MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON TRANSPORTATION

Seventy-Sixth Session May 5, 2011

The Committee on Transportation was called to order by Chair Marilyn Dondero Loop at 3:28 p.m. on Thursday, May 5, 2011, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, The meeting was videoconferenced to Room 4401 of the Nevada. 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/76th2011/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:

Assemblywoman Marilyn Dondero Loop, Chair Assemblyman Jason Frierson, Vice Chair Assemblyman Kelvin Atkinson Assemblywoman Teresa Benitez-Thompson Assemblyman Steven Brooks Assemblyman Richard Carrillo Assemblywoman Olivia Diaz Assemblyman John Hambrick Assemblyman Scott Hammond Assemblyman Joseph M. Hogan Assemblyman Randy Kirner Assemblywoman Dina Neal Assemblyman Mark Sherwood

COMMITTEE MEMBERS ABSENT:

Assemblywoman Melissa Woodbury (excused)

GUEST LEGISLATORS PRESENT:

Senator James A. Settelmeyer, Capital Senatorial District

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Minutes ID: 1096

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst Darcy Johnson, Committee Counsel Jordan Neubauer, Committee Secretary Sally Stoner, Committee Assistant

OTHERS PRESENT:

Burel Schulz, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles

John Sande IV, representing Nevada Franchised Auto Dealers Association John Sande III, representing Nevada Franchised Auto Dealers Association Alfredo Alonso, representing Alliance of Automobile Manufacturers

Dan Wulz, Deputy Executive Director, Legal Aid Center of Southern Nevada

Jeff Richter, Administrative Services Officer II, Records Management and Over Dimensional Vehicle Permitting, Administrative Services Division, Department of Transportation

Wayne Seidel, Administrator, Motor Carrier Division, Department of Motor Vehicles

Paul J. Enos, Chief Executive Officer, Nevada Motor Transport Association

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation

John Madole, Executive Director, Nevada Chapter, Associated General Contractors of America

Gary Milliken, representing Las Vegas Chapter, Associated General Contractors of America

Anthony Rogers, representing Southern Nevada Building and Construction Trades Council

Lorinda Wichman, Chair, Board of Commissioners, Nye County

David Manning, Division Chief, Roadway Systems Division, Department of Transportation

Wes Henderson, Deputy Director, Nevada Association of Counties

Chair Dondero Loop:

[Roll was called. Rules and protocol were stated.] Today's schedule is going to be a little different. We are going to hear three bills, but we are going to start with our work session first because we have several members who have to leave to testify in another committee. It is not customary for the Committee to take testimony or otherwise rehear the bills during a work session, but rather to take action on the bills. If a technical issue arises, the Chair, at her discretion,

may ask a witness for clarification. Our Committee Policy Analyst, Jennifer Ruedy, will take us through the work session document starting with Senate Bill 130 (1st Reprint).

Senate Bill 130 (1st Reprint): Revises certain provisions governing off-highway vehicles. (BDR S-210)

Jennifer Ruedy, Committee Policy Analyst:

<u>Senate Bill 130 (1st Reprint)</u> was heard by the Committee on April 28, 2011. The bill revises the effective date of most provisions relating to the Department of Motor Vehicles' (DMV) off-highway vehicle titling program to July 1, 2012, or 30 days after the date the DMV notifies the public it is ready to begin the program, whichever comes first. There were not any fiscal notes on this bill. [Continued to read from (Exhibit C).]

Chair Dondero Loop:

I would like to entertain a motion.

ASSEMBLYMAN HAMBRICK MOVED TO DO PASS SENATE BILL 130 (1st REPRINT).

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN WOODBURY WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Mr. Hambrick. Ms. Ruedy, let us move on to Senate Bill 248.

Senate Bill 248: Revises provisions governing traffic laws relating to overtaking and passing bicycles and electric bicycles. (BDR 43-794)

Jennifer Ruedy, Committee Policy Analyst:

[Read from (Exhibit D).] Senate Bill 248 was heard by the Committee on May 3, 2011. The bill requires a motor vehicle operator to overtake and pass a bicycle or electric bicycle if he is going in the same direction by moving the vehicle into the immediate left lane, if there is more than one lane traveling in the same direction and it is safe to move into that lane, or by passing to the left of the bicycle at a distance of not less than 3 feet from the bicycle or electric bicycle. No amendments were provided, and there were not any fiscal notes.

Chair Dondero Loop:

I would like to entertain a motion.

ASSEMBLYMAN KIRNER MOVED TO DO PASS SENATE BILL 248.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN WOODBURY WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Ms. Diaz. Ms. Ruedy, please let us move on to Senate Bill 406.

<u>Senate Bill 406:</u> Requires the Department of Motor Vehicles to waive certain fees owed by certain military personnel. (BDR 43-1145)

Jennifer Ruedy, Committee Policy Analyst:

[Read from (Exhibit E).] Senate Bill 406 was heard on April 28, 2011. The bill requires the Department of Motor Vehicles (DMV) to waive two types of fees owed by military personnel in the event the service member's driver's license renewal or vehicle registration is late due to the member being deployed. Those two fees are the late fees charged by the DMV for both overdue vehicle registrations and license renewals and a penalty on the late payment of the governmental services tax for vehicle registrations only. There were not any amendments provided; however, there was fiscal impact.

Chair Dondero Loop:

I would like to entertain a motion.

ASSEMBLYMAN KIRNER MOVED TO DO PASS SENATE BILL 406.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN CARRILLO VOTED NO. ASSEMBLYWOMAN WOODBURY WAS ABSENT FOR THE VOTE.)

Assemblyman Hambrick:

Will this bill automatically be referred to the Assembly Committee on Ways and Means considering there is a fiscal impact?

Chair Dondero Loop:

It may be picked up by the Assembly Committee on Ways and Means on the Assembly Floor, but I will not refer it there now.

Assemblyman Carrillo:

I know when this bill was introduced there was discussion about possible amendments, but I guess they did not follow through. Obviously, I feel like it is something military personnel need to take care of instead of letting their driver's license and vehicle registration expire. I appreciate the service they do for our country, but all-in-all I feel that it is something you are supposed to take care of.

Chair Dondero Loop:

There were no amendments provided, Mr. Carrillo.

Assemblyman Carrillo:

Nothing came through?

Chair Dondero Loop:

No. I do not have any amendments.

Assemblyman Brooks:

I recall during the testimony there was an amendment requested. It had to do with the fact that there is a loophole in this measure: if the serviceperson's family member is driving the vehicle with expired plates, is he exempt from being cited? Is he also still able to use the vehicle although there is an exemption? The sponsors of the bill were supposed to meet and try to clarify the loophole.

