

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-sixth Session
April 5, 2011**

The Senate Committee on Transportation was called to order by Chair Shirley A. Breeden at 4:01 p.m. on Tuesday, April 5, 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
Patricia Devereux, Committee Secretary

OTHERS PRESENT:

Paul J. Enos, Chief Executive Officer, Nevada Motor Transport Association
Clark Whitney, Chairman, Nevada Tow Car Council
Arthur (A.J.) Delap, Las Vegas Metropolitan Police Department
Dick Mills, Owner, Reno Auto Wrecking
Andrew J. MacKay, Chair, Nevada Transportation Authority, Department of
Business and Industry
Morgan Baumgartner, General Counsel, R&R Partners; Nevada Resort
Association
Troy L. Dillard, Deputy Director, Department of Motor Vehicles
Ken Freeman, Southern Nevada Off-Road Enthusiasts

Nancy Wojcik, Administrator, Division of Field Services, Department of Motor Vehicles

Tracy Larkin-Thomason, P.E., P.T.O.E., C.P.M., Assistant Director, Planning, Nevada Department of Transportation

Traci Pearl, Chief and Highway Safety Coordinator, Office of Traffic Safety, Department of Public Safety

Jason Van Havel, Assistant Chief, Transportation/Multimodal Planning Division, Nevada Department of Transportation

CHAIR BREEDEN:

We will open the hearing on S.B. 319.

[SENATE BILL 319](#): Revises provisions relating to abandoned vehicles. (BDR 43-763)

PAUL J. ENOS (Chief Executive Officer, Nevada Motor Transport Association):
The Nevada Motor Transport Association includes the Nevada Tow Car Council (the Council). Our proposed amendment ([Exhibit C](#)) would put auto wreckers and tow-car companies in a similar position when towing abandoned vehicles off private property. Under the *Nevada Revised Statutes* (NRS), when a tow-car company tows a vehicle, it must fulfill certain requirements of notifying the vehicle's owner, starting the lien process, charging for storage as stipulated by the Nevada Transportation Authority (NTA), and filing and approving of tariffs. None of this is required of wreckers.

Here is a real-life example of the disparities between the industries' requirements: A late-model Porsche with a flat tire was abandoned in a grocery store parking lot in front of a nail salon. The owner did not have a spare tire, so he told the salon owners he would leave the vehicle and return to pick it up. Overnight, the car's wheels were stolen. The next morning, the salon owner declared the vehicle abandoned. The car was towed by a wrecker. If it had been towed by a towing company, the tower would have had to notify law enforcement within 1.5 hours of the towing. The wrecker did not have those reporting requirements.

There is a loophole in NRS as to how towing is regulated for salvage/wreckers versus tow-car companies. We would like to clean up that language.

CLARK WHITNEY (Chairman, Nevada Tow Car Council):

At the end of the 2009 Legislative Session, we asked members of the Council if there were any NRS changes we needed to address. Many of the northern Nevada members said wreckers can tow abandoned vehicles and then charge any amount they choose for storage, after the \$55 tow fee. They do not have to notify law enforcement of the tow within a specified time. That is unfair. A wrecker can give a kickback to anyone who identifies a vehicle to be towed after telling the wrecker it is abandoned.

The NRS 487.210 definition of “abandoned” says if the vehicle owner discards it and does not reclaim it within 15 days, it is abandoned. The Council decided to propose changing the definition to any vehicle towed by a legitimate wrecker as part of the NRS mandate to remove unsightly vehicles from public roads. I worked with wreckers on changing the definition of “abandoned,” but they said none of my suggestions were accurate. I realized that I agreed with them, because if the value of an abandoned vehicle is, for example, \$500, who determines that value—the person signing for the car he claims is abandoned or the wrecker? Wreckers are experts in valuing vehicles, while people simply think cars are worth nothing if the cars have no value to them. My proposed amendment ([Exhibit C](#)) modifies the bill’s definition of “abandoned” in section 2, subsection 2—because vehicles’ status cannot be fairly determined. That definition is too restrictive for wreckers.

The Council’s members also suggested the language in NRS 706 about notification by towers to law enforcement, banks and vehicles’ registered owners about when liens begin should also apply to wreckers. We seek to close these loopholes so it is harder for unscrupulous operators to take advantage of the public.

SENATOR MCGINNESS:

When does the lien process start?

MR. WHITNEY:

Towing companies are mandated to start the lien process by the 15th day.

SENATOR MCGINNESS:

I had an accident earlier this Session, and the lien notification was in the next day’s mail. I felt as if I were being scammed. When I went to retrieve my

possessions from the vehicle, I was told the first time I entered it, there was no charge, but it would cost \$50 for every subsequent time.

MR. WHITNEY:

Under NRS, towers cannot charge any fees before the fifth day of the lien. If the car had been towed after an accident, there should be no fee for entering it. The first visit to the lot must be free, but there is a charge after that. If you felt scammed, contact NTA, which is looking for violating tow companies. Senate Bill 319 does not address tow company regulations.

