

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

**Seventy-Sixth Session  
May 10, 2011**

The Committee on Transportation was called to order by Chair Marilyn Dondero Loop at 3:21 p.m. on Tuesday, May 10, 2011, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/76th2011/committees/](http://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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Marilyn Dondero Loop, Chair  
Assemblyman Jason Frierson, Vice Chair  
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  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

Assemblyman Kelvin Atkinson (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Dean A. Rhoads, Rural Nevada Senatorial District

**STAFF MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Mark Froese, Administrator, Management Services and Programs Division,  
Department of Motor Vehicles  
Jude Hurin, Services Manager III, Driver Programs, Management Services  
and Programs Division, Department of Motor Vehicles  
Bill Bainter, Lieutenant, Commercial Coordinator, Nevada Highway Patrol,  
Department of Public Safety  
Troy Dillard, Deputy Director, Department of Motor Vehicles  
Kyle Davis, representing Nevada Conservation League  
Wes Henderson, Deputy Director, Nevada Association of Counties  
Doreen Rigsby, Manager I, Processing Center, Division of Central Services  
and Records, Department of Motor Vehicles

**Chair Dondero Loop:**

[Roll was called. Rules and protocol were stated.] We are not going to follow our agenda today. We are having multiple Assembly floor sessions and there are also other committee meetings happening right now, so we are going to start with the work session and then hear bills that are scheduled.

Let me remind everyone that 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 starting with Senate Bill 49 (1st Reprint).

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

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 49 (1st Reprint) was heard by the Committee on May 5, 2011. The bill provides that if a county road map showing a right-of-way granted by federal law is filed by a board of county highway commissioners with certain state and local officials, the filing constitutes establishment of the existence and

location of the right-of-way that is open for public use. [Continued to read from [\(Exhibit C\)](#).]

**Chair Dondero Loop:**

I would like to entertain a motion.

ASSEMBLYMAN HAMBRICK MOVED TO DO PASS  
SENATE BILL 49 (1st REPRINT).

ASSEMBLYMAN HAMMOND SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ATKINSON, HOGAN,  
AND NEAL WERE ABSENT FOR THE VOTE.)

I will assign the floor statement to Ms. Diaz. Ms. Ruedy, will you please take us through Senate Bill 84?

**Senate Bill 84:** Revises certain provisions relating to roadblocks. (BDR 43-601)

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 84 was heard on April 19, 2011. The bill makes changes relating to administrative and temporary roadblock warning signs established by police officers. [Continued to read from [\(Exhibit D\)](#).]

**Chair Dondero Loop:**

I would like to entertain a motion.

ASSEMBLYMAN HAMMOND MOVED TO DO PASS  
SENATE BILL 84.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

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

I will assign the floor statement to Mr. Hammond. Ms. Ruedy, will you please take us through Senate Bill 408?

**Senate Bill 408:** Revises provisions governing the issuance of special license plates. (BDR 43-1144)

**Jennifer Ruedy, Committee Policy Analyst:**

[Read from ([Exhibit E](#)).] Senate Bill 408 was heard on April 28, 2011. The bill increases from 25 to 30 the number of special license plates that may be issued by the Department of Motor Vehicles for charitable causes. There were no amendments provided.

**Chair Dondero Loop:**

I would like to entertain a motion.

ASSEMBLYMAN HAMBRICK MOVED TO DO PASS  
SENATE BILL 408.

ASSEMBLYWOMAN WOODBURY SECONDED THE MOTION.

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

I will assign the floor statement to Mrs. Carlton, and Ms. Woodbury will be her back-up.

We will now hear the bills on our agenda. I will open the hearing on Senate Bill 51 (1st Reprint).

[Senate Bill 51 \(1st Reprint\)](#): Revises provisions relating to the reporting of and imposition of penalties for certain convictions for the violation of certain traffic laws. (BDR 43-492)

**Mark Froese, Administrator, Management Services and Programs Division,  
Department of Motor Vehicles:**

Senate Bill 51 (1st Reprint) is about commercial drivers in Nevada. Federal regulations are the basic foundation for each of the 50 states' commercial driver's license programs. During a commercial driver's license audit in 2009, we were informed that we no longer met the federal regulations with regards to the out-of-state violation requirements for commercial drivers and the new shorter turnaround time for the courts to send the Department of Motor Vehicles conviction data. The Department would then notify the other states of commercial driver's convictions. The Department would like to update our *Nevada Revised Statutes* (NRS) to match the newer federal regulations based on the commercial driver's license audit findings.