Chair Dondero Loop:

Is Mr. Froese here today? [There was no response.] Is there anyone with the DMV here that can address these questions?

Burel Schulz, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles:

As I understand, the fiscal note was withdrawn and the DMV is going to do the work manually. I believe we can work through the others issues about the vehicle being driven by family members.

Assemblyman Hammond:

Mr. Carrillo's concern was that military personnel should take care of their house before they leave, but it is my understanding that some service people are called away at a moment's notice. They are not necessarily able to get everything in order before they leave. Is that what we are trying to take care of with this bill?

Burel Schulz:

Yes. We are trying to give them the benefit of the doubt.

Assemblyman Kirner:

Having been a serviceman myself and being called away to duty, I know that you are not focused on trying make sure your driver's license or vehicle registration is up to date; you are focused on other matters. I also think that many servicemen, when they are called away, are making lower pay. I think this is a minimum benefit the state can offer our service people.

Assemblyman Frierson:

I recall there being some concern about family members using the vehicle and some other things that were kind of tangential. It was my understanding at the hearing that family members would not get any exemption. If they were driving this vehicle, they would simply get pulled over for driving a vehicle that is not registered. The intention was for this car to sit in the garage or driveway while someone was deployed. It was not meant to give relief to anybody that was actually operating the vehicle. I think oftentimes people are deployed and do not know when they are coming home. I do not mind if they are thinking about other things when they are deployed. I do not have discomfort with this measure.

Chair Dondero Loop:

Is there any more discussion? [There was none.] I will assign the floor statement to Mr. Frierson. Our work session is over. I will open the hearing on Senate Bill 234 (1st Reprint).

<u>Senate Bill 234 (1st Reprint):</u> Revises provisions relating to motor vehicle dealers. (BDR 43-386)

John Sande IV, representing Nevada Franchised Auto Dealers Association:

It is important to give background as to why we are bringing this bill forward. As many of you know, the automotive industry has been hit really hard with the realities of the economy, and I think this bill is a reflection of it. This bill is the product of a lot of negotiation between the manufacturers and the dealers. I am happy to inform you this bill has been agreed to. Alfredo Alonso will be here to testify on behalf of the Alliance of Automobile Manufacturers.

Going through the bill, if you look at section 2, this is involving the facilities of an automobile dealership. In the past, some manufacturers required the auto dealer to construct certain improvements to their facilities even though they might not be necessary. This bill will protect the dealers from the manufacturers who may try to make requirements that are not needed. Section 2 says unless these alterations are necessary, the dealer will not have to make them.

John Sande III, representing Nevada Franchised Auto Dealers Association:

I have prepared testimony from Wayne Frediani (Exhibit F); he had to leave and that is why he prepared something to give to the Committee. I apologize for it being so late. I think it is very positive that the Nevada Franchised Auto Dealers Association (NFADA) has convinced the National Automobile Dealers Association (NADA) to have a convention in Las Vegas in February 2012. They will have 25,000 attendees for four days and also have 16 exhibits. I think it is very positive, and it is the reason Wayne is in Las Vegas right now. He is the Executive Director of the NFADA.

I will go briefly through the bill. I want to point out that we have had a very good relationship with the lobbyists for the car manufacturers, and they have agreed upon the language we have in the bill now. I know I have received some opposition today from Barbara Buckley, but I think there may be some confusion, and I am sure we can work that out and we will sit down with her representatives right after this. I think there is some miscommunication.

Section 3 of the bill says that a manufacturer cannot take any adverse action if a car is shipped out of the United States and the dealer has no control over the fact that it was shipped out of the United States. Apparently that is common because other countries like to have our automobiles.

Sections 4 through 8 were deleted. On page 3, section 9, subsection 4 says: "if a manufacturer is purchased by another manufacturer or entity, a dealer must be offered a franchise agreement that is substantially similar to the franchise agreement offered to other dealers of the same line and make of vehicles." It is not too important.

Section 10 of the bill is very important for car dealers. We did not really agree upon the compromise; we compromised and they agreed to let it go through. It says that a manufacturer will perform an audit to confirm a warranty repair, sales incentive, or rebate. Existing law says that manufacturers can do it for 12 months; we wanted to make it 6 months, and we finally made a deal and said 9 months. Nine months after the submission of the warranty claim, they can come in and do a warranty. It also allows a car dealer—if notified that the warranty is being denied—to file an amended claim for 60 days and that is on page 4.

On page 5, another thing that is very important is we put in some language we received from Virginia that says: "The manufacturer or distributor shall not deny a claim or reduce the amount of compensation to the dealer for warranty repairs to resolve a condition discovered by the dealer during the course of a separate repair." Some manufacturers do not like dealers to go out and contact

customers to say their warranty is expiring or they are looking at a repair and they noticed another problem. This makes it clear that they cannot do that.

It is very similar to section 11, which says that a manufacturer shall not: "Prohibit or prevent a dealer from disclosing a service, repair guidance or recall notice that is documented by the manufacturer or notifying customers of available warranty coverage and expiration dates of existing warranty coverage." If this bill passes, the manufacturer could not say you will not get paid for a warranty.

Section 14 is something we think is extremely important. All contracts for sale of motor vehicles have to be regulation forms that are approved by the Commissioner of Financial Institutions. Under the current regulations, after we make a sale we have 15 days to get financing from a bank or some other lender. What happens is if a person buys a car and we, as the dealer, have confidence we can get financing, we will let the purchaser take the car even though we do not have financing at that time. Under existing law, we have 15 days to find it. If we do not find it within 15 days, we take the car back and give all consideration back to the consumer, including the trade-in. It does not make sense for a dealer to sell a car and let someone use it for 15 days and drive it around and then take it back. It is basically then a used car.

[Mr. Sande mentioned section 14 of the bill in his testimony, but it was deleted in the Senate prior to this hearing. The referenced language was from section 16.]

As a result of the economic circumstance we face in Nevada, it is very difficult to get financing within 15 days. We had to go out and talk to all the potential lenders a couple years ago and ask them to make loans in Nevada again. They are starting to do that now, and we are seeing more lending. We want to change the statute from 15 days to 20 days. That would give us five more days. It would not cause any problems because the dealer report of sale has to be done after 20 days anyway; it extends the time period for us to receive financing.

