

**MINUTES OF THE  
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-sixth Session  
May 31, 2011**

The Senate Committee on Transportation was called to order by Chair Shirley A. Breeden at 3:47 p.m. on Tuesday, May 31, 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 Michael A. Schneider, Vice Chair  
Senator John J. Lee  
Senator Mark A. Manendo  
Senator Dean A. Rhoads  
Senator Mike McGinness  
Senator Elizabeth Halseth

**STAFF MEMBERS PRESENT:**

Kelly Gregory, Policy Analyst  
Bruce Daines, Counsel  
Laura Adler, Committee Secretary

**OTHERS PRESENT:**

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation  
Mark Froese, CPM, Administrator, Management Services and Programs Division,  
Department of Motor Vehicles  
K. Neena Laxalt, Nevada Cattlemen's Association

CHAIR BREEDEN:

We will open the hearing on Assembly Bill (A.B.) 247.

**ASSEMBLY BILL 247 (2nd Reprint)**: Authorizes an agricultural user to apply to the Motor Carrier Division of the Department of Motor Vehicles for the

issuance of a license plate and decal to operate a farm tractor or self-propelled implement of husbandry on a highway in this State under certain circumstances. (BDR 43-300)

DOUG BUSSELMAN (Executive Vice President, Nevada Farm Bureau Federation):  
I have provided written talking points ([Exhibit C](#)) on the purpose of A.B. 247 which is to provide the structure and system within the Department of Motor Vehicles (DMV) to issue a license plate identifying a farm tractor or self-propelled implement of agricultural husbandry on a highway.

SENATOR RHOADS:

Why would a farmer or rancher want to put a license plate on his harrowed, for instance, if it is not mandated?

MR. BUSSELMAN:

There are instances where Nevada Highway Patrol officers questioned whether the piece of equipment was actually a farm implement. By taking this type of proactive point, the producer would be able to point at the license plate to indicate the equipment is legitimate to use on the road.

SENATOR RHOADS:

I suppose if you were to get a license, you would have to have proper working lights and things like that for the equipment?

MR. BUSSELMAN:

I believe so. That would be the requirement. There probably would have to be a slow moving vehicle sign made prominent. There are situations where certain older trucks, for example, used for fencing or hauling manure to the field or feed trucks, that seldom use the roads, are not licensed or registered, and cannot actually be insured. This bill provides an avenue for the farmer and rancher to deal with those circumstances.

SENATOR RHOADS:

What kind of roads are you talking about, State highway, county or just going into the driveway?

MR. BUSSELMAN:

It would be available for State highways and county highways.

SENATOR HALSETH:

What is Assemblyman Pete Goicoechea's reason for wanting this? Why does the Assemblyman think this is necessary?

MR. BUSSELMAN:

In earlier testimony on A.B. 247, Assemblyman Goicoechea indicated there are situations such as sheepherders who are moving their camps down highways and pulling a trailer used for sheep operations. When moving from one place to another, there are times the sheepherders need to use the highways. Originally, the idea behind this bill was to provide the sheepherders with coverage when making those moves and to provide a clear indication the operation had liability insurance protection if there were a problem when making that move.

SENATOR HALSETH:

If sheepherders are able to do this, and I am sure they have been herding sheep for a while, what do they do about licensing?

MR. BUSSELMAN:

They move the equipment down the roads without a license plate as they have been doing. This was intended as a proactive move to clarify and better establish liability coverage protection and to make sure the sheepherders were within the boundaries of the law.

CHAIR BREEDEN:

Is this a problem? How often does this activity occur? Actually, we are talking about northern Nevada.

MR. BUSSELMAN:

We are talking primarily about the agricultural rural areas of the State. I think we are being proactive avoiding any kind of problems as opposed to anything else. Again, under current law, agricultural equipment is allowed to be used on the highways within the provisions of their use for moving from one field to another. This bill would not change that. The only thing A.B. 247 would do is identify with this decal that the operation does have a liability insurance policy if there were to be a problem. It would also clarify to law enforcement that the vehicle was within the boundaries of the law for farm equipment using the road.

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CHAIR BREEDEN:

How did you come up with insurance coverage of \$300,000? Is that consistent with other states, or is it an arbitrary number?

MR. BUSSELMAN:

That was the number Assemblyman Goicoechea put into the bill.

CHAIR BREEDEN:

Do you have any idea why?

MR. BUSSELMAN:

I believe it is a fairly standard policy. Most agricultural producers would have greater than that, but I do not know the reason for that number.