**Chair Dondero Loop:**

Are there any questions from the Committee?

**Assemblyman Kirner:**

I see that there is no fiscal note on this bill. Is there a fiscal note that is coming soon?

**Mark Froese:**

No, there is not a fiscal note. All this bill does is update the NRS to match the federal regulations.

**Assemblyman Kirner:**

There is not computer work that has to be done?

**Mark Froese:**

No.

**Assemblyman Frierson:**

You glossed over the notion that we are trying to make our NRS reflect the federal regulations. Are you talking about the *Code of Federal Regulations* (CFR)?

**Mark Froese:**

Yes.

**Assemblyman Frierson:**

I think it would be helpful if you could go through the bill, so we can see what provisions we are proposing to change. I want to know how each change reflects the CFR.

**Mark Froese:**

Section 1, subsection 1 says: "If the Department receives notice that a person who holds a commercial driver's license has been convicted of driving a commercial motor vehicle in violation of an out-of-service declaration, as described in 49 C.F.R. § 395.13, the Department shall: (a) Suspend the privilege of the person to operate a commercial motor vehicle for the period set forth in 49 C.F.R. § 383.51 (e); and (b) In addition to any other applicable fees and penalties that must be paid to reinstate the commercial driver's license after suspension, impose against the person a civil penalty in the amount set forth in 49 C.F.R. § 383.53(b)(1)."

You have probably noticed there are several references to the CFR in this bill. That is so that when the CFR gets changed, we do not have to come back every session and update the NRS. It has added flexibility. An example of an out-of-service conviction on a driver would be if the commercial driver has driven more hours than what he is allotted. The drive times are put into the

trucker's log books. The Nevada Highway Patrol or other traffic entities would be the people who would pull the truckers over to check their log books to make sure they are within compliance.

Section 1, subsection 2 says: "If the Department receives notice that the employer of a person who holds a commercial driver's license has been convicted of a violation of 49 C.F.R. § 383.37(c) for knowingly allowing, requiring, permitting or authorizing the person to operate a commercial motor vehicle during any period in which the person or the commercial motor vehicle is subject to an out-of-service order, the Department shall impose against the employer a civil penalty in the amount set forth in 49 C.F.R. § 383.53(b)(2)." When the vehicle has received an out-of-service order it is because of safety. For example, the brakes or the lighting might not be up to the standards. That could be cited as an out-of-service conviction on the vehicle. The vehicle is supposed to stay where it is pulled over until those issues have been resolved.

Section 1 goes on to talk about what would happen with the money collected and that the Department shall adopt regulations to carry out the provisions in this section.

**Assemblyman Frierson:**

In section 1, subsection 2, where it talks about imposing a civil penalty, it says "in the amount set forth in 49 C.F.R. § 383.53(b)(2)." Does the money go to the state or does it go to federal authorities?

**Jude Hurin, Services Manager III, Driver Programs, Management Services and Programs Division, Department of Motor Vehicles:**

In reference to section 1, subsection 2, the funds that would be generated from the fines would go to the Motor Vehicle Fund, which is discussed in section 1, subsection 3. The fines are collected once the Nevada Highway Patrol actually performs audits to the employers.

**Chair Dondero Loop:**

Thank you. I always get nervous when I see certain convictions for certain traffic laws. I like to know what "certain" means. Are there any more questions from the Committee?

**Assemblyman Sherwood:**

I share the same reservation as the Chair as far as the penalties and knowing what serves as subject to disqualification of the driver. I am looking at 49 CFR § 383.51(e), and it says that the first conviction is no less than 180 days and no more than one year. The two things that would trigger that

are violating a driver or a vehicle out-of-service order. You said the out-of-service order dealt with something being wrong with the actual vehicle, correct?

**Mark Froese:**

Yes.

