

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

**Seventy-Seventh Session
March 7, 2013**

The Committee on Transportation was called to order by Chairman Richard Carrillo at 3:22 p.m. on Thursday, March 7, 2013, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at nelis.leg.state.nv.us/77th2013. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Richard Carrillo, Chairman
Assemblyman Joseph M. Hogan, Vice Chairman
Assemblyman Paul Anderson
Assemblyman David P. Bobzien
Assemblywoman Maggie Carlton
Assemblywoman Lucy Flores
Assemblyman John Hambrick
Assemblyman Crescent Hardy
Assemblyman James W. Healey
Assemblywoman Ellen B. Spiegel
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblyman Jim Wheeler

COMMITTEE MEMBERS ABSENT:

Assemblyman Steven Brooks (excused)
Assemblywoman Melissa Woodbury (excused)



GUEST LEGISLATORS PRESENT:

Assemblywoman Dina Neal, Clark County Assembly District No. 7

STAFF MEMBERS PRESENT:

Vance Hughey, Committee Policy Analyst

Scott McKenna, Committee Counsel

Cinthia Zermeno, Committee Manager

James Fonda, Committee Secretary

OTHERS PRESENT:

Deborah Cook, Administrator, Administrative Services Division,
Department of Motor Vehicles

Kyle Davis, representing the Nevada Conservation League

Mauricia M. M. Baca, Executive Director, Outside Las Vegas Foundation

Anne Macquarie, representing Muscle Powered: Citizens for a Walkable
and Bikeable Carson City

Paul M. (Mike) Hand, P.E., Director of Engineering Services, Streets and
Highways, Regional Transportation Commission of Southern
Nevada

Luke Busby, representing the Nevada Bicycle Coalition

Warren Hardy, representing the Associated Builders and Contractors of
Nevada

Michael D. Hillerby, representing the Regional Transportation Commission
of Washoe County

Doreen Mack, Private Citizen, Carson City, Nevada

Joe Johnson, representing the Toiyabe Chapter, Sierra Club

Nicole Bungum, Supervisor, Office of Chronic Disease Prevention and
Health Promotion, Health District, Clark County

Christopher Roller, representing the American Heart Association

Terri L. Carter, C.P.M., Administrator, Management Services and
Programs Division, Department of Motor Vehicles

Mark Froese, Administrator, Division of Information Technology,
Department of Motor Vehicles

Troy L. Dillard, Interim Director, Department of Motor Vehicles

Chairman Carrillo:

I now open the hearing on Assembly Bill 96, which revises provisions governing
the registration of certain motor vehicles and trailers.

Assembly Bill 96: Revises provisions governing the registration of certain motor vehicles and trailers. (BDR 43-494)

Assemblywoman Dina Neal, Clark County Assembly District No. 7:

I am going to take you through an introduction. I had some information placed on the Nevada Electronic Legislative System (NELIS) [([Exhibit C](#)), ([Exhibit D](#))] because I am framing this bill to deal with people that have a fixed income. Transportation is frequently identified as a significant barrier to finding and maintaining employment for low-income families. Studies show that not all states have effective public transportation in urban and rural areas within the state, and Nevada is one of them. It is also identified as a barrier and cost to senior citizens who are on a fixed income and who are included in our poverty designations in Nevada. They represent 12 percent of the poverty population and that number is 41,200 folks who are over the age of 65 [([Exhibit D](#)), page 4]. It is important to note this population because their earning power is significantly reduced, and the ability to be rehired on the job is further reduced, and therefore affecting their monthly income and making it fixed, or therefore stagnant.

Car ownership is a solution to a problem when families are faced with transportation challenges. A California study has shown that a parent with a car is more likely to be employed and to work more hours than a parent without a car. Having access to a car and the ability to mitigate issues surrounding car ownership are key to maintaining and securing employment. Factors on why solutions towards maintenance of a car are key versus public transportation, and the reason I am framing it this way is that when you look in section 3 of the bill, I am creating time payments that are associated with the registration fee of cars. I am planning my argument within the public purpose that there are people within the state who cannot afford the registration and that it would benefit them to split the payment up into two installment payments. The reason why is that we have a large population of people who are on a fixed income or suffering from poverty.

I created my argument around the maintenance of a car because other states have tried to use registration fees as a way to increase their general fund, where I am looking at it in the reverse, saying, although we have increased our fees on the State General Fund, it is affecting certain populations and we need to offer a solution to try to help them keep their cars and keep driving.

The proximity between where low-income people live and where their jobs are located sometimes is called spatial mismatch. The Brookings Institution published a study in 1999 called "Help Wanted: Connecting Inner-City Job Seekers with Suburban Jobs" [*Brookings Review*, Fall 1999], which cited the

fact that 70 percent of all jobs—manufacturing, wholesale, and retail—were typically located in suburban areas. It also noted that existing public transportation is often not available or not feasible, and that some cities' transit systems do not support reverse commutes. Additionally, economic and population growth has outgrown public transportation systems. The U.S. Department of Transportation issued a study that called for welfare reforms and access to transportation. It found that 98 percent of welfare recipients resided within 1/4 mile of public transportation, but only 32 percent of the entry-level jobs were located within 1/4 mile of public transportation. In this case, the problem is that where you live is located by a bus stop, but where you need to go to work is not located by a bus stop. In the rural areas, those percentages decrease in terms of people's ability to do the reverse commute from the job to home. The most recent census data shows that in Nevada, 141,272 people carpooled; they shared a car, which is roughly 11.4 percent of the population. In addition, there were 41,000 people who used public transportation, which represents 3.4 percent. So, I am saying all of that because we talk about states and counties and how they offer various kinds of transportation assistance. We see that some states choose to do allowances, while other states choose to do reimbursements, and still others choose to offer some kind of van assistance.