SENATOR MCGINNESS:

Section 4, subsection 1, subparagraph (a) of the bill states, "An automobile wrecker may only charge and collect a fee of not more than \$100 for towing an abandoned vehicle" and in paragraph (b), "An automobile wrecker may charge and collect a fee of not more than \$30 per day for storing an abandoned vehicle." How does a person stop the imposition of the lot fee?

MR. WHITNEY:

Owners must take the vehicles home.

SENATOR MCGINNESS:

Would the lot operators tow the vehicles to those homes?

MR. WHITNEY:

Yes, an owner can specify that the car be towed to his home.

SENATOR MCGINNESS:

Would that cost another \$100?

MR. WHITNEY:

It would be considered a "consent tow," so the owner could call around for the cheapest price.

CHAIR BREEDEN:

Why does the notification process last 15 days? Do not towers have access to Department of Motor Vehicles (DMV) electronic records? I am concerned that every 1 of the 15 days racks up a fee.

MR. WHITNEY:

I agree 100 percent. The lien process used to begin on the third day, but the insurance industry insisted the charge begin on the fifth day. Electronic access is a great idea. There was a study of tow companies after DMV began its electronic notifications, and some operators take advantage of that. The service is not available to all towers and not at all to wreckers.

CHAIR BREEDEN:

Whether or not they have access to DMV records, do towers and wreckers have the right to enter vehicles to look for proof of registration? If the registration is there, 15 notification days is way too long. Consider the poor person whose vehicle is towed, whether it was abandoned or not. What if the car were stolen?

MR. ENOS:

In a perfect world, notification would be immediate. Towers could locate owners through registration documents, but that is often not possible. Towers try to trace "cold" license plates or vehicles may not have plates on them or DMV records indicate the car is not registered in Nevada. In these cases, the tower must research surrounding states' records. In a perfect world, that would only take a few days; unfortunately, it can take longer to find and notify owners. Tow-car companies have 15 days to attempt to notify vehicles' registered owners. Wreckers do not have the same limitation. This bill could bring some parity between the industries. In general, when tow cars take vehicles, owners are notified in a much more timely manner than when wreckers do it. This bill tries to address that disparity.

MR. WHITNEY:

The towing companies for which I have worked rarely wait 15 days before notifying owners. Normally, owners are notified within a day or two, and most towers begin the lien process after the sixth or seventh day. The only exception would be unscrupulous operators trying to run up the storage bill. There are operations in which the same person is processing the liens and driving the tow truck. That is why NRS grants a little latitude in the notification process.

CHAIR BREEDEN:

Can you please explain to the Committee what your amendments propose?

MR. WHITNEY:

My proposed amendment seeks to change section 2, subsection 2 by modifying the definition of "abandoned." Wreckers told me that language would put them out of business.

CHAIR BREEDEN:

Is it correct that you have identified NRS chapters 108 and 487 as problematic? Are those the statutes that govern auto wreckers?

MR. WHITNEY:

Chapter 487 of the NRS governs wreckers, stating that if a vehicle is valued at more than \$500, people are referred to statutes involving lien-processing fees in NRS 108. I want to replace the S.B. 319 text with language to the effect that if wreckers pick up vehicles, they must act in accordance with NRS 487 and NRS 108.

In section 3, subsection 1, paragraph (b) of the bill, I would like to add a subparagraph (7) after subparagraph (6):

(7) If the identity of the registered and legal owner is not known or readily available, make every reasonable attempt and use all resources reasonably necessary, as evidenced by written documentation, to obtain the identity of the owner and any other necessary information from the agency charged with the registration of the motor vehicle in this State or any other state within 15 days after placing the motor vehicle in storage. The operator shall attempt to notify the owner of the vehicle by certified mail as soon as possible, but in no case later than 15 days after identification of the owner is obtained for any motor vehicle.

My proposed amendment states in section 3, subsection 1, paragraph (a) that towers must notify law enforcement within one hour of when vehicles are removed. In paragraph (b), the tower must notify vehicle owners by mail within 15 days. Both of these provisions are unchanged from the original bill.

We need to delete section 3, subsection 1, paragraph (b), subparagraph (6) because, if the owner was unknown or had not registered the vehicle in Nevada, towers could not have complied with section 3, subsection 1, paragraph (b). "Paragraph (c) stipulates that the tower must then begin the

notification process, as outlined in NRS 487.095. That language mirrors that of NRS 706, which pertains to tow trucks."

SENATOR MCGINNESS:

Do you agree with the amendment ([Exhibit D](#)) proposed by the Las Vegas Metropolitan Police Department (Metro)?

MR. WHITNEY:

Yes. That proposed amendment will help identify owners of missing or stolen vehicles.

ARTHUR (A.J.) DELAP (Las Vegas Metropolitan Police Department):

We support S.B. 319, and our proposed amendment, [Exhibit D](#), would add that the vehicle identification number (VIN) be part of the notification process. The VINs are included throughout vehicles, which helps Metro identify stolen vehicles and scrap parts stripped from stolen ones.

