

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-sixth Session
May 12, 2011**

The Senate Committee on Transportation was called to order by Chair Shirley A. Breeden at 3:49 p.m. on Thursday, May 12, 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 Michael A. Schneider, Vice Chair
Senator John J. Lee
Senator Mark A. Manendo
Senator Dean A. Rhoads
Senator Mike McGinness
Senator Elizabeth Halseth

COMMITTEE MEMBERS ABSENT:

Senator Shirley A. Breeden, Chair (Excused)

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Warren B. Hardy II, Ex-Senator; President, Hardy Consulting Group; Nevada Pic-A-Part
Marlene Lockard, Nevada Collision Industry Association
Tim Waldren, President, Nevada Collision Industry Association
Frank Horn, State Board Member, Nevada Collision Industry Association
Kurtis Rosborough, President, Southern Nevada Collision Industry Association

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Michael Spears, Advisory Board on Automotive Affairs, Division of Compliance Enforcement, Department of Motor Vehicles; Shareholder, Collision Authority

Troy Dillard, Deputy Director, Department of Motor Vehicles

Michael Geeser, Media and Legislative Representative, AAA Northern California, Nevada & Utah

Brian O'Callaghan, Government Liaison, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department

Jeffrey Toschi, Detective, Las Vegas Metropolitan Police Department

Martina Geinzer, Litigation Manager, Las Vegas Metropolitan Police Department

Lou Toomin, Las Vegas Township Constable's Office

Christopher Ankeny, Lieutenant, Traffic Division, Las Vegas Metropolitan Police Department

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

James Kimsey, Southern Nevada Federation of Clubs

Victor Moss, Cycle School Motorcycle Training Program

VICE CHAIR SCHNEIDER:

We will open the hearing on Assembly Bill (A.B.) 204.

[ASSEMBLY BILL 204 \(1st Reprint\)](#): Revises provisions regarding salvage vehicles and total loss vehicles. (BDR 43-265)

WARREN B. HARDY II (Ex-Senator; President, Hardy Consulting Group; Nevada Pic-A-Part):

Assembly Bill 204 was brought forward to address a statutory provision requiring unnecessary activity for dealing with end-of-life vehicles. The vehicles can be dealt with in two ways. A salvage title (ST) can be procured, which allows certain things to be done to total-loss vehicles. A ST can also be procured for classic vehicles or those with intact frames that can be restored. A non-repairable vehicle certificate (NRVC) is issued for vehicles without uses. They are placed in pick-apart or wrecking yards to be salvaged or parted out, or they are shredded.

Under *Nevada Revised Statutes* (NRS), the process for obtaining STs or NRVCs is identical. Forms must be sent to the Department of Motor Vehicles (DMV) office in Carson City, staff must review them, and a ST or NRVC must be

produced. The NRVC is a regular piece of paper; a ST looks like an embossed standard-vehicle title.

Nevada Pick-A-Part processes about 1,200 vehicles a month. If A.B. 204 were enacted, the company would process STs for less than 50 of them. The bill does not propose to change the ST process. We are proposing to change the titling for the other 1,150 vehicles which the company only intends to part out and shred. The process in the bill will work for pick-apart businesses, the DMV and law enforcement.

The vehicle identification numbers (VINs) of salvage vehicles are still active in DMV's system, and cars can be reregistered. Salvage titles often exist for vehicles going to be shredded. Thieves steal vehicles, find similar models in wrecking yards, remove their VIN plates and register the stolen vehicles with new titles. The bill would eliminate that practice, because NRVCs kill VINs so vehicles cannot be reregistered. Our proposed amendments in the Assembly to A.B. 204, No. 171 and 542 ([Exhibit C](#)), would send the VINs of vehicles to be shredded to DMV, which would enter them into its database as dead. The DMV alerted us that unless there are NRVCs, VINs are not killed in the DMV system to notify other states. Amendments No. 171 and No. 542 to A.B. 204 in the Assembly would take care of that issue.