**Assemblyman Sherwood:**

If the driver is doing something he has control over and he should not be doing it, absolutely, he should be held responsible for that. But if there is something wrong with the vehicle, does the company have the opportunity to fix it? If I happen to be the driver that has to drive a specific truck and I did not know there was a tail light out, am I going to be on the hook for it?

**Bill Bainter, Lieutenant, Commercial Coordinator, Nevada Highway Patrol, Department of Public Safety:**

If an out-of-service or mechanical violation is detected, the driver is going to be cited, the reason being each driver is responsible for completing a driver's vehicle inspection report on a daily basis when he operates the vehicle. He has to walk around and check all the mechanical components on the vehicle. The buck stops with the driver. The violations on the driver's vehicle inspection reports are then forwarded to the safety inspector of the company.

**Assemblyman Sherwood:**

If I am the driver and I walk around my truck and I notice there is something wrong with the vehicle, do I leave the truck where it is until I fix the problem? How does that work?

**Bill Bainter:**

That is correct. If there are any problems regarding brakes, steering components, lighting, or any other load securement or safety issues with the vehicle, it is the responsibility of the driver to not drive the vehicle.

**Assemblyman Sherwood:**

The drivers know the rules?

**Bill Bainter:**

Absolutely, that is correct. Furthermore there are two types of out-of-service violations that this bill refers to: one, a driver can be out-of-service, in which a driver is placed out of service due to fatigue, licensing issues, or predominantly his log book is over his hours, that is a serious safety violation and issue; and two, the vehicle is out-of-service, due to mechanical problems.

**Chair Dondero Loop:**

Would you please clarify how the driver will know when the brakes are bad?

**Bill Bainter:**

The Nevada Highway Patrol's Commercial Enforcement section inspectors are trained through the U.S. Department of Transportation Federal Motor Carrier Safety Administration in specific training courses—such as the North American Standard Driver/Vehicle Inspection Levels I and II, hazardous materials, motor coach, and other classes that are specific to various types of configurations and commodities going down the roadway that we regulate. When officers stop a vehicle, they will do a routine inspection in which they will physically go under the vehicle, chalk the brakes, the driver will then apply the brakes, and they will check the slack adjusters for whether or not they are in adjustment. They also look under the vehicle and identify the suspension component. They inspect various parts on the vehicle to identify suspension component defects, steering defects, load securement issues, et cetera. When they do that, they document it on an inspection report. Not all these violations or problems they find on the vehicle are out-of-service. It is only the items that are established by the CFR as being out-of-service, with its out-of-service criteria. That is the only time we place the vehicle out-of-service. At that point, the vehicle is not to move until the items we have identified as a problem are repaired.

**Chair Dondero Loop:**

Does this bill reflect on all drivers or just commercial drivers?

**Mark Froese:**

It is for commercial drivers only.

**Chair Dondero Loop:**

Thank you. Are there any additional questions from the Committee? [There were none.] Is anyone else in support of S.B. 51 (R1)? [There was no one.] Is anyone opposed? [There was no one.] Is anyone neutral? [There was no one.] I will close the hearing on S.B. 51 (R1). I will open the hearing on Senate Bill 387 (1st Reprint).

**Senate Bill 387 (1st Reprint):** Revises certain provisions governing off-highway vehicles. (BDR 43-211)

**Senator Dean A. Rhoads, Rural Nevada Senatorial District:**

Thank you, Chair Dondero Loop and members of the Committee, for the opportunity to introduce Senate Bill 387 (1st Reprint), which was sponsored by the Legislative Committee on Public Lands. [Continued to read from ([Exhibit F](#)).]



**Chair Dondero Loop:**

Thank you. Are there any questions from the Committee?

**Assemblyman Frierson:**

When I reviewed the bill, I was surprised about the homemade vehicle and how prevalent it is that we actually have homemade vehicles. How do we regulate the safety? I am not sure if it is needed if they are treated the same as off-highway vehicles, but are homemade vehicles treated similar to off-highway vehicles?

**Senator Rhoads:**

I was surprised myself when I saw the numbers. They are probably pretty prevalent, particularly in Clark County.