We have had difficulty getting the Commissioner of Financial Institutions to adopt regulations on previous changes. If you look at section 17.5 we amended the bill to say, "The Commissioner of Financial Institutions shall adopt the regulations required by section 16 of this act on or before October 1, 2011." We would also hope that the Commissioner would also adopt the regulations required by <u>Assembly Bill No. 274 of the 75th Session</u>, which basically had consumer protections that were supposed to go into the regulations. They have

ignored the situation for over two years even though we have had numerous contacts trying to get that done.

That is basically where we are with the bill. As I said, we will meet with representatives from Clark County and Washoe County Legal Services, and I am sure we can get an amendment that will satisfy everybody. I would be happy to answer any questions.

Chair Dondero Loop:

Thank you. Are there and questions from the Committee?

Assemblyman Hambrick:

You made quick reference to section 14. I am looking at <u>Senate Bill 234</u> (1st Reprint) and there is not a section 14. I may have heard you incorrectly.

John Sande III:

There is not a section 14.

Chair Dondero Loop:

Are there any additional questions? [There were none.] Thank you. Is anyone else in support of S.B. 234 (R1)?

Alfredo Alonso, representing Alliance of Automobile Manufacturers:

We worked hard with Mr. Sande, Mr. Frediani, and his dealers to come up with language that addressed some of our concerns, and I believe that is the bill you have before you. We are neutral in particular with the issues on the audit.

Chair Dondero Loop:

You are neutral?

Alfredo Alonso:

Yes.

Chair Dondero Loop:

We are hearing from people who are in support right now.

Alfredo Alonso:

We are supportively neutral.

Chair Dondero Loop:

Keep going, sir.

Alfredo Alonso:

I think we have a bill we can live with, and I would like to answer any questions.

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] Thank you. Is anyone else in support? [There was no one.] Is anyone in opposition?

Dan Wulz, Deputy Executive Director, Legal Aid Center of Southern Nevada:

Good afternoon, Chairperson Dondero Loop and members of the Committee. I am appearing today as a concerned citizen and an attorney who has represented low-income consumers in cases involving yo-yo sales, which are enabled by section 16 of S.B. 234 (R1). [Continued to read from (Exhibit G).]

In addition to my written testimony, I have submitted a proposed amendment (Exhibit H). The amendment enacts A.B. No. 274 of the 75th Session. It deals with defining "default" and says that a buyer should not be placed in default status unless: "(1) The buyer fails to make a payment as required by the agreement; or (2) The prospect of payment, performance or realization of collateral is significantly impaired. The burden of establishing the prospect of significant impairment is on the seller." This comes about when someone files bankruptcy.

The current contract defines the act of filing bankruptcy as act of default, which enables the lender to repossess the car. This occurs despite the person's willingness and ability to pay for the car while in bankruptcy. Putting this provision in statute by an amendment would enable the bankruptcy judge to allow the person to keep the car as long as he keeps paying for it. That was enacted in A.B. No. 274 of the 75th Session, but it only required the Commissioner of Financial Institutions to put the provision in the contract by regulation. Here we would like it memorialized by statute, so we do not have to wait on the regulatory process. That is all I have; I would be happy to answer questions.

Chair Dondero Loop:

Thank you. Are there questions from the Committee?

Assemblyman Brooks:

Did you say that this is unprecedented if it is given 20 days?

Dan Wulz:

There is currently a regulation adopted by the Commissioner of Financial Institutions, which gives the dealer 15 days. It is my opinion the regulation is

not valid. That type of provision has not been authorized to be enacted by the Legislature.

Assemblyman Brooks:

Currently they utilize the 15-day grace period to find funding, and if they cannot, they can call the deal off. You are saying that is not in statute, but it is in regulation?

Dan Wulz:

Correct.

Assemblyman Brooks:

There is not a way to enforce it?

Dan Wulz:

If I had a client who had been yo-yoed, I would certainly take the position that the provision is not enforceable. It is in regulation now.

Assemblyman Brooks:

When I purchased my daughter's vehicle, we had 15 days for those individuals to get financing. I signed paperwork and I was perfectly fine with that. Is that not valid?

Dan Wulz:

If that is done pursuant to a contractual provision, giving the dealer the unilateral right to rescind without a statement of any terms, then that contract is not bilateral; it is illusory because the dealer has not promised anything. The dealer can back out of the deal just because he cannot assign the contract to a lender. It depends on the financial terms. First of all, the dealer is the named creditor on the contract. The dealer is agreeing to sell you the car on the terms in the contract. However, he then has a unilateral right to rescind, which contradicts that obligation, so it gives him an out that the consumer does not have. That is if the consumer buys the car on credit from the dealer. If you come into the dealership and pay for the car yourself, or you are prepared with your own loan from wherever, the rules will not apply and you will not be trapped in a contract clause.

Assemblyman Brooks:

This is a common practice. I know it has happened to me a couple of times. I think at one point I bought a car, and they made me come back in and told me they could not find financing for my son at a particular rate and offered me a higher rate. They gave me an option to say yes or no. What I am wondering is, what is the major concern if it is done in good faith where you have the

opportunity to give the car back or be willing to pay a higher amount? I am trying to find out what your opposition is. What you are telling me right now does not seem to be a very good opposing reason of why we would not want to support a bill like this, especially because this is what is going on every day anyway. It is just a 15-day grace period.

Dan Wulz:

A few states do outlaw the practice. Maryland and Michigan do not allow this. Other states allow it to be done, but heavily regulate it. It is my understanding that Washington has a provision that allows it to be done within three days and Utah allows seven days. If this is to be done, there should be certain consumer protections and certain things ought to be very clear: who owns the car during the 3-, 5-, 15-, or 20-day period; who has the obligation to insure the car; when the interest starts running; if they are selling a credit life, credit disability, or gap insurance for the car, do those start running on the day the contract is signed or when the deal is finalized 15 or 20 days later? There are all kinds of issues that this raises if it is being done.

Assemblyman Brooks:

With all due respect, sir, I thank you, but we are in Nevada and this seems to be a common practice for Nevadans, so I do not know if what you are saying clarifies anything for me.

Assemblyman Frierson:

I think I understand what you are getting at, and I am going to try and get a clarification in nonlegalese terms. The concern seems to be: if I sell my car so I have a down payment for a new car, I buy the new car with certain terms that I know I can afford, and within 20 days the dealer tells me that I have to come back because he could not get the amount approved and now my car payment is going to be \$100 more than what he thought he could get. Now I am out of a car because I already sold my car and here I am faced with a car payment that I cannot afford. When you say it is not legally enforceable, correct me if I am wrong, I think what you are saying is if I came to you saying I think I got screwed, your argument would be that the clause is unenforceable because there was no give and take on that particular clause. So if the payment ended up being something I could not afford, that would be what your argument would be. You are not saying that the contract as a matter of practice is void; you are saying that the clause you would argue is unenforceable because it puts an unfair burden on the purchaser who did not know that might happen. Is that what you are saying?