My solution is time payments, so when you are hit with hardship, you have the ability to go in and say, "My registration is \$180, and I have \$90 today. I can pay that now, but will you allow me to come back and pay the other \$90?" The reason why I captured it this way is that I had two constituents with circumstances that were very significant. One called me crying, and I do not know why she believed I could help, saying that she was not able to pay her car registration. Her car was sitting there, and she could not get to work. She did not know what solutions she had in order to help herself. Of course my question was "Did you not know the registration was due?" Her answer was, "Yes, I did, but I also make \$11 an hour and I do not have enough money to pay my \$800 rent, take care of my children, eat, pay the insurance, and still have money at the end of the month, so I had to give up my registration and then incur the \$250 fine." This further set her back financially to where she was not able at the end of the month to come up with it. So she found herself in this repetitive cycle for about three months where she had no money. She literally did not have her car for about three months, because it took her that long just to get \$250 to go into the Department of Motor Vehicles (DMV) and pay the fine for failing to register the car.

The second circumstance was when a senior citizen called me over Christmas and was complaining about the registration fee and said, "I want you to get rid of the governmental services tax (GST)." I said that was not possible, the GST goes into our State General Fund, so I cannot just take it out. Maybe the

solution is if I can work out splitting the payments, because their conversation was, "Well in other states they only charge \$22, and I see that my registration fee is actually \$32, but with supplemental GST it increases." So I said, "I hear you. I cannot delete the GST, but my solution is this. Will you at least accept that?" And they replied, "Well I am glad you are at least attempting to try to do something." And I said, "I will try. I do not know if it will pass but at least I will get credit for bringing the bill." I wanted to cite those two examples because one was a woman of 48, and the other a male about 68, so you have different experiences. As a legislator, you try to come up with solutions when a constituent calls you on the phone, especially any time before Christmas, and you have to take the time to listen. Because that really means something if any time before the holiday, or after, they want to call and holler at you.

I added this map that you see on NELIS [([Exhibit C](#)), page 3]. I wanted to show this map of low- and middle-income areas that captures Clark County. But I provided the other sheet that looks like this [([Exhibit D](#)), page 4] because I could not really get a map that showed the other counties. So I got broader, wider statistics that would show you other relationships. But I wanted to show you the density of low-income and middle-income persons within Clark County. If you can see those dots [([Exhibit C](#)), page 3], those little dots represent clusters of low- and middle-income people within unincorporated Clark County, Henderson, North Las Vegas, and Las Vegas. You can see it spreads all the way across.

In our unincorporated county, you see Pebble Warm Springs, Diamond Road, and then you can see Henderson. You can see how we have these significant densities of low-income people within the state. It is a public policy that will affect certain families. They all may not take advantage of it. Some may be fiscally responsible and say, "I am going to save my money" and some may really be in a situation where they are hurt and they just do not have the money to make up. I do not think we want them to go to a payday loan to pay their car registration. I would not.

I provided the poverty rates on that blue sheet [([Exhibit D](#)), page 4], which is a chart that has everything on it. I wanted to capture that and give it to you for your edification, to think about. When we talk about the poverty rates of children under 18, you can see the percentage is 28 percent. But when you get into the adults, from 19 to 64, you can see that 330,000 people are under the poverty rate in Nevada, and for the elderly it is 41,000. When you look at the people who have children, and those that do not, there is still a poverty rate of 96,000 people who had children. When we talk about the barrier of transportation and what solutions make sense to try to help an individual who is in a time and financial crunch, what are the solutions that you can offer?

My solution was the time payments. All of this information was for you to think deeply on this, and think about the people I was attempting to help in my district and in other areas.

If you look at this other profile sheet [([Exhibit C](#)), page 2], it shows the state profile for Nevada. The reason I gave this information to you is that it deals with how many households live in "asset poverty," meaning how much you have or control. Forty-four percent live in asset poverty. I ran into a man at one of the wonderful luncheons we have where these people come and feed us and give us this beautiful information, and he gave me this information about how many people do not have a bank account and how many need to have a bank account. This data about liquid asset poverty also came from him. I thought this would be a good thing to add to my presentation, to help people understand when we talk about assets as it gives us a deeper picture in terms of what do people own and how you can get into the issue of people with subprime credit, meaning bad credit, who, more than likely, are not paying their bills on a consistent basis. More than likely it is because they do not have any money or are not managing their money.

The reason I decided to present this information is that some of the opposition I heard was, "Why do you want to do this installment payment plan, or time payment plan? What about social responsibility? Why can people not pay their bills on time? You know every month it is coming. You know it is going to be \$383, well, just get \$383 out of your pocket." Well, there are situations where you may not have it. So what do you do? What I found out from DMV was that they have debt collection. So, if you bounce a check, you go into their debt collection process, and that amounts to about 48 percent of people who are in their debt collection service. This means you gave them a check to pay your registration and it bounced. Would not this be a great solution to help that person who goes into the DMV saying, "I will give you a check for half, which is what I really do have in the bank, versus the \$300 check that I am going to bounce and then you are going to send me to collections anyway"?

I will now get into the bill. When you read A.B. 96, I offered an amendment to section 3 because it did not have a time limit. I realized that not having a time limit posed a serious problem, because I did not want to come to this committee and have someone say, "What if somebody asked for 180 days?" No. We are going to slim it down to 2 months, 60 days. I want that amendment to be considered part of the bill when you review it. In reviewing section 3, now that you know that the time period is 2 months, you can look at it differently. Now you can look at this chart that I provided [([Exhibit D](#)), pages 1-2], which fiscal created for me, that is the governmental services tax. It breaks it down by year of car and what would happen if GST was dropped in the bucket in 30, 60, or

90 days. When you look at this sheet, this calculation of GST, they give you three different scenarios: a car that has a value of \$15,000, a car worth \$20,000, and a car worth \$25,000, and they show from year one to year ten. If you go across on the \$15,000 dollars, starting at year one we have the \$15,000 dollar car at 35 percent assessed value, and we go all the way across and see your first payment would be \$66.50. Right? So you are not going to defer, you are going to drop your payment in the bucket on the first month. So you will put in your \$66.50, and then you will come back 30 days later and do the other \$66.50. He gave me a scenario of 90 days because I was toying around with, should we do 60, should we do 90? I was not sure. But, erring on the side of conservatism, I chose 60. Some of you might see this bill as far less than conservative, but I am trying to help people that I really do feel are financially unable and provide them with an opportunity to keep their car, keep driving, and not run into any kind of barriers. I think that chart is helpful.

