it from the rental company; when you release it to valet parking, they take responsibility from you. I have yet to come across a hotel that has declined a claim from us in that situation.

SENATOR CARLTON:

I understand that is the intention. However, the way the bill is currently worded, I could still be held responsible. I need some clarification in this bill that people in this situation will not be held responsible. That is not who you are trying to catch, and I do not want them caught up in this net.

MR. GREGORY:

We are happy to have the language tightened up however you want. We do not want anyone who is a legitimate renter to fall under this. Our intent is to catch those people who will not file police reports or cooperate. They simply say, "Car's gone, goodbye." However we need to work with you to tighten this language to get the people who are targeting these companies is fine with us.

CHAIR SCHNEIDER:

Why do the rental companies not have keys that cannot be reproduced? All it takes is to engrave them with the phrase "Do Not Duplicate." Also, A.B. 163 seems to be an insurance bill. Why do the rental companies not add a nominal fee to the rental and insure every car against theft? You will get an extremely good rate if you insure the thousands of cars Enterprise owns all at once. The insurance you offer seems awfully high, and people take the waiver because the cost seems exorbitant.

MS. MURPHY:

In my experience as a rental agent, I have found that when the price is included in the rate, a lot of customers are not satisfied. They want the right to pay for coverage or not. If you give them an option, they feel more secure about their coverage.

CHAIR SCHNEIDER:

Could you not just have coverage on all your cars as a cost of doing business? You are taking the business risk of renting them.

MS. MURPHY:

The cost of insuring every vehicle would be outrageous and make us not competitive with other rental car companies.

CHAIR SCHNEIDER:

What if every rental car company were required to do the same?

MS. MURPHY:

If everyone was covered, I think insurance rates would rise tremendously. One to two thefts a week is a lot of money throughout the year. If Enterprise was not self-insured, that would be a very large loss we would take every month.

CHAIR SCHNEIDER:

Why do the rental companies not put a global positioning system (GPS) chip in every car so they can find them?

MS. MURPHY:

That is a good question. From my understanding, current law in Nevada is that even with a GPS chip, a car must be reported stolen and certain procedures must be followed before we can do so. If we have a customer who believes their vehicle has been stolen, they must provide us with a copy of the rental contract. Many customers keep the contract in the car. If they do not have a copy of the contract and the branch is closed, they must wait till the next day to get one, by which time the stolen car might be in Mexico. At that point, a GPS chip cannot help us.

ASSEMBLYMAN OCEGUERA:

With regard to the scenario posed by Senator Carlton, section 5, subsection 4, paragraph (b) of A.B. 177 gives the renter 24 hours after learning of the theft to file a police report. In that situation, there is a theory in law called "bailor-bailee" which covers the situation in which you give your car to the valet. We put in this section because there may be situations like this. One of the main things the rental companies are looking for is for customers to report stolen cars to the police.

SENATOR CARLTON:

I still have concerns about the presumption of theft. I know your intent is to have the valet ticket be accepted as proof that I did not have control of the car, but the bill does not spell that out. We need to either find a way to delineate that or define "keys" to include a valet ticket or a receipt when you turn in that police report. I can imagine a situation in which this happened to me, and when I tried to present the valet receipt, the rental company could claim that the law says keys and a receipt is not a key.

ASSEMBLYMAN OCEGUERA:

As you say, we are not trying to get at the consumer; we are trying to get at the thief. We are certainly open to looking at those sorts of alterations in the language.

CHAIR SCHNEIDER:

I still want to know why you do not put GPS chips in the cars and have a 24-hour hotline so customers can report a stolen car at any time. If a customer discovers a car missing at midnight and the contract is in the car, they could call the hotline. Enterprise could then locate the car via the GPS chip and call the NHP, who could pick up the car before it reaches Victorville. If you are losing two cars a week, this would not be cost-prohibitive. Enterprise is a big company.