DICK MILLS (Owner, Reno Auto Wrecking):

The Committee has my prepared testimony and proposed amendment ([Exhibit E](#)). I own four auto-wrecking yards. I have held a Nevada wrecking license for 32 years and employ 38 people. Right now, it is profitable to tow abandoned vehicles. Scrap metal is selling for \$250 per metric ton, so an abandoned vehicle may sell for \$350 to \$450. Two or three years ago, scrap metal sold for \$50 or \$75 per metric ton, and abandoned cars only brought about \$75.

I would not tow abandoned vehicles according to the bill's original language; some of Mr. Whitney's proposed amendments might make it more palatable. Tow companies also do not want to remove vehicles if they are only worth \$75. Wreckers charge \$55 to tow abandoned vehicles, but towers charge up to \$200. As the end users, wreckers can afford to tow for less. In some rural areas of the State, there are only wreckers, not towers. In NRS 487.205 subsection (2) states:

The Legislature declares that the policy of this State is ... (b) to encourage the development of procedures and operational techniques which will facilitate the expeditious removal of abandoned vehicles from public and private premises.

Auto wreckers need to be involved in fulfilling that mandate.

Wreckers can only charge \$55 to tow. But once that vehicle is in the yards, NRS 108.270 kicks in when we start the lien sale. My handouts list the other industries that also must abide by that statute. In S.B. 319, the lien-sale process is only fixed for wreckers and not the other nine industries which can do storage and start the process any way they choose. The bill should change NRS 108 so everyone would abide by the same rules.

In NRS 108.26797, DMV has the authority to adopt regulations to change the lien process. This is the way the problem should be solved for all of the aforementioned industries, with input from everyone. Senate Bill 319 was written by tow companies, but I would like to see its language go through DMV, which understands all the industries' problems.

Towing abandoned vehicles is sometimes intermingled with that of crashed vehicles and class E vehicles taken from apartment complexes. The overlap between the towing and wrecking industries is only 5 percent to 10 percent of towing duties. Only about 5 percent of my business is towing abandoned vehicles. The reason the towing industry has so many more regulations is it does all police, accident, property-owning and apartment-complex towing. Wreckers are prohibited from performing those tows. We are only allowed to tow after private property owners call to say, "I have had an abandoned car out here for 45 days. Will you come get it?"

The DMV's Division of Compliance Enforcement supplied an activity-numbers report for fiscal year 2010 ([Exhibit F](#)). Of the 59 licensed wreckers in the State, only two complaints were filed under the report's repair, removal and disposal of vehicles section. One complaint was dismissed for insufficient evidence; the other was dismissed as unsubstantiated. If there are such big problems with wreckers' procedures, why is that not reported to DMV?

My proposed amendments to S.B. 319 are on the back of my handout, [Exhibit E](#). If wreckers are subject to the same regulations as towers in NRS 487.038, I would add that wreckers should also be able to place towing-intent signs at apartment complexes, as outlined in section 1, subsection "(a) A sign is displayed in plain view on the property declaring public parking to be prohibited or restricted in a certain manner" If wreckers are required to issue the same notifications as towers, NRS needs to give us a more competitive edge with this proposed amendment. My proposed amendment puts wreckers squarely under the jurisdiction of DMV.

In S.B. 319's section 3, subsection 1 and in section 4, subsection 1, paragraphs (a) and (b), the words "or tow operator" should be added where appropriate.

CHAIR BREEDEN:

Mr. Whitney indicated the lien-notification process is different for towers and wreckers. Is that true?

MR. MILLS:

Yes. Wreckers follow the "junk-certificate" process, in which DMV comes out within 10 days and conducts criteria checks on vehicles, declaring them as having junk certificates. I try to only tow cars with that designation. If a vehicle does not fit that criteria, we start the lien process the same as do towers. We contact DMV to ascertain the registered owner.

CHAIR BREEDEN:

Does the lien process begin immediately? Could you explain that process?

MR. MILLS:

We first try to do the junk-certificate process. When we tow in a car, we send a transmittal to DMV, which sends a representative within 10 days to inspect the car. The criteria are quite lengthy to declare a car abandoned. A junk-certificate title is issued to us right on the spot, and we own the car. If the junk-certificate criteria are not met, we begin the lien process.

Abandoned cars are generally unwanted by owners. Of the thousands of abandoned cars I have towed, only a few owners have picked them up. It is so rare that I do not even charge people to do so. The only time I have been sued was by a prison inmate whose car I had towed. My company uses criteria that fit that of DMV's junk certificate.

SENATOR MCGINNESS:

Mr. Whitney indicated wreckers can get a kickback. Is that true?

MR. MILLS:

My business does not do that.

SENATOR MCGINNESS:

Are kickbacks allowed?

MR. MILLS:

I cannot answer that question.

SENATOR MCGINNESS:

Mr. Whitney, are kickbacks a common practice?

MR. WHITNEY:

I have never seen a kickback paid, but several Reno-area towers have told me the practice exists.

CHAIR BREEDEN:

Mr. Mills, have you worked with Mr. Whitney on your proposed amendment?

MR. MILLS:

Yes, I have, starting today.