Dan Wulz:

Yes. I believe that is correct. I would certainly argue that the clause is not enforceable. The clause makes the contract illusory, so I do not know how the contract could be enforced against the consumer. Consumers ought to get their down payment and trade-in back. By the way, Mr. Sande was correct; the current regulation requires the dealer to return the down payment and trade-in, and that was a result of negotiation discussed in the past. That did not used to be the case.

Assemblywoman Neal:

I have a question about a side issue, but it deals with what you are talking about. You are saying it is a unilateral contract and the dealers are seeking to find a financial institution who will give someone a loan. In the process of the 20 days, this creates an opportunity for the dealer to go through ten different financers in order to seek out a loan for this particular person, correct?

Dan Wulz:

The dealer might shop the contract with ten different financial institutions; is that the question?

Assemblywoman Neal:

Yes.

Dan Wulz:

Yes, that is a distinct possibility.

Assemblywoman Neal:

The problem that I have is who the seller regularly does business with as far as trying to get this financial institution. It might not be directly related, but I want to tell you what happened to me. I went to buy a car and I did not want the car or the rate. The dealer shopped the rate through several different people without my permission because I already chose not to get the rate or the car. Then he came back to me within the 15 days trying to get a good rate and ran my credit 15 times. I had to go after the dealer and tell him that I did not want the car and to stop running my credit because he was not going to get me to come back in and buy it.

What happened was he wanted a deposit from me to hold the contract open for the window. Although this is not necessarily dealing with it, to me there is too much leniency within this language because it seems like the dealers can do all kinds of things just to try and get to you buy a car. The other part of this within the bill is that they can do all of these things, and you end up with absolutely nothing because you are not going to accept the rate or the car

because it is not going to work for you. You end up with nothing out of the deal because the car never belonged to you; it was always the dealer's. It was like a loan. That is how I see the language; it is like you get a loan for 20 days.

Dan Wulz:

Yes, that is how it can work in the real world. The customer is obligated to follow through with the purchase, but the dealer is not obligated to follow through to sell the car unless he can assign the contract to a financial institution. It does leave things pretty wide open. I think you are correct.

Assemblyman Sherwood:

I appreciate the concern; predatory lending is something we need to be aware of. I want to make sure we understand the dealer has to give the down payment back and return a trade-in if applicable. You say it is unprecedented, but we are already doing it now. If we avail ourselves another five days to get financed, for every case where someone was unhappy, there are ten other people who otherwise would not be able to get a car. Would you be comfortable if we gave the extra five days as long as we kept the same safeguards, returning the down payment and the trade-in? Once the car is driven off the lot, it depreciates immediately. The incentive for the car dealer is to obviously sell the car; he does not want the car back. As long as we keep the safeguards, would you be fine with adding the extra five days?

Dan Wulz:

Thank you for the question. I will start with where you ended. It is true the dealer wants to sell the car. A finance and insurance person for a franchised auto dealership who does dozens of deals a day, works with dozens of lenders, for dozens of customers knows really well whether he can sell the piece of paper he just committed the consumer to sign with certain terms. He knows darn good and well whether he can sell the piece of paper to a lender or not. Getting the consumer to commit can lead to a situation where the dealer will call the consumer back in 15 days to say he could not get it done, and if the consumer wants the car, he will have to sign a deal on worse terms or give the dealer a bigger down payment. That is what can be inherently deceptive about the process.

I do not have a problem with whether it is 15, 18, or 20 days. I just think if we are going to put something like this in statute for the first time, we need to address other issues such as who owns the car during this period of time and everything that flows from that. There are a lot of public policy issues that flow from who owns the car during this period of time, and if the dealer does exercise a statutory unilateral right to rescind, then what happens? If we decide that the customer owns the car during this period of time, a title should be

signed and a dealer's report of sale should be given, so if we are going to unwind it, he would have to sign everything back over. On the other hand, if the customer does not own the car during this period of time, does the customer still have the obligation to insure it? There are all kinds of other issues, which I have detailed in my written testimony (Exhibit G). To answer your question, 15 or 20 days is not the issue.

Assemblyman Frierson:

I apologize if this was addressed before. Is there a limit, or has there ever been a limit, on how much a dealer can increase the rate? Is there wiggle room in existing law that says the rate can change within 1 or 2 percent? Is it unlimited or is this proposing that it be unlimited? Are we generally talking about 1 percent, or are we talking about a complete change in terms within 20 days?

Dan Wulz:

As far as I know, under existing law there is no limit on what a dealer can charge for the annual percentage rate for the finance charge on any car sales contract. Indeed, they can sell a contract on better terms than they are giving the customer. There is a term of art for that: "bump rate." A dealer can get a consumer to commit to 15 percent, sell it to a lender at 13 percent, and pocket the 2 percent difference. Various states have either sought to outlaw that process or limit the "bump rate" that a dealer can charge. I am not aware of anything in Nevada that limits the dealers in that regard.

Assemblyman Brooks:

Currently with the 15-day rule, someone comes in and they are promised 10 percent for a car and after the 15 days the dealer cannot finance that person for that amount. At that point the person comes back to the dealer. Is that car dealer under any obligation based on what the agreement was to give that person his trade-in back and allow him to get out of the deal? That is what I understand Mr. Sande testified to; maybe you or Mr. Sande could answer that question.

Dan Wulz:

Mr. Sande was correct. By the current regulation, which gives the dealer the unilateral 15-day right to rescind, it provides that the dealer needs to return all consideration including the trade-in and the down payment. That is correct.

Assemblyman Brooks:

I just wanted to clarify that point. I want it to be clear to the Committee. If in fact after 15 days this is not unilateral where the dealer could say give us the car back, they have to cancel the deal and give you your trade-in back unless you decide to take the higher rate.

Chair Dondero Loop:

Are there any more questions from the Committee? [There were none.] Mr. Wulz, do you want to say anything else?

Dan Wulz:

No, thank you.

Chair Dondero Loop:

Is anyone neutral? [There was no one.] I would encourage Mr. Sande to get with Mr. Wulz and work together on this to see if we can come to some resolution. I think there are way too many questions that we have on this practice right now. I will close the hearing on $\underline{S.B.\ 234\ (R1)}$. I will open the hearing on Senate Bill 48 (1st Reprint).