MS. MURPHY:

We have a hotline, and there are ways to contact the company to make sure they are aware of any situation. I do not know the cost of a GPS chip, other than the ones that can be rented at the airport to tell you how to reach your destination. Considering the cost of a service like OnStar, I would imagine the cost of outfitting the Nevada fleet alone would be significant.

SENATOR NOLAN:

This might be a better question for law enforcement. Have your risk management people developed a profile of the type of person who files an illegitimate claim? Do they rent for a short term or do other things to alert you that this is a high-risk transaction?

MS. MURPHY:

There are definitely indicators. However, Enterprise does its best not to be judgmental and to have an open playing field for everybody. If you qualify to rent a vehicle, you will get a vehicle. We rent on cash, debit card and prepaid credit cards. The prepaid credit cards could potentially be dangerous for us because some customers do not hold up their end of the bargain. But we do not want to disallow them, because other customers live on prepaid cards; they do not trust themselves with the unlimited debt potential of a regular credit card. It would not be fair to disallow prepaid credit cards or cash because we have a few bad seeds.

SENATOR NOLAN:

I have known people who have had a car stolen, and when they called the police to report it, the police do not have the resources to send an officer out to take a report. This means the individual has to go to the police station to fill out a report. In the case of a person renting a car, they may not discover it until they are ready to return to the airport. If they then have to go the police station to fill out a report, they may miss their flight. In that case, they may decide they do not have the time to fill out a report.

BRIAN O'CALLAGHAN (Las Vegas Metropolitan Police Department):

The process has now been changed because Las Vegas was number one in vehicle thefts for a while. What we do now is send an officer out as soon as possible when a vehicle is reported stolen. That way, we can put the vehicle in the system quickly. The quicker we get the vehicle into the system, the more often it can be recovered.

SENATOR TOWNSEND:

What percentage of the thefts are due to the copying of keys?

MS. MURPHY:

I do not know. Sometimes we can only tell when we recover the vehicle and there is no damage to the ignition, meaning the thief probably had the key.

SENATOR TOWNSEND:

Has there been any dialogue between the Nevada Rental Car Group and the agencies that repair these vehicles asking them not to copy these keys without proof of ownership? I am not against this bill, but that might help the challenge. If everyone works together, a little effort can go a long way.

MICHAEL GEESER (American Automobile Association):

We are in support of A.B. 177 as it was approved by the Assembly. However, [Exhibit F](#), which I have just seen, seems to create a problem. Subsection 1, paragraph (c) of the amendment seems to say that the consumer is responsible for theft or damage of the car under every circumstance. I would like to have some time to work that out with the sponsors.

SENATOR CARLTON:

On the vandalism issue, where does my deductible fit into this? I carry a high deductible on my insurance. If the car is covered by my insurance, I would still be responsible for my deductible. Since I refused your insurance and we are treating this like my car, I would pay the deductible and the insurance company would pay the rest. Is that correct? If not, how does the deductible fit into this?

MS. PITTMAN:

Under current statute, if you opted to be covered by your own insurer and not to take the CDW, you would pay your deductible pursuant to your insurance plan, but the rental car companies would only be able to recover a maximum of \$500 from your insurance company.

CHAIR SCHNEIDER:

When you rent a car to someone and it comes back having been "keyed" by someone other than the renter, that is part of the risk you take in doing business. We have work to do on this bill.

SENATOR CARLTON:

If my insurance company did have to pay for the balance of the damage or theft, would that be a ding on my insurance record and cause my rates to go up in the future?

MR. GEESER:

I cannot give you an absolute yes or no. It would have to depend on the situation, and many factors go into that. The circumstances surrounding the

loss would dictate whether or not it would impact your rate. I would think most major carriers with long-time customers would not have it impact your rate.

CHAIR SCHNEIDER:

Mr. Wadhams, perhaps you could help us here. Why do the rental car companies not insure every car against theft? The cost would be something like 50 cents on every contract for large companies because they have tremendous buying power. Can you add some clarity?

