

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-sixth Session
May 3, 2011**

The Senate Committee on Transportation was called to order by Chair Shirley A. Breeden at 3:36 p.m. on Tuesday, May 3, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Shirley A. Breeden, Chair
Senator Mark A. Manendo
Senator Mike McGinness
Senator Elizabeth Halseth

COMMITTEE MEMBERS ABSENT:

Senator John J. Lee (Excused)
Senator Michael A. Schneider (Excused)
Senator Dean A. Rhoads (Excused)

STAFF MEMBERS PRESENT:

Kelly Gregory, Policy Analyst
Bruce Daines, Counsel
Patricia Devereux, Committee Secretary

OTHERS PRESENT:

Dennis Baughman, Chief of the Communications Office, Communications Division, Nevada Department of Transportation
Paul J. Enos, Chief Executive Officer, Nevada Motor Transport Association
Wayne Seidel, Administrator, Motor Carrier Division, Department of Motor Vehicles

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CHAIR BREEDEN:

We will open the hearing on Assembly Bill (A.B.) 53.

ASSEMBLY BILL 53: Revises provisions governing informational signage and other programs to provide information concerning commercial attractions and services along highways. (BDR 35-482)

DENNIS BAUGHMAN (Chief of the Communications Office, Communications Division, Nevada Department of Transportation):

Assembly Bill 53 deals with the Nevada Department of Transportation's (NDOT) logo-sign program throughout the State. The program provides funding for NDOT's 511 motorist-aid and traveler-information system (511 system) at no charge to taxpayers.

Section 1 of the revised bill was added by the Department of Administration's Budget Division to codify the purpose of the 511 system account for budgeting and reporting purposes. Section 2 references the new section 1.

Section 3 is the heart of the matter. It strikes the language restricting use of logo-sign revenues from only Clark and Washoe counties. We would like to derive revenue from and grow the program in counties other than Washoe and Clark to continue our 511 system.

CHAIR BREEDEN:

I wondered why you are proposing to delete so much of section 3. Would the bill's provisions cover all counties except Washoe and Clark?

MR. BAUGHMAN:

Correct. We are deleting the references to Washoe and Clark counties, the only ones from which we currently derive revenue for the 511 system. With the advent of new facilities like the Carson City Freeway and other interstate highway interchanges, we would like to post new logo signs to derive more revenue.

SENATOR MCGINNESS:

Does NDOT have a sales department that markets the logo signs? Are the contracts for one year?

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MR. BAUGHMAN:

We have a contract with Nevada Logos, Inc. to do all of the marketing. It contacts businesses that desire to be on logo signs and erects the signs as per State and federal regulations.

CHAIR BREEDEN:

Would the contract be dependent on the number of signs Nevada Logos, Inc. makes? How much is a contract worth?

MR. BAUGHMAN:

The contractor notifies businesses that NDOT has a logo-sign program for advertising food, lodging and gas stations. Many interstate interchanges have waiting lists of businesses that want placards on the signs. Nevada Logos, Inc. enters into contracts with businesses to erect placards on our logo signs.

CHAIR BREEDEN:

Is the logo-sign program successful?

MR. BAUGHMAN:

It is very successful, and we wish to continue and grow it.

CHAIR BREEDEN:

Does NDOT generate revenue from the program?

MR. BAUGHMAN:

We expect to receive about \$250,000 annually, which is the basic cost to operate and maintain the 511 system. It enables us to offer online and telephone motorist information, information for truckers, e-mail alerts and texts on winter road conditions and information on road construction.

CHAIR BREEDEN:

We will close the hearing on A.B. 53 and open the hearing on A.B. 232.

ASSEMBLY BILL 232 (1st Reprint): Revises provisions governing the payment of certain fees for permits to operate certain oversized and overweight vehicles on the highways of this State. (BDR 58-868)

The bill's main sponsor, Assemblywoman Melissa Woodbury, has authorized Paul J. Enos to present the bill on her behalf.