<u>Senate Bill 48 (1st Reprint):</u> Revises provisions relating to permitting and enforcement of standards for oversize and overweight vehicles operating on Nevada highways. (BDR 43-485)

Jeff Richter, Administrative Services Officer II, Records Management and Over Dimensional Vehicle Permitting, Administrative Services Division, Department of Transportation:

Thank you, Madam Chair. I am the Over Dimensional Vehicle Permits Manager for the Nevada Department of Transportation. In this capacity, I coordinate truck-related issues. Senate Bill 48 (1st Reprint) was introduced to reinforce the requirements of Title 23 of Code of Federal Regulations, the related Federal Highway Administration, Federal Motor Carrier Safety Administration programs, and Nevada's vehicle size and weight laws. [Continued to read from (Exhibit I), which explained (Exhibit J).]

Wayne Seidel, Administrator, Motor Carrier Division, Department of Motor Vehicles:

We have been a stakeholder and participant in the process, and we are supportive of the bill as amended.

Chair Dondero Loop:

Thank you. Are there any questions from the Committee?

Assemblyman Sherwood:

Is Senate Amendment No. 250 the one that came from Senator Settelmeyer or is there another one?

Jeff Richter:

I have not seen Senator Settelmeyer's amendment (Exhibit K). We discussed it a couple of days ago, but I have not seen it.

Chair Dondero Loop:

I have an amendment that was handed to me. I believe it was supposed to be handed to me yesterday and it was not. I received it literally two seconds before we walked into this room.

Assemblyman Sherwood:

My question is are you fine with the amendment?

Jeff Richter:

Yes, sir, I was fine with it when we had the discussion the other day; I assume the amendment is similar.

Chair Dondero Loop:

So you have not seen the amendment?

Jeff Richter:

No.

Chair Dondero Loop:

Mr. Settelmeyer, would you like to join us?

Senator James A. Settelmeyer, Capital Senatorial District:

The issue came forward on the Senate Floor. It was not discovered until it hit the Senate Floor, and at that time it created some problems. It was the final day to get the bill out of the Senate; rather than having the bill go down in flames, it was decided to ensure the bill got over to the Assembly to try and clarify the issue. I believe the intent in the beginning was to not outlaw the utilization of certain pieces of farm machinery or the ability to have farm machinery put on a trailer and transported through a community. The issue that came up is that in some areas that are not quite as rural as they once were, the concept of driving a piece of farm machinery through the communities at 12.5 miles per hour makes a lot of people give you the one-finger salute, and they are not very happy with you to say the least and that is a complete understatement.

In that respect, some ranchers and farmers have acquired trailers, which they load the large machinery on—that are in excess of 14 feet—and drive it at highway speeds. These trailers are licensed, but unfortunately it was felt that the original language would basically outlaw that practice, which then would

have farmers and ranchers going back to driving farm machinery through towns at a very low speed. The amendment helps clarify the original intent of this bill.

Chair Dondero Loop:

Thank you. Are there any questions from the Committee?

Assemblywoman Neal:

I have a question on section 16 of the bill where it says, "'Longer combination vehicle' means a truck-tractor, coupled with two or three trailers" I do not know if you are familiar with <u>Assembly Bill 188</u> that we heard earlier this session, but is this bill contradictory? Is it allowing three trailers to operate?

Jeff Richter:

Currently, Nevada is one of 21 states that authorizes longer combination vehicles (LCV), and in our case we authorized triple trailers and it has been grandfathered into our law, so $\underline{A.B.\ 188}$ would preempt this definition. We would have to change this definition.

Assemblyman Brooks:

If A.B. 188 passed, would you still be able to pass S.B. 48 (R1)?

Chair Dondero Loop:

Assembly Bill 188 was voted out of Committee and is now in the Assembly Committee on Ways and Means.

Assemblyman Brooks:

You will still be able to go forward with <u>S.B. 48 (R1)</u> if <u>A.B. 188</u> dies, right? This was grandfathered in. So you would still be able to carry the load even if we banned triple trailers in Nevada?

Jeff Richter:

We would not be able to permit triple trailers.

Assemblyman Brooks:

We just saw a picture (<u>Exhibit J</u>); the load that is being carried was grandfathered in, which would be LCVs. Would you still be able to pass <u>S.B. 48 (R1)</u> if <u>A.B. 188</u> dies since you grandfathered it in?

Jeff Richter:

Yes, we currently permit those loads.

Chair Dondero Loop:

Ms. Johnson, if <u>A.B. 188</u> was to pass would <u>S.B. 48 (R1)</u> be able to be enforced?

Darcy Johnson, Committee Counsel:

I know when we get to codification, we have a process whereby we reconcile conflicts like this. Exactly how it would work in this situation, I am not sure. In some cases, if it is just a clerical thing that we can fix, we do it. If there is an outright conflict, I believe we put it in a bill to be resolved by the Legislature next session.

Chair Dondero Loop:

Thank you. Are there any questions?

Assemblyman Atkinson:

I have some concerns with that. I think the opponents are saying that it definitely does, and I do not think that is the case. I think you are going to have two sections of the law that are going to deal with it. One is going to say it outlaws it and the other is going to say it does not. If it does not get resolved during this session, that means triple trailers would still be allowed to operate. If we have already passed something that this Committee has said we do not want, then it would behoove this Committee to deal with that section today and not wait until later. If we left it in, we would be passing something out of this Committee that contradicts something that we already voted on.

Assemblyman Kirner:

Did we refer A.B. 188 without voting?

Chair Dondero Loop:

We voted on A.B. 188, we passed it to ban triple trailers, it went to the Assembly Committee on Ways and Means, and that is where it is currently.

Assemblyman Kirner:

Is the amendment from Senator Settelmeyer (Exhibit K) all you need, or is there additional work to be done on this bill? You mentioned section 32, subsection 4 needed to be changed as well. Was that covered in the amendment?

Jeff Richter:

There are a couple of speakers who will come up in a minute to discuss section 32 and their concerns. We are willing to work with anyone to resolve the misunderstanding or the different interpretations people have in that section.

Assembly Bill 188 would preclude triple trailers. I need to emphasize that in general terms: LCVs are anything over 70 feet that has two or three trailers. Some of the two-trailer loads are LCVs by definition. We did not have that definition before, so we put it in this bill because we commonly refer to them as LCVs, and when we interact with other state agencies, it is nice to have the common language. In any case, we have some vehicles that would still have to be permitted that are over 70 feet.