**Troy Dillard, Deputy Director, Department of Motor Vehicles:**

The issue that Senator Rhoads has brought forward in this bill is an issue that does need to be addressed. It is common for the Department of Motor Vehicles (DMV) to stamp vehicles that do not have a vehicle identification number because they have been rubbed off, stolen and grinded off, et cetera. We do it on a regular basis. The difference with stamping off-highway vehicles with a vehicle identification number and stamping on-highway vehicles with a vehicle identification number boils down to a funding source issue. We use State Highway Fund monies for on-highway vehicles, and if we were to use the same funding source we would be using highway funds for non-highway purposes. The state constitution does not allow us to use State Highway Funds to implement things for non-highway purposes. As such, the off-highway vehicle program had to be funded through funds outside of the State Highway Fund, and those were obtained through Clark County's Health District.

There is a fiscal note related to this bill because the actual cost to issue a vehicle identification number to a vehicle is \$9. The \$2 fee is currently in statute, and the State Highway Fund supplements the difference in the actual cost to the DMV. In this case, that is a \$7 shortfall for each vehicle identification number that is issued and, as such, that would have to be made up from the Revolving Account for the Administration of Off-Highway Vehicle Titling and Registration and reimbursed to the State Highway Fund to stay in tune with the constitution. I would be happy to answer questions.

**Assemblywoman Neal:**

How much money is in the off-highway vehicle account right now?

**Troy Dillard:**

The start-up funds were \$500,000. That is primarily to get the programming completed and in place and then hire the initial individuals who will be performing the functions specifically for the off-highway vehicle program.

**Assemblywoman Neal:**

When did the funds start?

**Troy Dillard:**

The money was deposited in January. It has been in there for about four months.

**Assemblyman Hambrick:**

When the DMV gives a new vehicle identification number, does it do that when the vehicle is still being built or after it is already built? It has got to be a cumbersome process if in fact you stamp it, or is the number just assigned?

**Troy Dillard:**

Off-highway vehicles do not have a regulating body; there are no conforming vehicle identification numbers, and the Nevada Department of Transportation (NDOT) does not have any required safety measures. The person would present the off-highway vehicle to the DMV for a vehicle identification number inspection, not for a safety inspection or compliance with NDOT requirements. At that point in time, the DMV would stamp the off-highway vehicle with a vehicle identification number that would be used for registration purposes within the off-highway vehicle program.

**Assemblyman Frierson:**

If I put together something that runs with a motor and has four wheels, can I get it registered and it does not violate federal regulations?

**Troy Dillard:**

To my knowledge, you are perfectly legal in doing so. In Fallon, a lot of people design and build sand rails and put Volkswagen engines in them. They operate them in the sand. That is what a lot of the vehicles we are talking about here are, homebuilt recreational-type vehicles for off-highway entertainment and enjoyment.

**Assemblyman Kirner:**

Is there an issue with receiving a vehicle identification number and then modifying the vehicle? Once you get a vehicle identification number, can you completely overhaul the vehicle or is that an issue for the DMV?

**Troy Dillard:**

Good question. Things in the off-highway vehicle world are not regulated like they are with on-highway vehicles. There are all kinds of legal authority with regards to vehicle identification numbers for on-highway vehicles. The same does not exist for off-highway vehicles. It is feasible to change a vehicle identification number on a vehicle due to certain circumstances such as selling the vehicle and the new owner modifies and changes the vehicle. I suppose the vehicle identification number can be changed, but it would not have the same impact it would if it was an on-highway vehicle. I do not believe the state law has anything that would address that for an off-highway vehicle identification number.

**Assemblyman Kirner:**

If it is not regulated and I get a vehicle identification number stamped on it and then I take it back to my garage and I make a new vehicle out of it, why do we need a vehicle identification number? Why are we getting into this business?

**Troy Dillard:**

The vehicle identification number is used as the identifier for the vehicle that the registration sticker goes on. It ties the sticker to the vehicle. That is what would be in the system and law enforcement would have access to. It would link those two together.

**Chair Dondero Loop:**

Are there any more questions from the Committee? [There were none.] Is anyone in support of Senate Bill 387 (1st Reprint)?