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PAUL J. ENOS (Chief Executive Officer, Nevada Motor Transport Association):
This bill would allow longer combination vehicles (LCVs) to obtain permits during different registration cycles. Currently, all permits expire on December 31. Longer combination vehicles weigh more than 80,000 pounds, exceed 70 feet and have multiple trailers. Nevada allows LCVs up to 129,000 pounds.

Many Nevada Motor Transport Association (NMTA) members must buy permits by January 1, when cash flow is quite tight. To allow members to register at different intervals, as determined by the Department of Motor Vehicles (DMV), makes it easier to obtain LCV permits.

SENATOR HALSETH:
Why is this bill necessary?

MR. ENOS:
Carriers must buy every LCV permit by January 1 to keep all of their vehicles running legally. The NMTA is seeking staggered registration cycles throughout the year to grant more cash-flow flexibility. The registration cycles would be determined by DMV.

CHAIR BREEDEN:
If all LCVs must be registered at the same time, how will that deadline be changed? Will the amount be prorated, depending on when the LCV is registered?

MR. ENOS:
No, carriers would still pay the full registration amount. The issue is having to obtain all of the permits by January 1. It would be easier if carriers could register LCVs at different intervals. The permits cost more than \$3,500 for trucks carrying the maximum load, so it is very expensive to register an entire fleet by January 1.

CHAIR BREEDEN:
Does it cost \$3,500 to register an LCV?

MR. ENOS:
The rate is \$60 per 1,000 pounds. Actually, it would cost \$2,940 to register a maximum-weight LCV.

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CHAIR BREEDEN:

Why does the bill only apply to LCV permits?

MR. ENOS:

The permit deadlines are not staggered, unlike those for vehicles under 80,000 pounds or less than 70 feet.

SENATOR MCGINNESS:

How will you stagger the deadlines? Would carriers just wait until an LCV was needed and then register it?

MR. ENOS:

Flexibility would help NMTA's members. Instead of having to purchase an entire fleet's permits by January 1, it would be easier for carriers to buy them during different registration cycles. The permits would still be annual; the problem is having to buy them all at once. If DMV allowed the purchase of permits on a quarterly basis, the bill's fiscal note would be large due to programming DMV would have to do. Having to expend a huge cash outlay on January 1 is difficult for our members.

CHAIR BREEDEN:

This is the first reprint of A.B. 232. What is the difference between this version and the original bill?

MR. ENOS:

The original bill had a fiscal note and was set up for quarterly registration cycles. The NMTA worked with DMV to kill the programming necessity and the bill's fiscal note.

SENATOR HALSETH:

Does the amended bill take care of the fiscal note from DMV's Motor Carrier Division?

MR. ENOS:

Yes, it does.

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WAYNE SEIDEL (Administrator, Motor Carrier Division, Department of Motor Vehicles):

That fiscal note was removed by extending the bill's implementation date to January 1, 2012. The DMV has three vehicle registration cycles, January, April and October. Historically, 100 percent were coming in and being processed in November and December. The DMV had to have a full staff to process the paperwork in December, with no annual leaves or days off allowed.

Working with the motor-carrier industry and rotating the cycles, 60 percent of LCV permits are processed in January, 20 percent in April and 20 percent in October. This bill is friendly to the industry and increases cooperation in both directions.

CHAIR BREEDEN:

Who requested this bill, Mr. Enos or DMV?

MR. ENOS:

The NMTA asked for A.B. 232.

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CHAIR BREEDEN:

We will close the hearing on A.B. 232. Seeing no more business to come before the Senate Committee on Transportation, I adjourn this meeting at 3:52 p.m.

RESPECTFULLY SUBMITTED:

Patricia Devereux,
Committee Secretary

APPROVED BY:

Senator Shirley A. Breeden, Chair

DATE: _____

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance roster