Senator Settelmeyer:

I have provided an email to all of your members, which contains the amendment (Exhibit K). I was just trying to solve a farm issue. If it would be fine with you, I need to leave to return to another committee meeting.

Chair Dondero Loop:

Go right ahead. Thank you for attending this meeting and clarifying the amendment. Are there additional questions from the Committee?

Assemblywoman Diaz:

Within the bill there are citations, penalties, and fines that can be imposed if people go over the length or weight they are carrying. Who checks these characteristics of the trailers when they are en route? Who is ultimately responsible?

Jeff Richter:

The commercial enforcement section of the Nevada Highway Patrol has authority to inspect all loads. When they do the inspections, they will oftentimes use portable scales to check the weight. On the permits there is specific weight on axles that they cannot exceed. They will also check the size and lashing of the load. They will give trucks safety inspections. All of this has to do with the U.S. Department of Transportation Federal Motor Carrier Safety Administration Rules and Regulations and state laws. They would be responsible for issuing citations. There are other bills that give the authority to local law enforcement as well, if they are trained properly. We are on the front end where, in permitting, we get the information from the transporter; there are not any official weight scales. We do not go out and inspect the vehicles. In most cases, the Nevada Highway Patrol will take care of it after the fact and double-check that the permit was properly issued.

Chair Dondero Loop:

Thank you. Are there additional questions? [There were none.] Is anyone else in support of <u>S.B. 48 (R1)</u>?

Paul J. Enos, Chief Executive Officer, Nevada Motor Transport Association:

We are here today to testify in support of S.B. 48 (R1). We believe this bill does give the Nevada Department of Transportation (NDOT) some clarification on oversize, overweight, and longer combination vehicle permits. support section 19 of the bill. Currently, if a permit is lost—the permits can cost upwards of \$3,000—there is no mechanism to get a replacement permit and be charged for it. You can get a replacement permit; there is not a fee in statute for that right now, so I believe the Department of Motor Vehicles (DMV) is charging a cursory \$5. We believe \$50 makes more sense when we are talking about a \$3,000 permit, especially when these permits are transferable from truck to truck. It is not just a permit that stays in one vehicle; it can be transferred. We have seen in the past some people in the industry gaming the system. They will buy three permits for six trucks and then have all six trucks operating longer combination vehicles. They tell the DMV they lost a permit, so they get a replacement permit for \$5. We think having the additional cost for the replacement permit, plus a misdemeanor, and a \$2,500 fine will stop some of the rogue operators from using these permits in an illegal way.

We like the idea of being able to streamline the interstate movement of oversize and overweight loads. Being involved with Washoe County and the Western Regional Permitting entities will be a benefit to moving these loads throughout the state and will facilitate interstate commerce.

We have some minor issues that I believe we can clarify. We have talked with Mr. Richter and other stakeholders about section 32 of the bill. As far as damage to the road goes, section 32, subsection 4 says the cities and counties could collect damages from the movement of these loads. Usually the damage occurs when someone turns too tightly and hits a light post or a sign. If they have their load too high, it can damage a bridge or an overhang. We believe it is appropriate for the local jurisdictions to be able to recoup some of the costs with the movement. But I do want to clarify that local governments would not be able to permit these loads. These loads are only permitted through NDOT. That is also to facilitate commerce overarching entities, as NDOT does permit these loads to make sure there is a seamless movement.

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] Do longer loads create a problem on the road?

Paul J. Enos:

No, I am not saying that they create a problem on the road. I am saying we want to make sure we mitigate traffic impacts that are created. The bigger loads can be power transformers, big machinery, et cetera. They are loads

people ask us to move, and we have to move them. Sometimes, especially when you are dealing with super loads, you need to have a little more planning, so we do believe this bill can help facilitate and streamline some of those movements.

Chair Dondero Loop:

Thank you.

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation:

When we originally testified on this bill, we were in opposition. Our opposition was based on the language at that time pertaining to farm equipment and other things that we had not been involved in discussing prior to the bill being introduced. We worked through the process with Mr. Richter, Mr. Enos, and others and are now in support of the bill. I think that our support is also based on resolving the issue that Senator Settelmeyer brought to your attention, which we understand falls somewhere in the area of sections 29 and 30 from what we recall in terms of the conversations we had with the Legislative Counsel Bureau earlier.

Assemblyman Frierson:

Would you still be supportive of this bill if the triple-trailer provisions were removed?

Doug Busselman:

I do not believe the section dealing with the triple trailers pertains to the same details of $\underline{A.B.\ 188}$. From our understanding this involves a permit process for oversized vehicles. What you do with that particular section does not matter to us.

Assemblyman Frierson:

There is a definition of longer combination vehicles in this bill that includes two or three trailers. If we ban triple trailers, three trailers would not be allowed. If "three trailers" was removed from the definition of longer combination vehicles, would you still be supportive of it? Would it still meet the same needs and serve the same purposes that would allow you to support it?

Doug Busselman:

From our perspective, that would be fine with this bill.

Chair Dondero Loop:

Thank you. Are there additional questions from the Committee? [There were none.] Is anyone else in support? [There was no one.] Is anyone in opposition to S.B. 48 (R1)?

John Madole, Executive Director, Nevada Chapter, Associated General Contractors of America:

My specific concerns are in section 32 as Mr. Richter talked about earlier. Section 32, subsection 1, lines 11, 12, and 13 say, "Upon a determination by the Department of Transportation that the potential exists for significant traffic impact . . ." I know Mr. Richter is talking about super loads, but the word "significant" does not come anywhere close to describing that sort of thing. I think something like "extraordinary, that requires a Nevada Highway Patrol escort" would identify that these loads are totally out of the ordinary. I would suggest a change to that effect be made.

In section 32, subsection 1, lines 17 and 18 talk about "a movement impact survey" and I do not quite understand what that is. Mr. Richter said it is not closely defined, so I would express a concern that if this might impact our people, I would like to know what it is.

Moving down to section 32, subsection 4. The original bill did not have the words "city" and "county" in it. This was kind of a cleanup bill for NDOT to issue permits, and now we have these words added in and we have a concern. If there are multiple jurisdictions and you are moving equipment and a person calls for a piece of equipment late in the afternoon and he needs it somewhere else, we do not want to deal with multiple agencies. I think NDOT has been doing this for a long time, and it should continue to do it. I would suggest "city" and "county" be removed from subsection 4.