ANDREW J. MACKAY (Chair, Nevada Transportation Authority, Department of Business and Industry):

The NTA regulates the tow-car industry. We are neutral on this bill, because it concerns an NRS chapter over which NTA has no jurisdiction and is a legislative decision. I would be remiss if I did not address the inconsistency between the towing and wrecking industries with regard to notification. Statutes do not address the problem. Towers can charge up to 90 days of storage fees, and NRS does not stipulate at what rate. Statutes also do not give a prescribed time frame as to when law enforcement must be notified of abandoned vehicles.

Mr. Enos's example of the towed Porsche was accurate. The individual's car was towed from the grocery complex. The NTA officer issued a citation for performing a tow without requisite authority from the State. The complaint came to me as an NTA hearing officer. The respondent in the citation had performed the tow in accordance with what he thought were the NRS provisions governing abandoned vehicles. It turned out that the respondent had followed the law. In this specific instance, the plaintiff perhaps should have found out his Porsche had been towed. If that information had been transmitted to the police within the prescribed time frame, he would not have had to wait several days to discover its whereabouts. He had to pay quite a bit for storage, plus the \$55 tow fee. Consistency is needed in NRS 706 in regard to governing nonconsensual tows.

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CHAIR BREEDEN:

We will close the hearing on S.B. 319 and open the hearing on S.B. 151.

SENATE BILL 151: Requires certain governmental entities to work cooperatively to establish the Henderson to North Las Vegas Fixed Guideway Corridor. (BDR S-612)

SENATOR MICHAEL A. SCHNEIDER (Clark County Senatorial District No. 11):

I sponsored S.B. No. 115 of the 75th Session, the "Light-Rail Corridor Bill," which spun out of control because of an inaccurate story in the *Las Vegas Sun* newspaper the day of its hearing. Majority Leader Senator Steven Horsford became nervous, so the bill was not processed.

I am returning with this Light-Rail Corridor Bill, S.B. 151. This Session, I do not have my PowerPoint presentation, easels to hold charts or a teleconferenced presentation by Utah Transit Authority officials about the light-rail system in Salt Lake City. I will read from my testimony ([Exhibit G](#)) before the March 5, 2009, meeting of the Senate Committee on Energy Infrastructure and Transportation.

It goes without saying that the urban landscape of the Greater Las Vegas Valley has evolved in unimaginable ways. When I was a student at Gorman High School, there was no Green Valley Ranch Resort, Spa & Casino or Alliant Station Casino & Hotel; Eastern Avenue ended at Warm Springs Road. As a city and community, Las Vegas has grown up and out in every direction, and we have not built roads to keep up with that.

We have an opportunity to put Nevada on a new transportation path. Investing in a light-rail system would be a bold, courageous step toward building a better Nevada. It is an expensive move, but now is the time. We have to step back and see where we want to go in southern Nevada.

Much like the "Green Jobs Initiative" we passed in 2009, a light-rail system will put people back to work, reduce traffic and improve the quality of life for all Nevadans. With reduced traffic, we will see fewer greenhouse emissions, which will leave a better State for our children.

We have the opportunity to make life easier for Nevada commuters and create a cleaner State. In the long run, a light-rail system would save State infrastructure costs.

I will walk the Committee through the present southern Nevada transportation situation and the potential benefits of light rail. Growth in the Greater Las Vegas Valley has changed the face of the community for better and for worse. Until 2008, that community was the fastest-growing in the Country, and the resulting traffic congestion is now at its worst. Traffic has become unpredictable, making residents' lives more hectic.

Building more roads is not a viable solution. The main reason for that is what is called "induced demand" or "generated traffic." These terms mean, "If you build it, they will come." We understand this on a personal level. Perhaps you forget to buy an item at the grocery. It is 11 a.m., and since you know the traffic is light, you get back in your car for that extra trip. The lack of congestion induced you to take that second trip—hence, induced demand. Building more roads merely provides temporary congestion relief. Removing cars from roads by building a light-rail system reduces traffic much more efficiently.

Investing in a light-rail system benefits the entire community, be they riders or non-riders. It will reduce congestion and improve the lives of all southern Nevada residents, clean up the State and put Nevadans back to work. In some cities with light-rail systems, congestion and the rate at which it grows have been reduced. Congestion grew 73 percent less in U.S. cities with light rail than in non-light-rail cities. This benefits all residents, whether or not they ride the system. People who live close to bus or rail lines drive an average of 4,400 fewer miles annually than those without public-transit access. The St. Louis Metrolink has reduced congestion by 12,500 cars leaving the city at rush hour.

It is our moral responsibility to leave this State in better shape than that in which we found it. Public transit is a major contributor to U.S. energy conservation, saving 4.2 billion gallons of gas annually. As more cities invest in public transit, U.S. carbon emissions are reduced by 37 million metric tons annually—equal to the electricity used by 4.9 million households.

We need to put Nevadans back to work. In March 2009, we had 9.1 percent unemployment. The majority of the 128,000 workers unemployed in 2009 were in construction, an industry with more than 50 percent unemployment.