Through A.B. 204, we are proposing a simplified process to kill VINs and then shred vehicles. The process we worked out—which is acceptable to DMV—is the program participation would be voluntary for pick-apart yards and wrecking yards licensed and bonded by the State after they post \$50,000 bonds. This is similar to the bond paid by stations that smog check and then register vehicles.

Currently, wreckers gather paperwork on vehicles they intend to shred, and the papers are sent to the DMV, which goes through its process and sends back new titles. Then the vehicles are shredded. Our proposal is for wreckers to give DMV lists of vehicles for which they intend to request NRVCs. This will save both small wrecking yards and the DMV thousands of dollars in man-hours and postage. The DMV processes an estimated 50,000 NRVCs per month statewide.

SENATOR HALSETH:
Does the bill still have a fiscal note?

SENATOR HARDY:

I thought the fiscal note had been removed after DMV testified in the Assembly. The fiscal note was removed by the amendment adopted there, [Exhibit C](#).

MARLENE LOCKARD (Nevada Collision Industry Association):

You have my prepared testimony ([Exhibit D](#)). The purpose of the Nevada Collision Industry Association's (NCIA) portion of A.B. 204 is to add an exclusion to the NRS dealing with total-loss vehicles. During these tough economic times, many vehicles that are completely safe to repair are being deemed total losses if—as stated in NRS—repair costs are at least 65 percent of their fair-market value before the vehicles were wrecked, destroyed or damaged.

The practical effect of this statute is to create hardships for seniors, single-parent families and the working poor. These populations cannot replace totaled vehicles, cannot obtain financing for the higher costs of new or used cars and are not allowed to repair cars that are perfectly safe to drive. Used-car values have risen because there are fewer trade-ins due to depressed new-car sales. Consequently, people are struggling to hold on to their cars longer.

Our proposed exclusions to NRS would remove costly, nonstructural components from the total-loss formula. The exclusions include replacement of electronic components, towing charges and recovered-theft vehicles with missing tires, wheels and audiovisual-system components. The exclusions will be deducted only for calculation purposes and still be part of the total repair estimate. Those estimates will be considered by insurers to make final-repair decisions.

The bill does not require insurers to repair vehicles. As required by the *Nevada Administrative Code* and recent court rulings, the final economic decision to repair vehicles would remain with insurers. The collision industry is required by NRS 487.688 to repair vehicles in accordance with manufacturers' specifications. *Nevada Revised Statute* 487.520 requires repair or replacement of airbags and other safety equipment to industry standards.

Assembly Bill 204 would create more jobs in the hard-hit auto body industry and increase sales of equipment and parts, which will increase State sales tax revenue.

TIM WALDREN (President, Nevada Collision Industry Association):

I am the second-generation owner of Paramount Auto Body Shop in Reno. The NCIA represents more than 150 auto body shops statewide. We support A.B. 204 because it will give needed flexibility to consumers and insurers throughout the repair process.

When we held meetings about A.B.204 with insurance industry representatives, they said they also favor repairing instead of totaling vehicles. The bill would allow both industries to accomplish this mutual goal. Insurers will maintain the same decision-making level they now have. The bill does not prevent insurers from choosing to total out vehicles at any point in the repair process. A lawsuit settled in April 2011 in California's Second District Court of Appeal supports insurers' right to repair or settle in cash. That decision is solely up to the insurers, providing it does not conflict with Nevada's 65 percent formula.

Assembly Bill 204 adds another subtraction step to the estimating process. This will allow major benefits to consumers and help protect them from the additional hardship of needlessly losing their vehicles. Many times, electronic exclusions are determined to be damaged at the end of the repair when vehicles' systems are reassembled. The bill will give insurers flexibility to continue safe repairs and save vehicles from being deemed total losses due to additional costs from nonstructural items that may only be revealed at the end of the repairs.

Assembly Bill 204 would allow electronic components to be installed in repaired vehicles, because collision-repair shops are required by NRS 487 to repair vehicles and their safety components back to manufacturers' specifications.