If in fact the concern is to recover damages, if someone tears down a traffic signal, we do not dispute that cities and counties should be paid back, but that could be better addressed if that is the concern. We could make a subsection saying, "if damage is made to property of a city or a county, then that entity may charge the permit holder for the costs of those specific damages." We do not want to get into something where we are trying to guess what the impact might be. We want to keep this equipment moving and not have a lot of concerns about what the costs will be and adding more burden and delay to the movement of the equipment. Those are our concerns. If those concerns were addressed, we would not have a problem with this bill. Thank you. I would be glad to answer any questions.

Assemblywoman Neal:

Is it possible that they added "county" and "city" because of the "intended route for movement" language in section 31, subsection 3? You might have a road that is county or city controlled where you are moving in and out.

Is it possible that because it says "may charge," there is going to be a fee of some sort and there was a need to at least try to share the cost between the county and the city that may be impacted by this vehicle? I understand the vagueness issue. Maybe the sponsor can deal with the intent of that.

John Madole:

I agree. I am not the right person to answer the question. It was not originally in the bill, and I think it should be addressed to whoever added the language.

Jeff Richter:

The Nevada Department of Transportation has always had the authority to recoup damages from a permit holder or someone who is operating illegally and causes damages if the person can be identified. The fact of the matter is NDOT was given the authority over the county and city roads for permitting the over dimensional vehicle loads, the nonreducible vehicles, which as you can imagine is a tremendous effort on its part especially when you are speaking about the small percentage of the super loads we dealt with. The reference to the impact study has always been in our regulation. Our fees for our average permits are much lower than any other state, and I will not mention the numbers, but we have to recoup some of the cost because we put hundreds of hours into managing the traffic and issues we have. For example, if you can imagine 1.5 million pounds going across some of the small bridges in Nevada, obviously someone has to be aware of what the impact may be and in many cases that includes additional bridging to the bridges or reinforcement of an existing bridge to pass over our bridges. The companies who deal with those kinds of loads are used to being charged for those costs. There is also the staff support, in many cases it is NDOT's staff, that is out there removing signage or lighting. Nevada Highway Patrol escorts most of the extra large loads. They have two to four troopers escorting, so there is a lot of cost to get them through the state. Occasionally we have local jurisdictions that have to get involved.

Assemblywoman Neal:

You are saying because you have the authority over the county and the city, you included this language so when an incident happens and you need to recover fees, you need to have the capacity to go to the city or county that was impacted by damage that may have occurred. Is that correct?

Jeff Richter:

It is confusing to me too. There is a cost beforehand to study the loads, and then you have the cost when someone has caused damage after the fact. Currently, with the existing laws, if a city or county identifies damages on its road and we could identify the permit holder, we would cooperate with them in working out how to pursue damages against that company. In some cases in

planning for larger movements, we would have to contact the city or county to work out the details of getting a load—for example, through downtown Las Vegas, which we do on occasion have to do—and work out the cost.

Assemblywoman Neal:

What is the average cost when you figure out who the permit holder is, the damage, and you complete your movement impact survey? What is the average cost you charge?

Jeff Richter:

We do not have an average cost. For example, we currently are working on ten super load plans for the state through this summer, and in our initial negotiations with the companies involved, we sit down with them and they understand that we have extraordinary personnel costs, extra dynamic message signboards may be needed to control traffic, sections of roads may need to be closed, et cetera. We have to work it out ahead of time, which is what the survey is for. The companies understand the cost, and frankly, they charge their customer those costs. Our normal permit fee on a daily basis for the 30,000 pound, 5-day trip permits is \$25. That is what the average permit holder pays; it is normally called a single-trip permit. Our annual permit is only \$50, and that is for unlimited trips. The big loads do not get annual permits.

Chair Dondero Loop:

It sounds like the heavy, longer loads are an issue on the roads because you are saying they have to have extra help, they are hard on the roads, sometimes there is damage, et cetera.

Jeff Richter:

That is why we put the roads there, so people can move their product to their customers. The loads in the pictures (<u>Exhibit J</u>) are in most cases huge pieces of mining equipment or similar things. They are nonreducible loads, so they cannot be cut in half.

Chair Dondero Loop:

I agree with you. I think there is a difference between a triple-trailer heavy load and a piece of mining equipment that you cannot cut in half. You would not have three long trailers pulling something.

Jeff Richter:

Exactly. They are two different things. The longer combination vehicle is called a reducible load because you can cut the load down. Usually it includes some kind of boxes, consumer goods in the back of a trailer, that you can actually reduce the load and the weight on. The other things we talk about with the

super load permits are things like self-propelled cranes and tractors. The federal government requires us to manage these loads in order to get our federal funding for the interstates.

Chair Dondero Loop:

How do you determine a reasonable fee? How does the reasonable fee get assessed? Is it per pound, per length, both, arbitrary, or standard for all trucks?

Jeff Richter:

I have been doing permitting for five years, and I think we have charged reasonable fees two times. It depends on how much staff time is committed to it and whether we are going to put people on the clock because it might involve bridge engineers and traffic representatives on site. Usually we open some kind of a work order on the project, and people will clock their time against that project and that is how we come up with the fees for the most part. There is not a set fee for a function. It usually involves staff time.

Gary Milliken, representing Las Vegas Chapter, Associated General Contractors of America:

Mr. Madole made the same comments we were going to make. Our main concern is section 32, subsection 4. Thank you.

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] Is anyone opposed? [There was no one.] Is anyone neutral?

Anthony Rogers, representing Southern Nevada Building and Construction Trades Council:

We just want to sign in neutral on this bill. We support the increased fines, and I believe the section regarding triple trailers will not affect A.B. 188.

Chair Dondero Loop:

Are there any questions from the Committee? [There were none.] Is anyone else neutral? [There was no one.] I will close the hearing on Senate Bill 48 (1st Reprint). I will open the hearing on Senate Bill 49 (1st Reprint).

<u>Senate Bill 49 (1st Reprint)</u>: Revises provisions governing the authority of a board of county highway commissioners regarding the establishment of certain rights-of-way. (BDR 35-341)

Lorinda Wichman, Chair, Board of Commissioners, Nye County:

As an introduction to this bill, all of you probably know that most western states have a challenge with identifying and maintaining jurisdiction on minor

county roads. In areas where federal agencies, the state, and the county all have responsibilities to manage those public lands, there is a potential for conflict. I am trying to avoid the term Revised Statute (RS) 2477. [Continued to read from (Exhibit L).]