In section 5 of the bill, the new section that I added to the law is when you have the situation of a dormant vehicle, instead of taking your plate off, you can do a notarized affidavit and bring it to the DMV. Now, my intent here is for a situation where you do not have use of your car. For example, your car is broken down for two months and the registration due date happens to fall on a day when your car is no longer working. I wanted to create an option so you did not have to take your plate off the car and take it to the DMV, then go back to DMV, and pick up the plate 30 days later. I have run into situations where a person's car did not work for 30 days and they did not have any money to fix it. They still had to pay the insurance but they could not pay the registration. I wanted to allow some kind of provision when that happens.

It is hard for people to get away from the argument that people should be fiscally responsible. That is their number one argument: "I have to pay, you have to pay. You do not get a second chance."

Chairman Carrillo:

In this amendment you put down about a 60-day limit, or they should pay the bill within 60 days. What happens if I got a tag for a full year and I am supposed to pay my bill in 60 days, but I am not going to worry about it? I have a tag out there, so unless I get pulled over by somebody, I am still okay as long I maintain my insurance, even though I never pay DMV. How does that work out? Say they were to get a tag for 2 months, so whenever it came down to the 2 months, the 60 days, they would come back to DMV and get a tag for the other 10 months.

Assemblywoman Neal:

It still runs into the same situation as if you do not follow the time payment plan and you fail to pay it. We are working on that amendment. If you fail to pay it in the second month, it is going to cancel just like a regular process.

Chairman Carrillo:

But what is going to cancel, because they still have a tag that says it is good for a year?

Assemblywoman Neal:

It is the same thing as if somebody rides around with a green sticker now and they know it is blue. You are going to get pulled over by the police. It is the same risk that you run, regardless.

Chairman Carrillo:

So what you are saying is, they will not get a tag and they will still have an old expired tag for that two months.

Assemblywoman Neal:

You mean until it is cancelled? It is the same as if I drive around in my car and I fail to pay my registration, thinking to myself, "I sure hope the police do not pull up behind me." They are going to run my tags and they are going to say, "Hey, this is expired" and they are going to pull me over. It is the same process. It gets flagged in the system that this is no longer a valid registration.

Chairman Carrillo:

Well, you just have to worry about the police coming behind you. It might not be as likely if you are just using it to go to and from work and you take the back streets to get to work, if you do not go down Nellis Boulevard or Lamb Boulevard but go down Hollywood Boulevard where there is less police, less chance of somebody getting behind you. I guess my concern is that at the end of the day, we talk about hardships. What kind of hardship would this be on the state if we are looking at having to make payments to the state? The state is relying on this money. I know this is not a money committee, but I am just feeling that out. I want to go in that direction.

Assemblywoman Neal:

Okay, I appreciate that. So GST drops in the bucket every month. If you read the fiscal note, which is a doozy, it actually does not state that there is a loss of revenue to the state. It talks about expenses that will be incurred by implementing. It does not talk about a loss of revenue. It is a delayed payment; you pay \$66 one month and \$66 the next.

Assemblywoman Flores:

I wanted to clarify the question that the Chairman posed. Just to be clear, I think I understand what he was asking. If I go and I sign up for the payment plan, then they are going to renew my registration. Instead of my old expired tag will they give me a new colored tag? What then of those people who have been given that new tag who are on that payment plan, but then do not comply with the plan? Do they then get to drive around with what appears to be current registration? The only way that they are caught without paying their fee is if the police have to run their tag and it comes up expired in the system. That is the one clarifying question.

I agree, this fiscal note is quite a doozy. I know this is not the fiscal committee, but would there be some consideration in terms of amending it to add some sort of a user fee to cover whatever expenses are incurred to process the payment plans? I will just say for the record, I always think that it is pretty unfair that because you cannot afford to pay for something for an entire year and you want to pay it in installments, that you end up paying more. I do think that is unfair, but at the same time we do have to take into consideration that there probably is some more work associated with maintaining those plans.

Assemblywoman Neal:

I am working with DMV to reduce this fiscal note. The question of allowing them to put interest fees on the time payment is an issue for me because I do not want to create a further hardship, but I know that we need to address the fees, but we are also working out the expense list because it is quite extensive. To me it was a worst-case scenario. But we are looking at that, and I am looking to amend, because I have to actually define financial hardship. I plan on using the federal poverty level as a measurement. So those are the things that I am definitely working on with DMV.

Back to the other question about a person who is driving around and happens to get caught by the police. To me, the only thing you can do is cancel the registration, which is what we do now. If it is a bad check, then it goes into collections through DMV. But if it is just a case of you failed to pay, then DMV told me, "What can you do beyond that point? You just do not pay it." And so, yes, you end up with a fine, because you get caught and that is one of the things that even if you have a solution on how to regulate it, people are doing it all the time, just not paying, regardless of whether they have money or not.

Chairman Carrillo:

The issue that I see, and I know DMV is back there, but during the presentation when we had DMV come up, we learned that when people write checks DMV has no recourse whatsoever. I guess this is a bill they are actually putting forth right now. Basically, you have people that have paid for their registration, and even if it was only a part payment, according to the DMV's presentation last month, they currently have no recourse for collections. So whether they put it to collections does not matter, somebody has a sticker that is good for a year.

Assemblywoman Neal:

I am still waiting on the answer to this, but I philosophically disagree because the State Controller, Kim Wallin, has the capacity to be a debt collector for state agencies. They just have to turn it over to her, and there is a certain dollar amount that is supposed to be turned over to the controller. I remember having extensive conversations with Kim Wallin about who collects debts, and does she have the capacity to do that. I am still waiting to get with her and speak with her about whether or not DMV turns over their actual collections to the Controller's Office. My understanding is they have that ability to go out and act as a collection agent for state agencies.