FRANK HORN (State Board Member, Nevada Collision Industry Association):

I am a small-business owner. Assembly Bill 204 would allow my shops in Carson City and Fallon to repair more vehicles safely and add specific exemptions used to calculate the total-loss percentage of 65 percent. Vehicles must be totaled when repair costs exceed 65 percent of the vehicle's value, excluding paint.

The cost of electronic components has increased, boosting the cost of many repairs above the 65 percent threshold on vehicles that could otherwise be safely repaired. We ask that electronic components and towing charges be added to current NRS exemptions. This would help relieve hardships on our

business and consumers resulting from more vehicles exceeding the 65 percent total-loss level. Of course, safety is our first consideration with any repair, and the added exemptions will in no way jeopardize that.

KURTIS ROSBOROUGH (President, Southern Nevada Collision Industry Association): I am a business owner in Las Vegas. Assembly Bill 204 affects many aspects of the State collision-repair industry, but most importantly, it affects consumers.

The intent of a bill enacted in the 72nd Session was to keep unsafe vehicles off the road. Due to changing economic times, that legislation has not fulfilled that goal. Before 2003, approximately 8 percent of all wrecked vehicles were deemed total losses; today, almost 25 percent are designated as such.

This has created hardships for many consumers and my customers, from whom I have letters. Susie Calibrese writes about her 2007 Hyundai, "My vehicle was hit in an accident where the side airbag blew. Other damage was not very bad. Because of the cost of the airbag, my car was totaled. Now I do not have a car, no means to get one, and I still owe \$2,300 on a vehicle I do not have." Another customer writes, "I had damage inflicted to a recently acquired Saab that could be easily repaired. There was no frame or engine damage." The letter then states that the car's totaling has created a hardship. A senior was very upset her car was totaled because, "It was a very clean car, and that is how I get to work. I do not know what I will do to get another vehicle or to get to work."

MICHAEL SPEARS (Advisory Board on Automotive Affairs, Division of Compliance Enforcement, Department of Motor Vehicles; Shareholder, Collision Authority):

In the last few years, the southern Nevada collision-repair industry has seen many customers whose cars may have been prematurely totaled due to unforeseen issues with wiring harnesses, onboard computers, stereos and supplemental restraint systems. These parts are simple bolt-on items having nothing to do with vehicles' structural integrity.

Some of these parts' damage is not immediately discernible. Repair of a small headlight wiring harness that might be listed in industry guidebooks at \$200 turns into a \$2,000 complete front-engine wiring harness. This is mainly due to issues with manufacturers' parts availability and/or replacement diagrams. A

computer module may not reset, which requires an expensive replacement at the last minute, raising the repair cost just over the NRS total-loss limit.

These situations place customers, repair shops and insurers in awkward positions when customers looking to pick up their repaired vehicles in a day or two are told the insurer has to total the vehicles as a result of the repair-price overage. Insurance companies are very leery of the potential of additional costs and know if any of the above parts are needed, the repair cost will exceed the 65 percent threshold.

Cars are totaled that should not be because those parts are undamaged, but the insurer does not want to take the chance. Why? Should the insurer choose to repair the car then the items turn out to be needed, the repair might exceed the 65 percent limit. The company then has to pay the repair bill and purchase the car from the owner. This results in a much higher cost to insurers and, ultimately, consumers.

My shop has had numerous customers who really wanted their vehicles repaired but lost them in the above scenario. Once vehicles are totaled, many customers barely receive enough money to pay off their auto loans—if they are lucky enough not be “upside-down” in loans due to plummeting resale values. Many customers are unable to buy other cars due to tougher loan-qualification requirements, being unemployed or having diminished paychecks.

Exclusion of electronic repair costs from the 65 percent threshold will allow more customers the chance to repair their vehicles. The bill would not permit repair shops or insurers to ignore repair or replacement of electronic items, which still must be restored as per NRS 487.688 and NRS 487.520. The bill would merely allow their exclusion from the 65 percent formula, which, once exceeded, requires vehicles to be titled as salvaged or rebuilt.