**Kyle Davis, representing Nevada Conservation League:**

We are in support of this bill. It is a cleanup bill from Senate Bill No. 394 of the 75th Session. Senator Rhoads mentioned the off-highway vehicle working group, and we were a member of that group as we worked to put together Senate Bill No. 394 of the 75th Session. It was an oversight and is an important piece to make sure the bill is implemented as the Legislature intended in 2009.

**Wes Henderson, Deputy Director, Nevada Association of Counties:**

We are in support of this bill. It is a combination of a long process to enable off-highway vehicle owners to have their vehicle licensed and have a vehicle identification number to provide proof of ownership and also to provide a law enforcement mechanism to have registration on these off-highway vehicles. This was an oversight from last session, and we would appreciate your support of this measure.

**Chair Dondero Loop:**

Thank you. Are there any questions from the Committee? [There were none.] Is anyone else in support of Senate Bill 387 (1st Reprint)? [There was no one.] Is anyone opposed? [There was no one.] Is anyone neutral? [There was no one.] As a side note, Leah Bradle submitted a letter ([Exhibit G](#)) on this bill. I will close the hearing on Senate Bill 387 (1st Reprint). I will open the hearing on Senate Bill 323 (1st Reprint).

**Senate Bill 323 (1st Reprint):** Revises provisions relating to motor vehicle liability insurance and registration. (BDR 43-421)

**Troy Dillard, Deputy Director, Department of Motor Vehicles:**

Senate Bill 323 (1st Reprint) effectively has two main focuses. One, it addresses an insurance-related issue for lapses in insurance. Two, it changes the amount of time an individual has to register his vehicle in the state of Nevada from 60 days to 30 days and to meet certain requirements. I would like to address the insurance portion first, which is section 1. I will give you an idea of what the intent of this bill is and the scope of the issue at hand today.

In Nevada, if you have a lapse in insurance you pay a \$250 reinstatement fee to the Department of Motor Vehicles (DMV) at the time you decide to pay the fee or at the time your registration renewal comes up because you will not be able to renew your registration until you make good on the outstanding debt. The fee is fixed; it does not increase depending upon the amount of time you have gone without insurance, and it does not increase in the number of times you have committed the same offense. You can commit the offense six or seven times, and each time you do it, it is simply a \$250 fine. We have seen the number in this area increase as to how often people are going without paying the reinstatement fee. At the time their registration comes up for renewal, they come and pay the reinstatement fee, and then they allow their insurance to lapse again and then pay the \$250 fee again the next time. The reason we believe they do that is because \$250 a year is a lot less than an insurance policy for most vehicles in an annual cycle. Section 1 attempts to address this and resolve a serious problem we have in Nevada with uninsured motorists who are taking advantage of what we see is a loophole in the existing law.

Section 1 addresses the length of time an individual goes without insurance and adds penalties for the length a person has been uninsured. It also increases the penalties if it happens on a reoccurring basis. For the first offense, a lapse of insurance for 1 to 30 days remains at the existing penalty that is in statute today of \$250. After that, there is a graduated sanction that increases. It is an additional \$250 for the next 60 days, and it goes up again at 90 days and 180 days. Ultimately, if you have gone without insurance for over 180 days,

the bill would require not only the payment of the fee, but also the requirement to obtain an SR-22 statement of insurance on the individual, which will ensure that the person has coverage and begin to address our uninsured problem.

To give you an idea of the scope of this problem, over the last two fiscal years there has been in excess of 55,000 incidents that have occurred each year. To give you an idea, that is the populations of Fallon, Elko, Hawthorne, Winnemucca, Yerington, Tonopah, Battle Mountain, Lovelock, Minden, Beatty, and Wells combined. We have a serious issue, and we believe we have a solution in regards to section 1 of this bill.

Section 1 was an amendment that Senator Parks agreed to put in this bill when the issue was brought up at the DMV's budget hearing. The remainder of the bill was actually the bill as it was introduced, and his intent was to change the amount of time a person has to register a vehicle in Nevada from 60 days to 30 days as well as to provide some exception to that requirement for members of active military duty, seasonal, and migrant workers. It also reduces filing requirements down to 10 days rather than 30 days for certain other individuals who enroll their kids in school in Nevada or who are employed in Nevada. It is a subset of the 30-day rule. That is the accomplishment of the remainder of the bill.