Assemblywoman Carlton:

I am trying to put on my problem-solving hat. I do agree with you on the fiscal note, but I think we need to go in and dissect it. It is something you look at every day, but you have to stop and think about what those stickers look like on the back of the car. If I remember correctly, they have the year and they change color every year so the police can pick them out. Then it has a designation number for the month, if I remember right.

Assemblywoman Neal:

You are correct.

Assemblywoman Carlton:

Let us say my daughter is unemployed for a certain amount of time and owes a registration fee of \$300, but she only has \$150. Perhaps you would even be willing to consider a longer period of time, fifty-fifty, or whatever. She has \$150 and pays it, and let us say that \$150, which is a half a year's worth of fee, would be good for three months, and the sticker she would receive is good for three months. Once the sticker is no longer valid, it is no longer valid. And, if she did not go back and pay the other \$150, which would get her through the following nine months, then she would not receive that second sticker to put on the license plate. I am trying to look at the technical side of enforcement and fairness. In this idea you would pay enough to cover more than the amount of time, and it would also deal with the issue.

The thing that I have seen young people get caught in is a situation where a payday loan company gets their claws into these young people because they do not have the money to pay for that car registration and do not want to lose the car. They will go to a payday loan company and get that \$500 or \$400, and then the next thing you know, that car registration ends up costing them \$1,000 by the time they get out of it. I would like to see a way for us to be able to work some of these issues out. In your conversations on the fiscal note, was there any discussion about the man-hours that were listed in here?

Assemblywoman Neal:

Yes, we are working on the programming hours. I was deeply concerned at the \$1.2 million for extensive programming hours. I asked the question, "In the registration process, what would we really be doing differently?" They explained that they would need 22 people to implement, which I think is on the second page of the fiscal note. This would be different from the bad debt section; it would be a new section dealing with hardship. So we have to sit down and have further conversations, because I was alarmed at a few things. I asked why we would be paying for lease space, and they said they do not have enough room, and the 22 people would need an extra area to work from. I am new to this, this is my second term. So when I read that fiscal note, I thought it was excessive, super excessive, and that there were some things that needed to be dealt with or answered. You look at things in a commonsense way and ask, if you are already doing a form and standing in line for an hour, if you do not use a kiosk, why can you not just add this information? But they said it is not that simple.

Assemblywoman Swank:

I was thinking about the problem-solving aspect and I wonder if, instead of having the payment plan start on the date when their registration expires, if they could enroll in a program that started two months before their registration expired. They would make those payments beforehand, so that by time they made their final payment, when they got their sticker, they would be all paid up for the year, yet it would still give them that two months.

Assemblywoman Neal:

I really like that idea and Assemblywoman Carlton's idea, because they make me keep section 3.

Assemblyman Healey:

Along the same line of problem solving, and to clarify what we have been talking about, if someone were to be a part of the payment plan and not come back for the second payment, it is, in the end, the same as if they walk in when their registration is due and hand over a bad check for the full amount, a check

that cannot cover the full amount. So, in the end, DMV is not getting their money. With the payment plan they may get half of the money, instead of zero money. Then it goes into collections. But to address the solution part, and to the Chairman's point, yes, they are going to be driving around with a sticker, but it is the same as if they had paid in full and the check did not clear. So, assess a fee or a penalty, because at some point they are going to need to come back in, a year later, to reregister and just like if your insurance lapses, you pay a fee. Nobody wants to pay those fees, and it really makes you think twice about whether or not to make that payment for car insurance, knowing that DMV is going to hit you for it. So it may be a deterrent. It does not absolutely help at that moment, for the state or the DMV, but in the end it may be a deterrent. As has been mentioned, people are struggling and we do not have transportation that is reliable enough yet, particularly in Clark County. In my district we have no bus service at all, so there is no public transportation for my residents, my constituents, to be able to get to work, unless they have a car or they are going to bike a long way.

To be able to keep a job, you need to have a car. I think that to be able to have a payment plan would be extremely beneficial to people who are in a hardship situation, no matter where you live in the Valley, because of the economic situation it would be beneficial. In the long run, yes, you are going to have people who abuse the system, but I think it helps more people be able to stay working, which is key. Maybe it will allow people to get a job. I know people I have spoken to walking my district who were not able to even get a job because they could not afford to get a car and they lived ten miles from the closest place to work. It sounds like we can all help work with you on coming up with some solutions that may be particularly important to our constituents, if we can work that fiscal note, which seems to be a bit excessive.

Assemblyman Sprinkle:

From a policy standpoint I agree with everything that has already been said. We will see what happens when it gets to the Assembly Committee on Ways and Means. But I want to get away from section 3 for a second and actually go to section 6. I was just curious what the rationale was behind adding that language or changing it.

Assemblywoman Neal:

I had another constituent who called me during the interim because he had a 1982 trailer that he went to register and they charged him a higher value, and he was really angry. He could not believe that he was charged the actual value; he said that he knew what he paid and he has the sales slip. I said, "I hear you, but this money, and the reason why they use that value, the manufacturer's suggested retail price (MSRP), is that it goes into our highway fund." We have

this extra value because it was decided that we would not do the actual value, that we would give a little bit of a boost, so we could put more money into the State Highway Fund. I tried to explain that to him, and he said, "Well, if you can do anything." Once again, I said, "I will try to give it a hearing and bring that issue and give it value." That is where it came from. We are talking about the little trailer that goes on the back of a truck or a car.

Assemblywoman Spiegel:

I also think that this bill is really worthy and I have had constituents with issues paying for their cars, especially seniors who had older cars that were really high-end cars. They are driving a 1990 Coupe de Ville and they are still paying the GST based on the original MSRP. That is problematic for some folks, so I understand this entirely. My question though is a little different. As I was reading this and reading about the dormant cars, I was thinking about the seasonal residents we have, and wondering how that fits in with this, especially if they are people who might also be having some financial hardship.

Assemblywoman Neal:

I actually never considered seasonal people, because I have always assumed seasonal means our people that drop in and out, and have a second house in the city. We do have seasonal workers, who come in and out of the city, and may be faced with that situation. That is something to consider.