The State would benefit from increased sales tax revenue. The 4 Las Vegas-area Collision Authority shops see an average of 750 cars per year classified as total losses. Passage of this bill would allow about 250 of those cars to be repaired. The average repair bill is \$6,000 to \$8,000, which would generate an additional \$1.5 million in work for our four locations. On average, 50 percent of those repair jobs are taxable, which translates to \$61,000 in sales tax revenue. If you multiply Clark County’s estimated 2009 \$210 million in auto body repairs by a 10 percent increase in available auto sales, the sales

tax revenue generated by the State was \$850,000. The benefit is obvious when spread among the 250-plus licensed body shops in Nevada.

Another benefit is potential job creation. Should A.B. 204 pass, our shops would need 16 to 18 additional employees. Our suppliers would need to hire additional parts workers and delivery drivers.

VICE CHAIR SCHNEIDER:

Let us say a car's damage costs 60 percent of its value to repair, and it is all frame work. If electronic-component or airbag repairs are performed at the end, could that not raise the repair cost to 100 percent of the car's value?

MR. SPEARS:

There is the potential to boost the repair cost to 100 percent, but airbag damage is readily visible.

VICE CHAIR SCHNEIDER:

Would the insurer have to repair the car up to 100 percent of its value?

MR. SPEARS:

No, the insurer can total a vehicle at any point during its repair, based on its value.

TROY DILLARD (Deputy Director, Department of Motor Vehicles):

We support A.B. 204 with the exception of the proposed amendment by the NCIA, on which we are neutral. We worked with Senator Hardy but had concerns about the amendment's fiscal impacts. The first reprint of the bill eliminated that impact. The DMV can enact the bill at its scheduled implementation date. It would create a better environment for business and the State because DMV could issue titles electronically with less data entry by technicians who might make more errors and include wrong VINs.

MICHAEL GEESER (Media and Legislative Representative, AAA Northern California, Nevada & Utah):

We have moved our position on A.B. 204 to neutral with some concerns. After speaking to Mr. Spears and other supporters, we agree that in some cases, many of which were laid out here today, the bill will help the insurance industry. It will be beneficial because we can repair vehicles instead of paying out their actual cash values. That will happen absolutely.

However, the flip side goes back to Vice Chair Schneider's question. If the bill's proposed change to the 65 percent formula is implemented, once repairs are begun, they will continue. Insurers will have to pay vehicles' cash value because they have totaled them, plus pay for repairs already made. That would work against my industry. The question is: which scenario will rule the day? My company does not know.

We have told supporters we will give the bill's provisions a try to see if they actually work and save us money, as supporters believe they will. If the bill does not work, we will return in the 77th Legislative Session begging the Committee for forgiveness. The best I can offer is we are neutral on the bill.

VICE CHAIR SCHNEIDER:

The insurance industry is neutral on A.B. 204 and is working with the repair industry. If the bill works out, great; if it does not, you will be back in two years wanting to reverse it. Is that correct?

SENATOR HARDY:

Mr. Geeser, are you neutral on Pic-A-Part's portion of the proposed amendment to the bill?

MR. GEESER:

That is correct. We are only neutral on the NCIA's proposed amendment and have no position on the rest of the bill.

VICE CHAIR SCHNEIDER:

The insurance industry has blessed the bill and walked away with its fingers crossed.

SENATOR MANENDO:

I need to disclose that I work in the collision-repair industry, but this bill would not affect me personally.

VICE CHAIR SCHNEIDER:

We will close the hearing on A.B. 204 and open the hearing on A.B. 463.