**Assemblywoman Benitez-Thompson:**

I think it is an important issue to address. I think there might be a distinction in the population between those who make a conscious choice to drive uninsured and those who might be struggling financially and really do not want to drive uninsured, but financially might be strapped. I am just worried about the progression of these fees. I am wondering if there is any way if someone came to the DMV and talked about a financial hardship, if he would be able to pay installments on these fees—not have the fine go away, but if he is going to get insured again there is a \$250 fee, the cost of insurance, and any other type of cost that he might have. Is there any way to break that up?

**Troy Dillard:**

I have two responses. I understand the financial hardship issue with many individuals out there, but they cannot legally operate a motor vehicle on the roadways without insurance. The soul focus of the requirement is to prevent that. This is the financial disincentive to operate a vehicle without insurance now that it would be more expensive to do so rather than to just skirt the law and pay a \$250 fine at the end of every year. That is a choice they would make to operate a vehicle uninsured, which would be a violation of the law. This bill is saying not to do that; take public transportation or get additional assistance.

**Assemblywoman Benitez-Thompson:**

I do not want the fine to go away, but could there be the ability for someone who has a demonstrated financial hardship to break it up? I am sincerely concerned about a number of people in downtown Reno and the southern Virginia Street corridor. I have a lot of constituents who worked for casinos and are not working anymore. I want to see a system that enables people to pay fines, not something like this.

**Troy Dillard:**

The second part is, we do look at the cases on an individual basis for the determination of payment plans. However, the scope of that can become overwhelming, and in this area alone there are roughly 100,000 of these per year. Just the management of payment plans in itself would require a significant amount of manpower if it was a standard operating practice. We do it on occasion, but to clarify, if it was a \$500 fine and a payment plan was agreed upon, they still would not be allowed to register the car until the penalty was paid in full before the registration would be allowed to be reinstated.

**Assemblyman Frierson:**

I believe that oftentimes there is an allowance of a reduction in court for a first offense of driving without insurance or without valid registration. Was anything like that ever contemplated within the framework of this bill for someone who had not committed the offense before but maybe lapsed because of financial hardship? If it is a first-time offense, he can be allowed a reduction in the amount of the fine.

**Troy Dillard:**

If you are thinking about the same thing I am, it would be like the second part of this bill, for nonregistration in the appropriate time frame. I believe that carries a \$1,000 fine with the ability to reduce it to \$200 with the court's decision. It is based upon a criminal citation for law enforcement. For this, no such stipulation exists in current law; it is just a \$250 flat fee. However, if your insurance lapses and you simply did not surrender your registration, but you did not operate the vehicle during that period of time, you can file a certificate of non-operation. But I think the bottom line is, even with financial struggle, if you violated the law by operating uninsured, the \$250 fine is a lot less than what the result of an accident is going to be without insurance.

**Assemblyman Frierson:**

I thought a certificate of non-operation meant the car was not operational. You can also fill one of those out if you simply are not driving the vehicle? If someone has come upon a hard time and is trying to be responsible, but he cannot afford to pay for insurance and wants to leave the vehicle in the garage

or driveway—it runs fine, but he does not want to operate it and cannot afford to—would he be subject to the 180-day penalties even if he has not been operating the vehicle? I do not recall the certificate of non-operation being something you can do if you just simply are not driving the car.

**Doreen Rigsby, Manager I, Processing Center, Division of Central Services and Records, Department of Motor Vehicles:**

We have a registration slip at the end of the registration process that details if you are not going to operate the vehicle, the registration needs to be surrendered. There is always that option. Sometimes a vehicle in the North may not be driven through the winter months; there is the option to surrender the registration. You can keep the license plates for 18 months and activate them again when you decide you want to drive it again. If you forgot to surrender your vehicle and we take action through the insurance program, the form is called a Dormant Vehicle Affidavit, and we do it seasonally or for mechanical reasons. There are regulations that give timelines, so we look at those case by case, and we can approve them and minimize the fine from \$250 to \$50.