I appreciate all the great comments and enthusiasm for this bill, and I am going to look at all of your problem-solving comments. I will definitely inform you all on what the DMV and I work out. I will get with the Committee members who have offered solutions, and I appreciate you hearing this bill.

Chairman Carrillo:

I see no other questions for Assemblywoman Neal. I would like to bring up anybody in support of A.B. 96. [There was no one.] Down south is anybody in support? [There was no one.] I will move to opposition.

Deborah Cook, Administrator, Administrative Services Division, Department of Motor Vehicles:

As you know, A.B. 96 requires the Department of Motor Vehicles to accept installment payments for registration fees and governmental services tax if a person demonstrates they have incurred a financial hardship. While we commend Assemblywoman Neal on her intent, the Department opposes this bill as it will require large investments by the state with no return on investment to the state. Although it could provide financial flexibility for some Nevadans, we believe it will burden the state with new financial costs and ultimately reduce existing revenues.

Additionally, the department's 22 percent spending cap would be impacted by these issues. To implement this bill, the Department would have to create a new receivables system in the DMV application, implement a receivables unit to administer the payment plans, and expand our current debt collection unit. This act also becomes effective upon passage and approval for regulations and administrative purposes and July 1, 2013, for implementation. With the complexity of this bill and the Department's established priorities, we would not be able to meet the proposed July 1, 2013, implementation date ([Exhibit E](#)).

However, we have not yet had the chance to talk with Assemblywoman Neal on this, but we believe we have come up with a solution that would eliminate our need for a fiscal note. It is along the lines of what you were talking about earlier. Rather than incur the expenses outlined in the fiscal note, through the myDMV portal we are creating we can notify residents 60 days prior to their registration renewal. This would allow them that 60 days to plan for that expense and plan their finances accordingly. I would be happy to answer any questions you may have.

Assemblyman Paul Anderson:

I am curious if we know the percentage of bad checks that are written. Obviously, these are folks that are under financial hardship as well. Do we know how big a problem this is, when it comes down to the bad checks and how many folks may be hit with that \$250 because of late registration? This is the same group of people that I assume Assemblywoman Neal is trying to help, folks with financial need. Do we know the percentage of those registrants?

Deborah Cook:

I do not believe the \$250 is associated with bad debt. That has to do with the insurance verification.

Assemblyman Paul Anderson:

Is there a fee if my registration lapses for a period of time, a month or two?

Deborah Cook:

Yes, if you renew a registration late, there is a penalty involved for governmental services tax and late registration.

Assemblyman Paul Anderson:

Okay.

Deborah Cook:

Then, as far as the amount of bad debt we have in comparison to the revenues we take in, it is less than 1 percent.

Assemblywoman Flores:

I am a little surprised to see DMV opposing this bill. I am even more surprised that you are stating you have not worked with the member in figuring this out, but somehow you figured it out without her. When and if this bill gets to fiscal, to Ways and Means, I am sure we will have a very thorough discussion about it.

Assemblyman Sprinkle:

If I heard you correctly with the myDMV portal, you are saying that there is the potential, since it could be 60 days out before the registration actually expires, to implement where we are going with this bill. Is that built into the portal now so that they could actually do this in installments over those two months?

Deborah Cook:

Currently we send out notification 35 days in advance. I am not positive but I believe that is what is built into the portal. But, we could change that to 60 days. As far as the payment plans prior to, we have not explored that and we would have to look at that. If I could clarify, Mr. Chairman, we have been working with Assemblywoman Neal; I had not been able to talk with her prior to this meeting about our solution.

Chairman Carrillo:

We will make sure that Assemblywoman Flores gets that information.

Assemblyman Healey:

My first question has to do with the bad debt, and Assemblywoman Neal mentioned the possibility of the Controller's Office collecting that debt. If I recall correctly my conversations with Kim, their agency is supposed to be doing that for state agencies. So, if that is the case, do you work with her office in getting bad debt collected? If not, is that an opportunity if this program were to go through? Number two, are you aware of other DMVs in other states that provide a payment program of any kind? Number three, on the amount of bad debt, did you say it is about 1 percent of the revenues that you collect? So, if it is about 1 percent, and you will hear me say this a lot in many things I deal with, in the big scope of things it is only 1 percent. Are we going to block something that could potentially benefit many of our constituents in this Valley who are struggling right now, who are responsible, who want to pay but just cannot pay a full year at one shot? Are we going to keep something in play that blocks people from being able to be a responsible member of our society? Please respond to that.

Deborah Cook:

Our bad debt is less than 1 percent, but we collect over a billion dollars a year. So that 1 percent is still a substantial amount of money. Can you repeat that question again?

Assemblyman Healey:

In regard to that, looking at the big scope of things, 1 percent represents a lot of dollars as you said, but it sounds like we are collecting a lot of it anyway. I do not want to see us block the potential of helping many constituents at a time when, particularly in our state, our constituents are struggling financially. Even people who are working are struggling financially to pay for health insurance, car insurance, automobile registration, all of those things. A proposed solution for giving some relief to them in order to keep their vehicles on the streets legally is to have a payment plan. I just do not want us to block something by saying, "Well it is going to create all this bad debt, and we have to pay all these people now who are going to have to collect this debt," which does not sound like an accurate statement if I am hearing it correctly.

Deborah Cook:

Remember the less than 1 percent is bad debt. If we start taking payment plans, I believe that number will increase, because that is something that is not captured in that number right now.

Assemblyman Healey:

I am going to disagree in the sense that I think that is a pretty broad assumption to be making, that just because there is going to be a payment plan, people are not going to pay. I think you are going to have more people who may either not register their car and drive illegally on the street, or go get a payday loan and maybe put the economy in further jeopardy. I think they are going to pay, and pay it twice, and the DMV will get full money, versus having a check that is going to bounce for the full amount and get nothing.