ASSEMBLY BILL 463 (1st Reprint): Provides an expedited process for the forfeiture of certain seized vehicles. (BDR 43-1128)

BRIAN O'CALLAGHAN (Government Liaison, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department):

You have my prepared testimony ([Exhibit E](#)). Assembly Bill 463 would give law enforcement authorization to file civil actions to determine if seized vehicles shall be forfeited. This would reduce costs for all parties involved. In 2006, Las Vegas was ranked the top U.S. city for auto theft. In October 2007, NRS 482.540 was amended to assist law enforcers to combat auto theft. The statute gave officers authorization to seize without a warrant any vehicle:

- (a) Which is being operated with improper registration;
- (b) Which the officer has probable cause to believe has been stolen;
- (c) On which any motor number, manufacturer's number or identification mark has been falsely attached, removed, defaced, altered or obliterated; or
- (d) Which contains a part on which was placed or stamped by the manufacturer pursuant to federal law or regulation an identification number or other distinguishing number or mark that has been falsely attached, removed, defaced, altered or obliterated.

Pursuant to this statute, after a vehicle is towed, it is inspected by an auto-theft detective who completes an officer's report within 30 days. If the vehicle or its parts have been illegally altered, or the VIN has been removed, defaced, altered or obliterated, the vehicle is taken to the towing-seizure lot. If the driver knew or should have known the VIN or part number was removed or altered, that driver can be charged with a criminal offense. If charges are filed, the vehicle or parts are held as evidence until the case is adjudicated.

The NRS does not cover the disposition of vehicles when criminal cases cannot be proven against their owners in court. Charges cannot be submitted on an unknowing, third-party purchaser. The Las Vegas Metropolitan Police Department (Metro) is storing vehicles on the taxpayers' dime. If the NRS is changed to authorize law enforcers to file civil actions to determine whether vehicles or parts shall be forfeited, and if courts hold hearings within seven days, costs would drop for all parties involved. The bill's NRS change would be modeled upon NRS 487.039, which covers unlawful tows.

Another trend in Clark County relates to illegal street racing. Vehicles are being illegally converted from the standard left-hand drive to right-hand drive. Some vehicles have been registered before conversion, and then owners convert them

from left- to right-hand drive. Conversion requires removing the VIN plate from the left dashboard. A right-hand dashboard is installed, and often the original VIN plate is reattached to the new dashboard or not reattached at all.

Altering VINs is expressly prohibited under NRS 482.553. Removal of VINs requires alteration of firewalls, or imported Japanese firewalls being welded in place. Japanese firewalls are sold in auto shops or online auto parts distributors as "parts-only." Sometimes, VINs are removed and discarded during conversion. The DMV is finding vehicles sold by out-of-state people to residents of Nevada, where right-hand drives are strictly prohibited unless constructed in a preapproved manner. Usually, buyers are unaware the conversion was conducted unlawfully.

When charges cannot be filed, the disposition of illegally converted vehicles is left open-ended. The DMV will not register unlawfully converted right-hand-drive vehicles. Without clear authorization to dispose of these vehicles, liability is assumed by the DMV and State law-enforcement agencies for not seizing the vehicles upon knowledge of their existence. Several seized vehicles have been accruing storage fees for many months in the Metro lot due to lack of a clear disposition statute. Some vehicles have been there three years.

Nevada Revised Statute 482.542 applies to seizure cases brought before courts. The law is vague regarding the disposition of such cases. Assembly Bill 463 would also remove dangerous and unsafe vehicles from Nevada roadways.

JEFFREY TOSCHI (Detective, Las Vegas Metropolitan Police Department):
You have a printout ([Exhibit F](#)) about two VIN-defacement or VIN-theft cases being prosecuted by Metro. I am a member of Metro's Vehicle Investigations Project for Enforcement and Recovery (VIPER) Auto Theft Task Force.

Example Case-1 involves a stolen 1996 Suzuki motorcycle. The suspected thief welded a front fork and steering assembly onto the stolen motorcycle's frame. He then ground and re-stamped the VIN; the photo on page 2 indicates the non-factory weld marks. The page 3 photo shows the re-stamped VIN and more illegal weld marks. The suspect also obliterated the stolen motorcycle's engine number.