In 2009, the Nevada Resort Association supported the light rail, but not along the four-mile Strip. The route must include that stretch. The 40 million people who come to Las Vegas annually go to the big Strip resort "factories." I have worked with the Nevada Resort Association on my proposal, and we have drafted a proposed amendment ([Exhibit H](#)) to S.B. 151.

I propose that we create a "Southern Nevada Rapid Transit Authority" (the Authority) consisting of one member each appointed by the Clark County Board of Commissioners; the city councils of Las Vegas, Henderson and North Las Vegas; a Strip gaming association; the regional economic-development authority; the manager of the Regional Transportation Commission of Southern Nevada (RTC SNV); the Nevada Department of Transportation (NDOT) and the Nevada Arts Council. The last entity has expertise in urban planning and architecture. When architects design "hardscape" rail lines, buildings and highways, often artists can make the elements softer and more appealing, saving money.

There is a dispute as to where the rail line would go on the Strip. It could go down the street, behind the hotels, elevated, ground-level or underground. All of these ideas must be examined, but if you run it behind the hotels, just like the current Monorail, it will not be used. It needs to run right down the Strip, perhaps as a subway. The "chunnel digger" at the Yucca Mountain Nuclear Waste Repository is idle and could be used to excavate a subway. The Strip section of light rail must be part of the Las Vegas showcase. It cannot be hidden behind the hotels; it must be part of the entertainment.

My proposed amendment states:

The Authority shall develop a plan for a regional transportation system. The Authority shall develop the plan in cooperation with planning, economic development, engineering, and tourism interests with the goal of quantifying the implications of introducing an exclusive transit operation in identified corridors.

The Authority shall undertake the following analysis to include but is not limited to:

1. Assessment of rapid technologies.
2. Assessment of corridor options including constraints, opportunities, and costs;
 - a. Examine existing rail corridors and transit routes for inclusion in rapid transit corridors;
 - b. Evaluate potential station sites; and
 - c. Identify locations that would benefit most from rail location.
3. Estimated capital and operating costs;
4. Assessment of potential ridership and passenger demand;
5. Environmental impact;
6. Project obstacles;
7. Assessment of financing options and funding sources including processes for securing federal funding; and
8. Potential project schedule.

The Authority will hold public meetings:

1. To evaluate the need and desirability for a rapid transit system;
2. To assess corridor and route feasibility and desirability;
3. To review existing mass transit options and how to incorporate into future rapid transit systems; and
4. Any other items the Authority deems advisable.

The Authority shall present its findings to the Legislative Commission or the Transportation Committees of the Legislature.

The Authority should also look at tying the light rail system into McCarran International Airport (the Airport), which is one of the Nation's busiest. Now at arrivals, drivers are held up by hundreds of cabs picking up passengers bound for hotels. This creates a lot of pollution, and sometimes it takes more than an hour to get a cab. We need a rail system onto which tourists can hop and go right to hotels.

The trains should be electric. To get the attention of the entire world, we should use solar-generated electricity so the system is 100 percent carbon-free. I have talked to Siemens Industry Inc., which has a system in which braking trains at stations transfer electricity to those pulling out. A German company contacted me about ideas for building such a system.

If passed, the provisions of this bill will go to a vote of the people, as it will be bonded. Normally, local voters bond about 20 percent of project costs, with the other 80 percent coming from federal grants. It will be a long process. There was federal light-rail funding available this year, but we did not have the process under way. Wisconsin and Florida gave back hundreds of millions of light-rail dollars to the federal government. We could have taken some of that money

MORGAN BAUMGARTNER (General Counsel, R&R Partners; Nevada Resort Association):

We appreciate Senator Schneider's vision and recognition of our point of view on the light-rail issue. His proposed amendment presents an opportunity to examine a broad-based assessment of rapid transit in the Las Vegas Valley. The Authority would determine the best construction methodology and corridors and how to design a system that benefits commuters, tourists, economic development and the environment. The Nevada Resort Association fully supports the proposed amendment and will work with the Senator to refine his concept.

SENATOR MCGINNESS:

Would you go to a vote of the people to secure funding for light rail?

SENATOR SCHNEIDER:

Yes, after the bill was approved by the Committee and hearings were held in Las Vegas. My idea for the route is based on existing rail lines through Green Valley, but the Committees may choose to take it up the Boulder Highway. Obviously, it is critical that the line go into the Airport so a lot of rail cars could pick up tourists. The Nevada Resort Association agrees with that. The foremost reason people do not drive into Las Vegas from southern California is congestion on the Strip and U.S. Interstate Highway 15 (I-15). On Sundays, it can take up to ten hours to make the three-and-a-half-hour drive to Los Angeles. This hurts southern Nevada's economy. Combined with the high-speed rail system proposed for southern California, our plan could greatly benefit our economy.

In the 75th Legislative Session, the Senate Committee on Energy, Infrastructure and Transportation heard testimony from Utah transit authorities. The Salt Lake City rail system originates in Ogden. It is so successful, Salt Lake City bonded again and will extend the line 50 miles to Provo. Residents of Provo

begged the rail managers to allow them to vote on the necessary bonds and taxes. The corridor in Salt Lake City resembles the Strip in that everyone wants to ride to downtown.