Deborah Cook:

In our debt collection unit, those payments that we do take in that unit, although they are a handful of payment plans, we experience about a 48 percent default rate on those payment plans. That would be why we would expect to see a higher rate. To answer your other questions, we did a high-level research on other states through the Internet, and we could find no other states that offer payment plans for registrations. Also, you asked about the use of the Controller's Office for bad debt. We do use them currently. We attempt collections, once we are notified, for 60 days and on the 61st day we send it to the Controller's Office.

Chairman Carrillo:

Anyone in opposition to A.B. 96 in Carson City? [There was no one.] Now, going to Las Vegas, anybody in opposition? [There was no one.] Now we move to anyone neutral on A.B. 96 in Carson City. [There was no one.] There is no one in Las Vegas. We now have time for a closing statement.

Assemblywoman Neal:

I did research on other states. I looked at National Conference of State Legislatures (NCSL) research, and no one else is doing this. Most have used their DMV fee registration as a mechanism to increase revenue for their state. They have not used it as a tool to try to create a time payment plan to help residents. I do believe that this is a better avenue instead of hiking fees up on people, and then expecting them to pay it. That will be my final closing remark. Thank you.

Chairman Carrillo:

I now close A.B. 96 and open it up to Assembly Bill 145.

Assembly Bill 145: Provides for retrofitting of roads and streets in consideration of different types of users. (BDR 43-662)

Assemblyman Richard Carrillo, Clark County Assembly District No. 18:

I am also presenting Assembly Bill 145. I want to thank the Committee members for giving me the opportunity to introduce A.B. 145. This bill is designed to promote the adoption of Complete Streets in Nevada.

What is a complete street? A complete street is a street that is designed and operated to enable safe access for all users, including people of all ages and abilities, walking, biking, driving, using a cane, or a wheelchair. The complete street makes it comfortable, safe, and convenient for a commuter to ride their bike to get to work, for a pedestrian to cross the street to get to a restaurant, or for a senior who walks with a cane to get to a transit stop. In the past two years, almost 100 pedestrians lost their lives in Nevada roads. We have been ranked 15th in the nation for the number of cyclists losing their lives. The fact of the matter is that many of our streets were built to get as many automobiles along them as quickly as possible, so many current street networks need retrofitting to make them complete streets. Our communities want to make improvements to make us all safer, but the question is, how do we work together to cover these costs? Assembly Bill 145 would provide a local funding source to carry out complete street improvements to make walking and biking safer in our communities. This comes at a time when federal funding sources such as transportation enhancements have been virtually eliminated.

Assembly Bill 145 would add a notice of a \$2 voluntary contribution to all vehicle registrations in the state in order to support these improvements. At registration people can opt out of the contribution if they choose. This contribution will then be collected by the DMV and disbursed directly to the county where the vehicle is registered. The funding could only be used for Complete Streets projects. The levels of accumulated funding would vary from jurisdiction to jurisdiction. The bill allows the local transportation agency to accumulate the funding over a period of years for a priority project. Moreover, Complete Streets funding can be used as a local match for federal transportation alternatives funding, essentially leveraging federal money for Complete Streets projects. With me today I have Kyle Davis, with the Nevada Conservation League, and Anne Macquarie from Muscle Powered. In Las Vegas we have Mauricia Baca, with the Outside Las Vegas Foundation.

Kyle Davis, representing the Nevada Conservation League:

Thank you for introducing this bill, which we think is a real exciting thing for Nevada in terms of making our communities more livable and promoting alternative modes of transportation ([Exhibit F](#)). I would like to turn things over to Ms. Baca in Las Vegas, who can go through the bill in a little bit more detail. Then I do have a couple of points that I want to make based upon some feedback I have gotten, and then we have a number of advocates who would like to speak to the bill.

Mauricia M. M. Baca, Executive Director, Outside Las Vegas Foundation:

The Outside Las Vegas Foundation is a community-based organization and our mission is essentially to connect our community to outdoor spaces, and walking and biking are some of the most basic ways we can experience these places. Essentially everybody has a pair of shoes. However, the big issue is that, at this time, not everybody can go out their doors safely on foot or by bicycle to experience the outdoors whether it is for recreation, alternative modes of transportation, or for a child to get to school. I believe those testifying after me are going to go into more detail, but complete street elements may include things like sidewalks, bike lanes, special bike lanes, accessible transportation stops as you mentioned, frequent and safe crossing opportunities, or narrower travel lanes. It could be something as simple as better lighting on a street to make a pedestrian or a cyclist more visible, for instance. At the end of the day it is really about making it safer and easier for kids to walk to school, for the elderly to leave their homes and experience the fellowship of their neighbors, for differently abled people to be able to work and play and get out of their house safely for those activities, and for families to recreate and enjoy their neighborhoods together.

As you mentioned, and I think it is a very important number, 100 pedestrians were killed in Nevada in the past two years. One pedestrian is one too many, especially when that happens because of the lack of a safe place to walk. Unfortunately, too many of those deaths were because they lacked a safe place to walk. It is similar for bicyclists. This funding provides a simple and a sustainable solution for communities to help fill in the cracks and solve some of the infrastructure problems that we are looking at, and to ultimately make our communities safer and stronger. Something that is really exciting to me about this legislation is that it is a way for Nevada to say that complete streets—the safety of our children, the elderly, the disabled, our families, those who need to bicycle to work because they have to—is of primary importance to us. It is a way for us to say that we are committed to having kids walk to school in safety, and that we are committed to finding ways to make it easier for residents to find less expensive ways to get to work. Fifty thousand bikes every month are on the Regional Transportation Commission (RTC) of Southern Nevada buses. A lot of these people are doing it because they have no other choice, and we would like to make it safer for them to engage in that activity.

As a nonprofit organization and as an organization that just engages in the community, the reason why we have come out today to speak about the importance of complete streets is the number of people I speak with every day who tell me how important this is to them, that they would like to have safer sidewalks, have safer places to wait for buses, and engage in more walking and more bicycling. But, quite frankly, many people simply do not feel it is safe in their communities at this time. They would like to increase that activity and if they could increase that activity, it would be safer for children to go school. It would also increase the likelihood of people being able to bicycle to work, which would decrease the use of our roads and increase their ability to get to work safely. I would like to give this time to Anne Macquarie, who has been working on behalf of this issue for Muscle Powered in Northern Nevada.