The motorcycle's owner was identified; however, VIPER now has a bike not rewelded by a certified mechanic, and its identification numbers have been entirely altered or obliterated. If we release the bike back to the owner, we will release the front half of the suspect's bike to someone else. We are also releasing an unsafe vehicle back onto the roadway. If the weld fails and the bike cracks in half, Metro will be asked why it released an unsafe vehicle.

In Example Case-2, a person purchased a Honda Civic after it had been converted to right-hand drive. The car was registered as a 1994 Honda Civic, and DMV placed an administrative stop on it, which required the owner to bring it in for inspection. Afterward, DMV asked me to look at the car. These photos show the intact federal identification label and the public VIN illegally replaced on the left dashboard. The secondary VIN was removed during the conversion and replaced with a Japanese VIN. We now have three separate VINs on one vehicle.

The car's transmission number was removed, and it has a Japanese domestic-market engine, which is illegal to operate in the United States. These cars are not brought into this Country to be driven on our roadways. They are here solely for parting out.

VICE CHAIR SCHNEIDER:

Why do people convert vehicles to right-hand drive?

DETECTIVE TOSCHI:

A popular culture exists in which people want to emulate what they see in films and on television. The most popular film that is mimicked is "Fast and Furious." Drifting events are popular in Japan and require right-hand drive vehicles. Whether people are using vehicles to race or drift, they want the look and feel of right-hand drive.

MARTINA GEINZER (Litigation Manager, Las Vegas Metropolitan Police Department):

We have been working in the courts under NRS 179 to get illegally converted and altered vehicles off roadways. Courts often do not understand the issue, which is not ownership. Several people may have some sort of proof of ownership of a single vehicle, but courts get hung up on the ownership issue. This is why A.B. 463 is important from a legal standpoint, because altered vehicles essentially become contraband. The NRS does not give courts true

guidance on handling these cars, resulting in delays that are costly to taxpayers. This bill could eliminate this problem.

Lou TOOMIN (Las Vegas Township Constable's Office):
Our proposed amendment ([Exhibit G](#)) to A.B. 463 is a "housekeeping" change due to legislative oversight. In section 2, subsection 5, paragraph (c), we would like to add "constables" before "marshals." The NRS index lists constables under law-enforcement officers and agencies. Their duties are outlined in NRS 258.070, and in NRS 289.150, we are also listed as "peace officers."

MR. O'CALLAGHAN:

I do not see a problem with adding that to the list of officers. Ms. Geinzer, can you confirm that?

MS. GEINZER:

I do not see any issues with including officers of the Las Vegas Township Constable's Office in the bill.

VICE CHAIR SCHNEIDER:

We will close the hearing on A.B. 463 and open the hearing on A.B. 508.

ASSEMBLY BILL 508 (1st Reprint): Revises provisions governing mopeds.
(BDR 43-845)

MR. O'CALLAGHAN:

You have my prepared testimony ([Exhibit H](#)). Assembly Bill 508 proposes to remove the moped exclusion from NRS 482.210. mopeds would be required to be registered and insured, and moped operators and passengers would be required to wear protective headgear.

In the late 1970s and early 1980s, mopeds had large wheels and frames and pedals like bicycles. These photos ([Exhibit I](#)) show the difference between mopeds then and now. The first shows a moped that looks like a bicycle—as the name "moped" implies, they were motorized bikes with pedals. In 1983, S.B. No. 248 of the 62nd Session was enacted, removing the requirement that mopeds have pedals but maintain the essential look and handling of bicycles. That bill focused on the type of moped in the first photo and kept its speed below the 30 miles per hour (mph) threshold. These mopeds may not have had pedals but had large wheel bases and sturdy bicycle frames. Assembly Bill

No. 441 of the 75th Session removed the requirement that mopeds look and handle like bicycles, due to other legislation regarding electric bikes.