Denver has a light-rail system, and each of its suburbs is begging for an extension. Communities thrive economically and enjoy reduced congestion when lines come in. Phoenix inaugurated its light rail in 2010; Seattle, Los Angeles and San Francisco all have or are developing light rail. Las Vegas is one of the last major western cities without a system. The four miles of the resort corridor are a lot more congested than are the aforementioned cities—and The Strip is our bread and butter.

In the 75th Legislative Session, RTCSNV Manager Jacob Snow testified that if the light rail had been built two years ago, 90,000 riders per day would use a downtown line alone. He knew the demand was there. That ridership would not impact the number of users of the RTCSNV's high-speed buses. The most important thing in any rail system is its last mile. When riders disembark, how do they travel that final mile to home? Buses would have to feed in and out of the rail system. Spurs off of the main line would be built in coming decades.

CHAIR BREEDEN:

I have ridden on the Phoenix light rail, and it is much better than driving in that city.

SENATOR SCHNEIDER:

San Diego has a light-rail system called The Trolley, which I take to Qualcomm Stadium for football games. Why pay \$25 to park and waste three hours round-trip travel time when you can take the rail for a couple of bucks? The train goes right to the stadium's second level, you see the game, and then you just walk back to the train. A similar system would be perfect for Las Vegas, where everyone just wants to visit the Strip resorts.

SENATOR MANENDO:

There are proposals to build stadiums in southern Nevada. The exact locations are unknown, but downtown; the University of Nevada, Las Vegas; west of I-15 and Russell Boulevard; and a location in my district have been mentioned. Would those proposals be coordinated with the light rail?

SENATOR SCHNEIDER:

Absolutely. Stadiums would be perfect to coordinate with the project. Extra trains are added to the Qualcomm Stadium spur on game days. As soon as the game ends, trains pour in from the suburbs, people are jammed onto them and the stadium is empty within a half-hour. The original main-line proposal is into downtown and into North Las Vegas, which would accommodate both a stadium and the resorts.

Under my proposal, a spur to the Las Vegas Speedway would be a huge benefit. On race days, 100,000 people use the facility. Viewers actually spend the night in Mesquite in order to drive I-15 to the Las Vegas Speedway, because that route takes less time than driving from Green Valley. A rail line into the raceway would be perfect, and under my proposal, it would extend that far.

SENATOR LEE:

Is your second handout, [Exhibit H](#), a proposed amendment to S.B. 151?

SENATOR SCHNEIDER:

Yes. The Authority would perform all studies of the light rail. Each named city, Clark County, Mr. Snow, economic developers, the Nevada Resort Association and the gaming companies would have input.

SENATOR LEE:

Do you foresee the Authority working under RTCSNV, or would it report to all five city boards?

SENATOR SCHNEIDER:

Yes, the Authority would be under RTCSNV. That agency has more expertise on transportation than representatives of city councils or the resort industry.

CHAIR BREEDEN:

We will close the hearing on S.B. 151 and open the hearing on S.B. 387

SENATE BILL 387: Revises certain provisions governing off-highway vehicles.
(BDR 43-211)

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SENATOR DEAN A. RHOADS (Rural Nevada Senatorial District):

The Committee has my prepared testimony ([Exhibit I](#)). Senate Bill 387 was sponsored by the Legislative Committee on Public Lands, which I chair. This bill is linked to S.B. 130, which I presented to the Committee on February 4, 2011.

SENATE BILL 130: Revises certain provisions governing the titling and registration of off-highway vehicles. (BDR S-210)

Senate Bill 387 has to do with the off-highway vehicle (OHV) bill, S.B. No. 394 of the 75th Session. At the January 20, 2010, meeting of the Public Lands Committee, a member of Southern Nevada Off-Road Enthusiasts (SNORE) brought an issue to our attention. Although DMV is authorized to issue a new VIN to a motor vehicle that is home-built or has a faded or destroyed VIN, similar provisions do not exist for OHVs.

Such a provision should have been included in S.B. No. 394 of the 75th Session, so the Public Lands Committee agreed to sponsor S.B. 387 to address the problem.

The bill's provisions are virtually identical to those of NRS 482.290, which allow DMV, for a \$2 fee, to assign VINs to motor vehicles that are home-built or have faded or destroyed VINs. Currently, owners of home-built OHVs or those with faded or destroyed VINs are in a "catch-22" situation, in which they are required to register their vehicles but lack VINs.

Senate Bill 387 will need to pass with a two-thirds majority vote on the Senate Floor because of the \$2 fee, which is necessary to collect from OHV owners to keep them in compliance. I have a proposed amendment ([Exhibit J](#)) to the bill's section 6 to align the effective date with that of S.B. 130, which the Committee amended and passed on March 15, 2011. Senate Bill 387 is essentially a cleaned-up version of S.B. No. 394 of the 75th Session.