Anne Macquarie, representing Muscle Powered: Citizens for a Walkable and Bikeable Carson City:

I am the secretary and founding president of Muscle Powered: Citizens for a Walkable and Bikeable Carson City. Muscle Powered was established in 1996 to work to make Carson City healthier for all residents and safer and more accessible for bicycling and walking, through education and advocacy, the promotion of bicycle and pedestrian friendly infrastructure, and developing and maintaining recreational trails throughout the city. We have about 160 members and a half dozen of them are in the audience here today. We enthusiastically support this bill ([Exhibit G](#)).

When I heard about this bill, I enthusiastically jumped aboard because I would like the more rural areas in Nevada to be a part of this bill. When I have talked about this bill with some of you, there have been some questions about "Well, do we really need this in the rural areas?" And I would say, "Yes, we do." As an example, I have a friend who is the Safe Routes to School coordinator for Douglas, Lyon, and Storey Counties, and many of the schools out there are on high-speed roads, and kids do walk to school in the rurals. The kinds of retrofitting that this bill would pay for, lighted crosswalks and well-striped crosswalks, I think will make our rural and our urban areas safer for people of all ages and abilities.

Kyle Davis:

This piece of legislation is one of four priority pieces of legislation for Conservation Priorities for Nevada, which is a coalition of conservation groups throughout the state that we work with to facilitate that process. So a number of groups have signed on and said that this is a priority for them this session. I have talked to a few people about this bill, and there are a few things that we do want to clear up. Rather than try to put together language, I just wanted to mention these for the record and then I will work with you, Mr. Chairman, as well as with some of these groups, to make sure that we get this dialed in should you process the bill. I have talked to the City of Las Vegas, the RTC of Washoe County, and the RTC of Southern Nevada. In section 5, subsection 3, where it has the definition of Complete Streets, there was a question as to whether this funding could be used for mass transit acquisition, such as purchasing of buses. We want to make it clear that if that is a part of the overall Complete Streets program that a particular entity is putting into place, I think that would be included in that.

Moving on to section 8, which deals with how the money is disbursed and is not quite clear. We do want to figure out some language to make it a bit clearer, especially in those counties that have RTCs, where the intent is that the money go directly to those commissions and not be something that has to go to the county and then be disbursed again, just to make it a lot clearer for everybody. Also in section 8, subsection 3, we want to make sure there is not a misunderstanding. We are not saying that it would be just this money that we are looking to generate that could be used for Complete Streets projects. If other funding was available that those entities wanted to use, then they could certainly combine this funding with other funding, or just use that funding. This is just to augment and not necessarily to restrict. I think the same concern comes up in section 9 as well, so we want to make sure to clear up that language so that this is just additive rather than restrictive.

Assemblyman Hardy:

As far as the RTCs in Washoe and Clark Counties, I know of a situation in Clark County where you have six municipalities that are in that same RTC unit. In our discussions you said that those monies would go to the RTC, but if those people are donating for Boulder City or Mesquite or North Las Vegas, how do they know where that money is going to? Some may not want to donate to Clark County if they are living in Henderson.

Kyle Davis:

You are correct in the sense that that money would go to that RTC, and the decision on how that would be spent would be made by that RTC. So it is possible that dollars collected for a car that is registered in Boulder City may go to a project that is in Las Vegas.

Paul M. (Mike) Hand, P.E., Director of Engineering Services, Streets and Highways, Regional Transportation Commission of Southern Nevada:

We have an existing mechanism by which all the entities get together and prioritize projects. We would envision that that same type of priority system would be used on Complete Streets projects. We would likely use a rating system, wherein we would look at all the entities' submitted projects, which would have budgets associated with them. We would consider safety, land use context, mobility, and connectivity, among other factors, along with the project budget.

We would spread the work around. We have had good success doing that. Most recently, after Senate Bill No. 5 of the 26th Special Session we used a similar process that enabled us to quickly spend \$169 million in bond proceeds. We combined that with American Recovery and Reinvestment Act monies from the federal government, and everybody got along and everybody got some projects. So we would look to do the same kind of process here in the Valley if this became law.

Assemblyman Hardy:

The RTC works well together, I understand that. But the donor, the individual who is donating, how is he going to be notified that his dollar may not go exactly where he is thinking it will? Even though they are regional facilities, they may have different thought processes. How does that individual get notified on that donation, and what could happen?

Mike Hand:

I envision that we would keep a list of projects and money that has been generated, and we would have that on a publicly posted capital improvement program that is available for notice to the general public. In fact, if you looked on our website today, you would see our current capital improvement program. I will use S.B. No. 5 of the 26th Special Session again as an example. It shows the projects that we are currently funding with the S.B. No. 5 of the 26th Special Session proceeds, so I would envision that we would use a similar process.

Assemblyman Sprinkle:

Maybe I missed this in the bill, but are there any assurances in place that this money, once it is allocated to whomever is coordinating these projects, is actually being utilized for Complete Streets projects?

Kyle Davis:

That is why we put a definition of what a Complete Streets program is in section 5, and I believe that definition is referenced again in section 9, as to where the money, when it is used, needs to be utilized according to the guidelines in the legislation. In terms of how to ensure that is happening, that is going to require some amount of vigilance, but I am fairly confident that the entities we would be allocating this money to would be able to do that.

Assemblyman Paul Anderson:

Some of the questions I had were answered so I appreciate the information we have had so far. Can you tell me how the funding works? We discussed this when you and I met about MAP-21: how federal funding comes down, how the Department of Transportation (NDOT) and the RTCs get money allocated through that, and about their Complete Streets program. I do not know if that is a standard term that is used across the different entities, but I know they already have federal funding for that. Does this complement it? Does it run in parallel? Can they use that to leverage? Information on that would be great.