Most contemporary mopeds do meet the “moped” definition in NRS 484A.125. As shown in the second photo, newer mopeds have higher-performing engines and smaller frames and tire diameters, making them more difficult to operate safely. Mopeds with engines of at least 49 cubic centimeters (ccs) can exceed 30 mph. Many illegal mopeds are undetected unless radar shows their operators are exceeding 30 mph or when accidents reveal engine displacement below the 49-cc requirement or motors exceeding the 2-horsepower (hp) limit.

Metro receives complaints from operators about enforcement and from damaged parties because mopeds are not required to be insured. If operators’ mopeds exceed the aforementioned limits, they are in the motorcycle class, and violators are cited for non-registration and lack of insurance or helmets. If moped operators do not wear safety equipment or are wearing novelty or bicycle helmets while exceeding the 30-mph limit, they are at risk.

These three photos ([Exhibit J](#)) show the result of a low-speed moped accident which occurred about a month ago. The moped operator was not at fault. Traveling at about 30 mph, the moped left a private driveway and struck a van’s front end. The van sustained quite a bit of frontal damage and a broken windshield. The van driver was killed when he was ejected through the windshield. The final photo shows extensive damage to the moped. We have had other recent fatal moped crashes, but I used this as an example of how much damage low-speed moped crashes can cause.

Many moped operators lack driver’s licenses or have revoked or suspended licenses. The public does not understand that moped operators must have driver’s licenses. Class C licenses are required to operate mopeds on public roadways.

The following moped-crash statistics are skewed. If it is determined a moped exceeded any requirements in NRS 484A.125, the incident is documented as a motorcycle accident. If the investigating officer finds the engine exceeds 2 hp or the moped exceeded 30 mph, it is deemed a motorcycle accident. In 2010, Metro investigated 112 accidents involving mopeds. Of those, 102 resulted in injury, and 2 were fatalities, with 1 delayed death. Many times, moped

operators sustain head injuries. Victims' care is paid for by taxpayers, because medical insurance will not cover long-term care.

CHRISTOPHER ANKENY, Lieutenant (Traffic Division, Las Vegas Metropolitan Police Department):

I have Metro's 2011 year-to-date moped-crash statistics. We have investigated 44 accidents involving mopeds and 11 motorcycle fatalities. Two of the latter involved mopeds and motor scooters. According to the National Highway Traffic Safety Administration, based to 2008 statistics, 40 lives and \$76 million are saved for every 100,000 registered motorcycles. If moped and scooter operators are required to wear helmets, the risk of fatalities will drop by about 37 percent. Helmets reduce the risk of head injuries by about 69 percent.

A problem Metro experiences is scooter or moped operators are normally inexperienced drivers. They have not completed vehicle-operation courses; this leads to accidents. Anyone age at least 16 with a valid class C driver's license can operate a scooter or moped, and no additional training or driving experience is required. Moped and scooter operators are usually at either end of the age spectrum because the vehicles are inexpensive. Many elderly operators have slower reaction times.

Many unlicensed drivers operate scooters and mopeds as an easy form of transportation, avoiding detection by officers unless they commit a moving violation. When officers enforce moped or scooter laws, they cannot stop them as unregistered, because NRS does not require registration. Officers must have reasonable suspicion based on operators' driving behaviors. We normally see scooter and moped operators with expired, invalid, suspended or revoked driver's licenses. They use the vehicles as another means of transportation not easily detected by law enforcers.

MR. O'CALLAGHAN:

The bill originally had a fiscal note of \$18,000, but when we moved the implementation date up to 2012, the note was removed.

MARK FROESE (Administrator, Management Services and Programs Division, Department of Motor Vehicles):

Due to the amendment, the effective date of A.B. 508 has been pushed to July 1, 2012. Programming costs in the fiscal note would be removed. Due to the new implementation date, the revenue projected in the fiscal year (FY)

columns would be moved back one year to FY 2012-2013, because the program would be implemented one year later than originally stated. The figures do not include programming costs. There would be a net positive effect for the State budget. The DMV based the fiscal note on an estimate of 2,000 mopeds being registered under the bill's provisions.