JIM WADHAMS (American Insurance Association):

I have not been in the room for the entire discussion, but I will do my best. Generally, the risk of loss is what drives any person to purchase insurance. You generally do not try to insure every dollar of that loss; rather, you insure the dollars you cannot afford to lose. This is why we have deductibles in our personal insurance policies. If you can afford to lose \$1,000, you will have a \$1,000 deductible; if you can only afford to lose \$500, you will have a \$500 deductible. You asked why rental car companies like Enterprise do not have theft insurance. The fact that Enterprise is self-insured means they have assumed, given their huge fleets of cars, that they can manage the loss. Part of the economic here is that if I rent a car from them, I have control of the risk for the period of time of my rental. You get this push back and forth between the renter's insurer and the owner's insurer.

I think the original form of the bill is trying to create some presumptions on theft. The Committee seemed to me to be heading toward resolution of that issue. Generally, the risk of loss falls on the person who has the economic responsibility. What happens in some rental agreements is the risk is reassigned to someone else so the economics of the loss fall elsewhere. Senator Carlton's concern was she was willing to take the risk when she has control of the car, but not when she does not, such as when it has been taken by valet parking. I do not know if I have answered the questions.

CHAIR SCHNEIDER:

I think you hit it. If the renter has left the car in valet parking and it is damaged, that is the risk of the rental company. It is the risk of doing business.

SENATOR CARLTON:

You call it presumed risk, but I read this as presumed guilt. We seem to be telling customers that if they cannot produce the rental contract, they are guilty

of auto theft. With regard to deductibles, it would seem to be an issue of fairness: if I pay the deductible, my insurance company should pay their fair share. I am still concerned about the possibility of that showing up on my insurance record and raising my rates, however.

MR. WADHAMS:

In your auto insurance, the dings on your record are limited to those things for which you are responsible. For example, if you caused an accident, that will definitely be reflected on your record because it is assumed to be an indication of the riskiness of your conduct. If something happens to your car when you are not around after you had parked it safely, that would not be reflected on your record with the insurance company because it has been presumed there will be a certain amount of losses. Your question represents concerns all consumers have: if I did not cause this loss, why should I be held to be responsible by the insurance company?

The question still remains: who should be presumed to be responsible? What I was hearing from the rental car companies was that there is some frustration because it is so easy under current statute for theft schemes to be developed, and they want some opportunity to have some presumption of responsibility.

CHAIR SCHNEIDER:

The point of insurance is spreading the risk. It seems the rental car companies are trying to offload the risk onto customers rather than just spreading it over their fleet, even though the fleet may be 30,000 cars nationally.

MR. WADHAMS:

Without getting into the debate further, I think that is correct. Generally, the principle of insurance is to spread the risk so the losses of the few are spread over the many who may not incur them. Another question is what we can contract for, and what do we realize we are contracting for, when we rent a car.

MS. PITTMAN:

Rental car companies offer as a courtesy to incur all the risk when they make available their CDW insurance for less than \$25 a day. If you have opted for this and your car gets vandalized or is damaged, we will bear all the risk, no questions asked.

PETER KRUEGER (Nevada Collision Industry Association):

As this bill got started in the other House, we had, and put on the record, a concern from the repair body shops and collision industry—a term of diminished value. There was a concern that this bill might lead insurance companies and others to come up with a diminished value. Therefore, more vehicles would be totaled; and therefore, once a vehicle is totaled, of course, it is not eligible for repair, vehicle repair. And of course, that threshold is of great concern to our members. So I don't see anything here, and I just want to get on the record as we did in the other House, that there is nothing here that addresses with this amendment diminished value, and in going through it I don't see any, so I just felt compelled to get that on the record.

CHAIR SCHNEIDER:

We will continue to work on this bill. I will close the hearing on A.B. 177. Is there any further business to come before the Committee? Hearing none, I will adjourn the meeting at 10:34 a.m.

RESPECTFULLY SUBMITTED:

Lynn Hendricks,
Committee Secretary

APPROVED BY:

Senator Michael A. Schneider, Chair

DATE: _____