**Assemblyman Kirner:**

Under this bill, if I am a resident in California and I am a college student going to school at the University of Nevada, Reno, I would have to register my car within 10 days. If I was covered under my parents' insurance, does that qualify for meeting this requirement in terms of insurance coverage? Is it 10 days, 30 days, or forever?

**Troy Dillard:**

My understanding of the bill is that you would not have to register your vehicle in Nevada because a college student is one of the exceptions under the requirements.

**Assemblyman Sherwood:**

Currently, you have to register your vehicle within 30 days, right? This bill sounds a lot like another bill we voted on a couple months ago. The concern I have is that people who are moving to Nevada already have insurance, so it is not that they are uninsured. We are picking 10 days as a subset and when you are moving in from out of state and it says once you gain full employment and enroll your children in public school, then the 10-day window starts. We are saying if you have a family and get a job in our state, if you do not make registering your car a priority within 10 days, you will be subject to a \$1,000 fine. What is the rush to bring this from 30 days to 10 days?

**Troy Dillard:**

Presently it is 60 days. The bill is changing the current 60 days to 30 days, but then it provides an additional 10-day identifier. I am sorry. That is the one portion of the bill I do not have the history of the specific reason that Senator Parks went with 10 days, and I would just be supposing, so I would rather not do that.

**Assemblyman Sherwood:**

From your position, would you have an issue with making it a uniform 30 days, cutting the time in half? Would there be any issues you can think of if we did that?

**Troy Dillard:**

The Department would not have a concern if it was 30 days, but I certainly would like to give Senator Parks the ability to testify to the need for the 10 days. I do not want to speak on his behalf, and I am not sure what the reason is.

**Assemblyman Frierson:**

I want to go back to the SR-22. I thought you said after 180 days they would have to get the SR-22, but it looks like every step of the way after 30 days lapse, they have to get an SR-22; unless I am misreading it. Is the certificate of financial responsibility the SR-22? With an SR-22 you only qualify for the bare minimums on insurance and the rates are much higher, so I am wondering how this contrasts with the current scheme. Currently under what circumstances do you have to get an SR-22, and how is that changed under this bill?

**Troy Dillard:**

The certificate of financial responsibility is the SR-22; they are one and the same. It does not kick in until after 91 days of lapsed insurance. It kicks in at 91 to 180 days, which would be a \$250 reinstatement fee, a \$500 fine, and a certificate of financial responsibility. Currently, there is no administrative function for an SR-22 requirement. That would be if you were cited for no insurance through the courts, and the courts imposed the penalty. Certain traffic violations and DUIs are the things that will carry the SR-22 requirement with them.

**Assemblyman Sherwood:**

Generally, I think this is a fine bill. You said that there were 100,000 people who do not have insurance and they are playing the system; how do we know who these people are? One of the ways to get the number down would be to let the insurance providers solicit them. Is there a mechanism in place to alert the consumer that he needs to get insurance? If not, is there something we can



do to let insurance providers have access to the names? Does the state send out something alerting people?

**Troy Dillard:**

Do we notify members of the public or registrants of the vehicle that their insurance is about to lapse? No. We do not have that information. We validate with the insurance companies that the consumers have coverage in place. Each time we check, we verify they have coverage in place. What we do is make it clear to everyone registering a vehicle in Nevada that Nevada-approved insurance is required for registration. We validate insurance at the time of registration. Out-of-state insurance does not work in Nevada. You have to have Nevada-approved insurance. It is made clear to people at the time of registration, and it is also in all of our renewal announcements and brochures that they must maintain it. If you renew on the website, you will see it, you acknowledge you have insurance, and our system verifies it.

**Assemblyman Sherwood:**

So you get one fair warning? These are also people who have lived here for years, and they may have lost their job. They have to get insurance and all other fines kick in. They do not realize they are going to get a \$750 or \$1,000 fine until they come back the next year. How will people know about the fines? We want to have the fines as a deterrent, but if we do not let these people know that there is going to be another penalty kicking in, then it is like the tree that falls in the forest.