We have worked hard with the Nevada Department of Transportation (NDOT) to find out what it would require to back us up on this and say that the state has accepted what we have done. In the *Nevada Revised Statutes* (NRS), the way they are written right now, there is nothing that gives any kind of a process for acceptance by the state. What we have come across in many forms of case law is that the county has done all the work—proved it has jurisdiction, the road is there, and it is being used by the public—but the state has not accepted it, so the federal agencies refuse to accept it as well. We have worked with NDOT to make sure we have language everyone agrees with. Section 2 has added language to the NRS that says that NDOT will acknowledge when we submit the maps, as long as the maps meet NDOT's criteria and we followed the procedures NDOT agrees with, and the state will acknowledge we have jurisdiction.

Chair Dondero Loop:

Thank you.

David Manning, Division Chief, Roadway Systems Division, Department of Transportation:

We have been working with Nye County on this bill for a while. We wanted an amendment to the original bill to make sure we were not validating the work the county was doing. We worked it out with the county so that the county's documents record that the process has taken place. We will take a look at the maps and the backup documentation, accept them as being part of the process of NRS 405.191, and acknowledge that they are indeed public roadways for the county. I want to make the point that we are trying to stay out of any type of lawsuit. We are not validating their information; we are not saying what they are doing is accurate. It is upon the county to do the work accurately. What we are saying is that we are accepting it and acknowledging that they did their work per NRS 405.191 to establish these rights-of-way.

Chair Dondero Loop:

Thank you. Are there any questions from the Committee?

Assemblyman Hambrick:

With the Nye County Board of Commissioners and the Nye County Board of Road Commissioners, is one subservient to the other or are they both equal?

On a day-to-day basis, not regarding this bill, who appoints the members of the Board of Road Commissioners, or are they elected?

Lorinda Wichman:

In Nye County they are the same people. During a Board of County Commissioners meeting, we will break and go into a Board of Road Commissioners meeting. We hold different spots on each board. It is the same people meeting at the same time, which is why it seems ridiculous to have to do it two times.

Assemblyman Hambrick:

If this bill was to pass, would there ever be a conflict if you say one or the other? Normally you cannot say one or the other. You have to have a definitive action by a governmental body. Will you tell the Legislature in these issues it will be the Board of Road Commissioners or the Board of County Commissioners? The way the language is, it could be the Board of County Commissioners on Wednesday, and on Thursday it could be the Board of Road Commissioners. I am trying to have you tell me in issues like this, which one will it be? It really cannot be either.

Lorinda Wichman:

If I have read my statutes correctly, in 1937 we were told as counties that we needed to establish a road or highway commission. I am not going to tattle, but there are a couple of counties that still do not have a road commission. When I proposed this as changing the things that were pertinent to a road or highway commission to that jurisdiction, I thought it solved the problem. We will not have a conflict with this because the road issues need to be handled by the road commission who works closely with public works, and in our county we have someone who champions this and it is normally the chairman. By stating it the way we have, we have not created a problem for other counties that do not do things the way we do. The problem comes in when you have to take this whole thing to the Board of County Commissioners to establish the width of a road, but you have to take it to the Board of Road Commissioners to establish the designation as minor, how long it is, the centerline report, and the condition of the road and the surface.

Assemblyman Hambrick:

Politics makes strange bedfellows around this state. If this piece of legislation is meant to be statewide, if other counties do it differently from your Board of Road Commissioners and Board of County Commissioners being identical, are there situations where the membership of a county commission is different than the membership of a road commission?

Lorinda Wichman:

Yes, sir, I believe Washoe County and Clark County are both handled differently. They have established highway commissions that handle all of it. I do not know if they are going out and opening up a historical minor county road; I do not know if they practice that. They would be having the same issue that we have if they were to do that.

Assemblyman Hambrick:

That is where I see a potential conflict of who is subordinate to whom. If you say either one, you can have a county commission and a road commission disagreeing with each other. I want to avoid the conflict where they are two distinct bodies with different individuals.

Lorinda Wichman:

I will admit that never entered my mind. It never came up in any other conversations we had. This is specific to our efforts with RS 2477. In more populated areas, I do not think the RS 2477 designation is that prevalent.

Wes Henderson, Deputy Director, Nevada Association of Counties:

Nevada Revised Statutes 403.010 establishes a board of county highway commissioners, and NRS 403.020 states that the members are the county commissioners and that is statewide.

Chair Dondero Loop:

Are there any more questions from the Committee? [There were none.] Is anyone opposed to S.B. 49 (R1)? [There was no one.] Is anyone neutral?

Wes Henderson:

I want to make a few comments in support. We would like to thank Nye County for its hard work on this bill, Commissioner Wichman in particular because this bill would apply to all counties and it would simplify the process that is used to assert the rights-of-way to historical minor county roads. This would simplify the process after the necessary research and data collection has been done, and it would be a useful tool for all the counties in dealing with the federal land management agencies as they develop travel management plans and an effort to keep historic county roads open and to ensure access across federally managed public lands. This is not only a Nevada problem; it is a problem throughout the West. The State of Utah actually has a person in the Office of the Governor whose full-time job is nothing but validating RS 2477 claims. Anything this Committee could do to help make the process simpler and more efficient in the State of Nevada, we would certainly appreciate.

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Chair Dondero Lo

Chair Dondero Loop:
Are there additional questions? [There were none.] Thank you. I will close the hearing on S.B. 49 (R1). Is there any public comment? [There was none.] Are there any comments from the members? [There were none.] We are adjourned [at 5:18 p.m.].

	RESPECTFULLY SUBMITTED:
	Jordan Neubauer Committee Secretary
APPROVED BY:	
Assemblywoman Marilyn Dondero Loop, Chair	_
DATE:	

EXHIBITS

Committee Name: Committee on Transportation

Date: May 5, 2011 Time of Meeting: 3:28 p.m.

Bill	Exhibit	Witness / Agency	Description
	А		Agenda
	В		Attendance Roster
S.B. 130 (R1)	С	Jennifer Ruedy	Work Session Document
S.B. 248	D	Jennifer Ruedy	Work Session Document
S.B. 406	E	Jennifer Ruedy	Work Session Document
S.B. 234 (R1)	F	John Sande III	Written Testimony from Wayne Frediani
S.B. 234 (R1)	G	Dan Wulz	Written Testimony
S.B. 234 (R1)	Н	Dan Wulz	Proposed Amendment
S.B. 48 (R1)	I	Jeff Richter	Written Testimony
S.B. 48 (R1)	J	Jeff Richter	Pictures
S.B. 48 (R1)	K	Senator Settelmeyer	Proposed Amendment
S.B. 49 (R1)	L	Lorinda Wichman	Written Testimony