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

The DMV is neutral on S.B. 387, which has a fiscal note. This bill duplicates the VIN-assignment fee in NRS 482.290. However, DMV is concerned about the constitutionality of using State Highway Fund money for purposes other than that fund. The actual cost of the VIN assignment is about \$9 per vehicle, leaving a \$7 gap between the \$2 fee in the bill and the actual cost. The fiscal note was built to identify that gap and show that the \$7 comes out of the

Revolving Account for the Administration of Off-Highway Vehicles Titling and Registration fund to reimburse the State Highway Fund, thus avoiding the constitutionality issue.

SENATOR LEE:

Is there a way DMV could create a new classification for OHV VINs instead of creating a fee subject to the Governor's veto? Could we not craft a regulation instead?

MR. DILLARD:

The Committee has the authority to mandate DMV to accomplish the same thing through the regulatory process. That opens the door to various potential solutions to the problem. The DMV's only issue with the bill is the lack of constitutionality in using State Highway Fund money. Senate Bill No. 394 of the 75th Session was designed specifically to allow for that use, so the staff imposing the fee is paid through OHV registration and title fees. It does not make sense to hire more VIN-assignment staff because the number of OHVs is so small. We already perform this service for people who own standard vehicles, so it adds only a small amount of work. To allow State Highway Fund-paid employees to do this with funds from standard vehicles, DMV must offset that cost.

KEN FREEMAN (Southern Nevada Off-Road Enthusiasts):

Southern Nevada Off-Road Enthusiasts supported the legislation in which part of the OHV licensing fees went back to the OHV community. The new provision would make things difficult for our group because 99 percent of the vehicles owned by our 3,200 members are home-built. I own four such vehicles; one was built before 1976, so it does not need to be licensed. I have no way of proving it was built that year because it is home-built.

We believe OHVs need to be licensed, but it will be difficult for our members to sit down with DMV for hours trying to prove when home-built vehicles were constructed. We would like to see that process streamlined. We would also like to add this provision, which neighboring states have:

Four-wheeled motorized vehicles operated solely in organized racing and competitive events upon a closed course whose events are conducted under a recognized sanctioning body or a permit issued under local governments in an authorized jurisdiction are not required to have a OHV sticker.

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Nevada law defines OHVs as any vehicle not driven on highways. Some of the vehicles required to be licensed are racing on National Association of Stock Car Auto Racing tracks and drag strips. An OHV is not driven on the highway, period. I would like to see that provision in this bill.

SENATOR RHOADS:
We will work on your proposed amendments.

MR. FREEMAN:
My proposed provision concerning racing-OHVs' stickers is an exact copy of a California statute.

CHAIR BREEDEN:
We will close the hearing on S.B. 387 and open the hearing on S.B. 406.

SENATE BILL 406: Requires the Department of Motor Vehicles to waive certain fees owed by certain military personnel. (BDR 43-1145)

SENATOR MARK A. MANENDO (Clark County Senatorial District No. 7):
A constituent's vehicle license had expired while he was serving in the military overseas, and he came home to large fines. He was serving his Country so could not take care of renewing his license.

CHAIR BREEDEN:
Overseas military personnel should not be fined due to circumstances beyond their control.

NANCY WOJCIK (Administrator, Division of Field Services, Department of Motor Vehicles):
The DMV is neutral on S.B. 406 and notes that a fiscal note is attached to it. We do not object to its implementation.

CHAIR BREEDEN:
What is the fiscal note?

Ms. WOJCIK:

The fiscal note would be the loss of revenue to DMV if the fines were not collected. We estimate that about 13 percent of our annual registrations are late renewals with penalties attached. Out of that 13 percent, we cannot identify which offenders are in the military. The DMV would not collect approximately \$137,000 in fines per fiscal year.

CHAIR BREEDEN:

Does the \$137,000 equal the 13 percent figure?

Ms. WOJCIK:

Yes. That is based on estimated growth and depreciation of vehicles by percentage of each year on a vehicle rating for late fees. The 13 percent figure is based on how many renewals were late over the last fiscal year. The figure consists of the governmental service tax and loss of revenue from late-registration fees.

SENATOR MANENDO:

It may end up being maybe two, three or four military members who fall into this category; we do not know. Can you give us an estimate of an average registration late-fee assessment per person?

Ms. WOJCIK:

That is based on the type and age of the vehicle, its depreciation value and how long the registration has been expired.

SENATOR MANENDO:

Would it be fair to say the late fee could be a couple of hundred dollars for one person?

Ms. WOJCIK:

It could be—or less. Many factors are taken into consideration.

SENATOR MANENDO:

I understand that DMV would have to budget in that lost revenue.

SENATOR LEE:

Does the DMV director have the right to waive fees for unusual circumstances?

Ms. WOJCIK:

The director cannot waive the tax portion of the fees. The DMV offers a non-operation affidavit that drivers can sign stating the vehicle has not been driven during the period they were overseas. The late fees can then be waived legally.

SENATOR LEE:

If a member of the military came into the DMV and said, "I just got back from Iraq, and my registration has expired," could the DMV get a higher-up to say, "Bring us back proof, and we will waive the fees"? Could we work with that?