**Troy Dillard:**

That is a good point, and a public education campaign would clearly be part of this process. We would need to get the word out about the importance of this and the implications that people could be subject to for failure to maintain their insurance. Coming back to someone losing his job and not being able to afford his insurance, those are choices we all have to make, but operating a vehicle without insurance is still against the law in the State of Nevada. All we do is validate they have insurance in place. We have what they give us: their policy, policy number, and people covered on the policy. We validate that information for the coverage of each vehicle.

**Assemblyman Sherwood:**

The whole intent of the bill and the way it was presented to us was we are raising fines to the end that more people will take insurance. But how it will play out according to how you described it is they will not know about the increased fines until the next time they see them, and then they will have a bill for \$1,000 that they cannot afford. I think this is a good law, but we need to let people know.

**Troy Dillard:**

The other time they get notified is when we identify that the insurance company has responded that the person is no longer covered; they get a notice from the DMV saying it cannot verify their insurance, and they need to send the DMV updated insurance information. In that notice, it will provide the information about the fines. They would receive that long before the renewal was scheduled.

**Assemblywoman Neal:**

I have a question on the language for out-of-state students. What kind of proof are you going to require for that particular type of student? I do not understand why the work study language is in this bill. Section 2, subsection 5 talks about getting a job and enrolling children in public school and the 10 days kicking in; how will notice be provided to an out-of-state person who moves here and starts working? It reminds me of driving through New Mexico and getting a ticket because you did not know the law in a particular construction zone, but a person from Nevada would not know the laws of New Mexico when he just moved there.

**Troy Dillard:**

With regards to the notice, currently most of our informational outreach has the requirements for new residents on the state website. When you move to a new state, you are going to research information. It is all laid out on the website, and we would update it to reflect whatever legislation you choose to pass. I would have to defer to law enforcement on how it would determine whether one is exempt or not and issue them a citation. It is one of the difficult things about the law today: determining who is a resident of our state and who is not is difficult. It is not as easy as giving a speeding ticket where you observe someone exceeding the speed limit, and you cite them. You have to follow up to make those decisions to determine whether or not you are going to issue a citation or not. That is not the DMV's role.

**Assemblywoman Neal:**

What was actually wrong with the 60-day window? What are we going to solve by reducing it by 30 days? If we are trying to help a situation where there is a lack of registration issue, why would we reduce the window where they may have more time to solve their financial problems versus less?

**Troy Dillard:**

The main part of the bill is Senator Parks', and I do not wish to speak for Senator Parks on this. I think it would be best if he shared the reason he actually brought this bill forward. In relation to the 60-day window, it is pretty common knowledge out there that people carry on with their registration from

their home state or out of state and never transition it over to Nevada. Nevada is not one of the cheaper states to obtain registration in and neither is California, but there are some differences in how Nevada handles emissions and things. In Oregon there are multiple year registrations, and there are usually financial reasons as to why they are not registering in Nevada. I believe it would have to do with addressing that. I do not want to speak specifically for Senator Parks.

**Chair Dondero Loop:**

Are there any additional questions from the Committee? [There were none.] Is anyone in support of S.B. 323 (R1)? [There was no one.] Is anyone opposed? [There was no one.] Is anyone neutral? [There was no one.] I will close the hearing on S.B. 323 (R1). As a side note, Chad Dornsife submitted a letter ([Exhibit H](#)) for this bill. Is there any public comment? [There was none.] Are there any comments from the Committee? [There were none.] We are adjourned [at 4:26 p.m.].

RESPECTFULLY SUBMITTED:

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Jordan Neubauer  
Committee Secretary

APPROVED BY:

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Assemblywoman Marilyn Dondero Loop, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Committee on Transportation

**Date:** May 10, 2011

**Time of Meeting:** 3:21 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
S.B. 49 (R1)	C	Jennifer Ruedy	Work Session Document
S.B. 84	D	Jennifer Ruedy	Work Session Document
S.B. 408	E	Jennifer Ruedy	Work Session Document
S.B. 387 (R1)	F	Senator Rhoads	Written Testimony
S.B. 387 (R1)	G	Leah Bradle	Letter
S.B. 323 (R1)	H	Chad Dornsife	Letter