SENATOR HALSETH:

I do not see in A.B. 247 that the farmer/rancher is required to obtain the license plate. This bill is for somebody who simply wants to do so.

MR. BUSSELMAN:

That is correct. It is a voluntary program that agricultural users would opt to be in; they would still be able to operate legally without the license plate.

SENATOR HALSETH:

How many people have you spoken with who are interested in being licensed?

MR. BUSSELMAN:

In conversations about this bill, only a handful of people have been identified who expressed an interest. For the most part, it was those situations where agricultural equipment has been challenged in the past as being legitimate agricultural equipment.

CHAIR BREEDEN:

I have a question that comes from Senator James A. Settlemeyer. If you have acreage that has been divided by a road and you drive your equipment from one side to the other side, do you need to have a license plate, even though I heard you say it is voluntary?

MR. BUSSELMAN:

As the law exists, you would be able to move your agricultural equipment across the road or down the road. You are allowed to move agricultural equipment on highways, although there are provisions to which you have to adhere.

VICE CHAIR SCHNEIDER:

I grew up in western Nebraska. I see a need for these people to be insured. Frequently, deaths would occur every summer when someone would come up over a hill at 65 miles per hour or 70 miles per hour and encounter a tractor or a combine moving at 10 miles per hour and the car bangs right into it. Agricultural equipment is a real hazard when on a high speed highway. I almost think it should be mandatory to have some sort of insurance for their own protection. I appreciate this bill and would like to see it go a little further. I did not think of the sheepherder trailers on the roads. I am sure they do not move very fast. I can see the need and I appreciate it, as a kid from farming country. I support A.B. 247 for Assemblyman Goicoechea. I cannot believe you would even try to move a tractor or a combine or something like that down a highway and not have some sort of umbrella policy on your farm to cover it all. It seems to me they would have coverage.

MR. BUSSELMAN:

Most of my experience in working with our farmer/rancher members is they have policies exceeding \$1 million. I think part of the logic in choosing the \$300,000 minimum coverage, if I am not mistaken, may equate with some liability requirements that regular vehicles would have.

VICE CHAIR SCHNEIDER:

How many farms and ranches are there in Nevada?

MR. BUSSELMAN:

According to the most recent U.S. Department of Agriculture statistics, Nevada has 3,000 farms and ranches.

SENATOR HALSETH:

I see A.B. 247 has a fiscal note ([Exhibit D](#)) and needs to be referred to the Senate Committee on Finance; or has the fiscal note been removed?

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

There is a fiscal note based on the current language in the bill. To come up with the fiscal note, we used the United States Department of Agriculture's 2007 "The Census of Agriculture." As far as we were able to determine, there were approximately 7,500 self-propelled implements of husbandry in that census. Since this is a voluntary program, we took half of the census number, which is how we came up with the 3,750 implements of husbandry for this fiscal note. We realize this is a voluntary program, so we did our best estimate and analysis, realizing it could be lower or higher.

CHAIR BREEDEN:  
It is a gain.

SENATOR LEE:

If someone registers equipment one year, but decides not to renew because the equipment is not moved that much or was sold, is there any backlash once the equipment has been registered?

MR. FROESE:

According to the language in A.B. 247, all that farmer or rancher would be required to do is surrender the license plate to the DMV.

SENATOR MCGINNESS:

The bill says you need a two-thirds majority vote. Since it is voluntary, do you really need the two-thirds vote?

BRUCE DAINES (Counsel):

Yes. The fee is imposed for people to pay it, so it would raise public revenue; hence the two-thirds majority vote is required.

K. NEENA LAXALT (Nevada Cattlemen's Association):

We strongly support A.B. 247. The issue is getting these vehicles licensed through the DMV because they will be treated as a motor vehicle. The proof of liability insurance is important to us.

CHAIR BREEDEN:

Since it is liability insurance, would any insurance company such as State Farm, Allstate or Farmers insure farm equipment?

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MR. BUSSELMAN:

There are insurance companies that provide umbrella insurance coverage for liability protection to agricultural operations. That is what the bill would require. The insurance itself is not attached to the equipment; it is attached to the agricultural operation.

SENATOR SCHNEIDER MOVED TO DO PASS A.B. 247.

SENATOR MCGINNESS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BREEDEN:

There being no further business before the Senate Committee on Transportation, this meeting is adjourned at 4:10 p.m.

RESPECTFULLY SUBMITTED:

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Laura Adler,  
Committee Secretary

APPROVED BY:

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Senator Shirley A. Breeden, Chair

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

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 247	C	Doug Busselman	Written Testimony
A.B. 247	D	Senator Elizabeth Halsey	Fiscal Note