Ms. WOJCIK:

Staff would not have to get higher authority to waive the fee. It would be enough if the military personnel could provide identification and prove the vehicle had not been driven. If the non-operation affidavit was signed, we would not seek further verification and could waive the late fee legally.

CHAIR BREEDEN:

Does the affidavit form require that the vehicle was inoperable?

Ms. WOJCIK:

The form is used any time a vehicle is not driveable or parked for a long time.

CHAIR BREEDEN:

Mr. Daines, is there a way to add language to the bill to this effect?

BRUCE DAINES (Counsel):

"Madame Chair, I don't know, but surely we can draft whatever we need to for you."

CHAIR BREEDEN:

We will close the hearing on S.B. 406 and open the hearing on S.B. 475.

[SENATE BILL 475](#): Makes various changes relating to transportation. (BDR 35-1193)

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TRACY LARKIN-THOMASON, P.E., P.T.O.E., C.P.M. (Assistant Director, Planning, Department of Transportation):

Senate Bill 475 incorporates a staff position from the Department of Public Safety's (DPS) Bicycle Safety Program into the DMV's Bicycles and Pedestrian Program. The budget to fund that salary would also be transferred.

SENATOR MCGINNESS:

Is that why there is no fiscal note, because additional money will not be needed?

MS. LARKIN-THOMASON:

That is correct, although the bill proposes some amendments to NRS to accomplish the transfer.

CHAIR BREEDEN:

Why was the recommendation made?

TRACI PEARL (Chief and Highway Safety Coordinator, Office of Traffic Safety, Department of Public Safety):

More than a year ago, then-DPS Director Jerry Hafen told his employees that with budget reductions, duplications of effort had to be eliminated. The position was a glaring example of that. Originally, the program was assigned to DMV and DPS when they were one agency. When the agencies split, DPS kept the position.

The departments' bicycle programs have similar missions and goals—not exactly, but they are like intersecting circles. It would be in the State's best interest to leverage those resources and historical knowledge possessed by staff.

SENATOR MCGINNESS:

Will money be saved if this bill passes?

MS. PEARL:

No, but we will see greater efficiencies by leveraging the money in each program. The NDOT Bicycles and Pedestrian Program includes the Safe Routes to School Program which is specifically geared to students in kindergarten through Grade 8. The DPS program is more geared to pedestrians and cyclists of all ages.

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SENATOR SCHNEIDER:

Do you ride bicycles? Is this a good bill for cyclists?

JASON VAN HAVEL (Assistant Chief, Transportation/Multimodal Planning Division,
Nevada Department of Transportation):

Yes, I do ride a bike. This is a fantastic bill.

SENATOR LEE:

What is the value and purpose of this organization? Why should we even keep it alive?

MS. PEARL:

The main focus of the program is education, with the primary goal of teaching all ages to use bikes appropriately on roadways. It also teaches children how to walk to school correctly. The program is statewide, with more and more schools becoming involved. We also work with communities to create plans to incorporate more bicycle facilities into highway features.

Almost one in five, or 17 percent, of traffic fatalities include a bike or pedestrian. If you consider that cyclists ride a lot fewer miles than cars drive, that percentage is phenomenal. We need to work toward more behavior modification for young cyclists and also to teach drivers to share the road better with cyclists and pedestrians.

MS. LARKIN-THOMASON:

Our program is designed to change behavior through physical education classes and sponsoring bicycle "death rides."

SENATOR MANENDO:

Do you work with Look Out Kids About? I have been active in that organization since its inception and was, in fact, a founding member.

MS. PEARL:

The Office of Traffic Safety has received grant applications for that program, but the grant has not been awarded. Our partners in Clark County—like the Safe Community Partnership—work with Look Out Kids About.

CHAIR BREEDEN:

We will close the hearing on S.B. 475.

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SENATOR SCHNEIDER MOVED TO DO PASS AND REREFER S.B. 475 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR BREEDEN:

Senator Schneider's S.B. 151 was a nice surprise to me. The proposed amendment creates the Southern Nevada Rapid Transit Authority Study.

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS AMENDED S.B. 151.

SENATOR LEE:

Does that include the language that the RTCSNV would be the study's leader and pay to organize the group?

SENATOR SCHNEIDER:

Yes.

SENATOR LEE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BREEDEN:

Seeing no more business before the Senate Committee on Transportation, this meeting is adjourned at 5:52 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 |
| S.B. 319 | C | Clark Whitney | Proposed amendment |
| S.B. 319 | D | A.J. Delap | Proposed amendment |
| S.B. 319 | E | Dick Mills | Written testimony and proposed amendment |
| S.B. 319 | F | Dick Mills | Written testimony: "Compliance Enforcement Division FY10" |
| S.B. 151 | G | Senator Schneider | Written testimony |
| S.B. 151 | H | Senator Schneider | Proposed amendment |
| S.B. 387 | I | Senator Rhoads | Written testimony |
| S.B. 387 | J | Senator Rhoads | Proposed amendment |