SENATOR RHOADS:

Do our neighboring states require mopeds and scooters to be registered and their operators to be licensed and wear helmets?

MR. O'CALLAGHAN:

Yes, California, Arizona and other states require scooters and mopeds to be registered.

JAMES KIMSEY (Southern Nevada Federation of Clubs):

I work with the Southern Nevada Federation of [motorcycle] Clubs and with Victor Moss, a certified motorcycle instructor. It is rare that the motorcycle community tends to agree with law enforcement. In this particular case, training is a very essential key to prevent accidents. Mr. Moss and I support A.B. 508; however, we also still support the expanded helmet choice in S.B. 177, passed by this Committee.

[SENATE BILL 177](#): Revises provisions governing the equipment and training required to operate a motorcycle. (BDR 43-571)

I have sent the Committee a proposed amendment to NRS 486.231 allowing helmet choice after a certain age with required training.

VICTOR MOSS (Cycle School Motorcycle Training Program):

If you review the history of testimony for the helmet-choice law, the motorcycle community has always said the scooter community skews data which is then used against motorcyclists. Scooters use the same roadways and experience the same risks as motorcyclists. The only difference is motorcycle riders are required to be trained, licensed and insured.

As Lt. O'Callaghan stated, today's mopeds are essentially, by definition, motorcycles. The NRS 483 states operators of motorcycles with engines of more than 50 cc's must be licensed, with certain restrictions. They are issued class M licenses with restrictions if they test on those machines.

As a certified instructor and a program manager, I believe the more people we get into the training realm, the safer the two-wheeled world becomes. I testified to that effect when S.B. 177 was heard.

The bill proposed motorcycle operators must have special training in order to ride without helmets. Assembly Bill 508 should be amended to correspond with S.B. 177.

Mr. O'Callaghan testified about the cost of treating helmeted versus non-helmeted crash victims. When S.B. 177 was discussed, I sent the Committee evidence that data had been intentionally manipulated by the University of Nevada, Las Vegas Medical Center. That evidence was sent to John Johansen, Highway Safety Representative, Office of Traffic Safety, Department of Public Safety.

I did some averaging out to show the cost difference is statistically insignificant to treat trauma patients who were helmeted versus non-helmeted. The difference was about \$4,000. Statistics can be twisted—Samuel Clemens said there are three types of lies: “Lies, damned lies and statistics.”

When people like Mr. Johansen come before the Committee and have the audacity to say sometimes people need to be controlled, it makes people like me who have spent a lifetime in the military seethe with anger. Every civil servant in the State is sworn to defend the Nevada Constitution, yet they do not all do so.

Our Country has a bad history of controlling people. We controlled people for 300 years through tyranny until we brought them liberty. We rounded up people of Japanese descent from the West Coast, put them in internment camps in places like Wendover and took away their livelihoods because they did not look like me. I am Jewish, my wife is Asian, and my grandkids are half-black. When people like Mr. Johansen tell the Committee we need to be controlled, it makes me angry. Legislators have the power to stop this tyranny. I ask you to pass this bill with an amendment so it matches S.B. 177.

VICE CHAIR SCHNEIDER:

Thank you. We have your proposed amendment. We will close the hearing on

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A.B. 508. Seeing no more business before the Senate Committee on Transportation, I adjourn this meeting at 4:55 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
A.B. 204	C	Warren B. Hardy II	Proposed amendment
A.B. 204	D	Marlene Lockard	Proposed amendment
A.B. 463	E	Brian O'Callaghan	Prepared testimony
A.B. 463	F	Jeffrey Toschi	"Example Case-1" and "Example Case-2"
A.B. 463	G	Lou Toomin	Proposed amendment
A.B. 508	H	Brian O'Callaghan	Prepared testimony
A.B. 508	I	Brian O'Callaghan	'Exhibit A" and "Exhibit B" of moped types
A.B. 508	J	Christopher Ankeny	Photographs of a moped crash