Luke Busby, representing the Nevada Bicycle Coalition:

This is all subject to changes that might occur because of the sequester, but when MAP-21 passed, it established a system whereby transportation alternatives under MAP-21 could be funded with 80 percent federal funding and 20 percent local match funding. My understanding of the bill is that these funds could certainly be used as part of that 20 percent local funding to match the federal funds to pursue these projects by MAP-21, including Safe Routes to School, et cetera.

Chairman Carrillo:

Are there any questions from the Committee members? [There were none.] We now go into support on A.B. 145.

Luke Busby:

I would like to make a few points about why we support the bill. Number one, it is voluntary. People can opt out of it and if they do not want to fund it, it is the best kind of tax system from our perspective. Complete Streets is great for the quality of life for the people of this state. We think quality of life is the best economic development tool there is. If people get to enjoy our beautiful state using safe bicycle and pedestrian assets, that is an excellent thing. Overall, things like this are part of a national movement, a new urbanism. You see an example of it in downtown Las Vegas where there is a real market need. People want to live in human scale environments that are not necessarily car-centric. They want to be able to walk and bike to work. Again, I want to emphasize the point that section 8 is really helpful for enabling the state and local RTCs to take advantage of federal funding opportunities. Without these funds, depending on how things shake out, that may or may not occur.

Warren Hardy, representing the Associated Builders and Contractors of Nevada:

We are in full support of this legislation. It is very innovative. It allows us to meet the needs of the public now at this point. I particularly appreciate the innovative funding idea. I cannot wait; I am looking forward to contributing my two dollars.

Michael D. Hillerby, representing the Regional Transportation Commission of Washoe County:

We support the bill. Complete streets, as you heard from our presentation about a month ago in front of your Committee, are an important part of the RTC's mission. As Mr. Davis suggested, we both talked with the Chairman about a couple of concerns on language, just to make it clear. This is obviously not the only funding source we would have for Complete Streets projects. We use existing funds that come from gas tax, bond revenue, federal funds, and other sources. So, in sections 5 and 9 there is identical language in subsection 1 of each that "a commission may adopt a policy for a Complete Streets program and may plan and, to the extent that money is received pursuant to section 1 of this act, carry out projects." I just want to be sure that, if you do process the bill, we can put some language in that makes it clear that that may be the limit of what these funds can be used for, but we can use our other funds to fund Complete Streets programs. Clearly that was not the intent of that language, but we just want to be sure that gets on the record.

Likewise in section 5, subsection 3, as Mr. Davis alluded to, one of the uses we would like to see available is for equipment, more precisely buses, paratransit, and other. Those are expensive pieces of equipment to buy, so if this funding is available to help with and expand our transit activities and other things, we would like that. Section 8, subsection 3, talks about "a county shall not let a contract which is for a project that is a part of a Complete Streets program, if the estimated cost of the contract exceeds the amount of money in the county's Complete Streets fund." We use other money for that, and there is an existing state law that controls all public bidding and awarding of contracts that says you have to have the money in place before you bid and award a contract, so there is already a controlling statute that we think would cover that. Obviously we would not overspend the money that was in that fund on Complete Streets, but we do have other funding that we use for that.

Chairman Carrillo:

You can get together with Mr. Davis and discuss the amendments that you propose.

Assemblyman Paul Anderson:

I am curious about the paratransit and other uses for that money. The concern would be that we are representing to the consumer that this two dollars is going to Complete Streets. Certainly my first impression would not be to buy more buses or other modes of transportation. Do we have a concern about the representation there?

Michael Hillerby:

In our mind the Complete Streets program includes the provision of transit. Complete Streets would be adding bicycle lanes, transit facilities to make transit more readily available, turn lanes, and doing other things that slow down traffic in very busy areas, so we would like to see that included. Obviously that will be at the pleasure of the Legislature, whether you decide that that is the definition you agree with, but it is one that we would support.

Assemblyman Hardy:

In the past six years, we have seen a number of communities waive issues with their master plan to allow developments and projects to be done that have left out some of these complete streets elements. Is this funding going to go to help take care of those individuals that probably should have paid up front? Is there a mechanism by which RTCs or commissions or municipalities can look into things to make sure that we are not funding projects that should have been done in a master plan?

Michael Hillerby:

I do not know the answer to that question. We can check into that. I do not know. When we make decisions as the RTC to go back in our community, the ones that we have done recently have primarily been older streets and those changes are after decades of use. I cannot answer that question. We can certainly look into it and see if there is anything for the Washoe RTC on our immediate radar that might include amenities that maybe should have been included in a development agreement or other things. We will try to check into that for you.

Assemblyman Healey:

I would like to echo the sentiments of my colleague from the south in regard to buses. I was online with everything you were saying until, all of a sudden, I heard that. I agree that transit plays a part in Complete Streets projects, but I can foresee that if there is not strict language in the legislation regarding something such as replacing an entire fleet of buses that already exist that have nothing to do with these new and improved streets, we can have a misperception by the public that we are funneling money, selling it one way and putting it to use in another. Just a caution I have that I would ask both the bill sponsor and the RTCs consider.

Michael D. Hillerby:

I would like to think that the elected representatives on our RTC or other RTCs around the state would probably be pretty cognizant of how they chose to spend that, and those decisions would be made in a fairly public process, but we will certainly hear your concerns.

Doreen Mack, Private Citizen, Carson City, Nevada:

My company is Lofty Expressions. I do support A.B. 145. I am currently in the process of working with the merchants downtown to make Carson City a walkable and friendly downtown, so the timing of this is perfect. I would hope that the monies that would be acquired during this process would be applied to those areas, to specific areas. I like the idea that this is an option, and people can buy in or buy out of it. I am certainly in favor of this.

Joe Johnson, representing the Toiyabe Chapter, Sierra Club:

It gives me pleasure to testify in support of this bill today. In particular it is not often that we get to support a measure before a legislative committee that is also supported by the Associated General Contractors. We are in support of this measure. Thank you for bringing it.

Chairman Carrillo:

We will move south for support on A.B. 145.

Mike Hand:

As you may recall, our general manager, Tina Quigley, was before you several weeks ago and introduced the concept of Complete Streets. Complete Streets are designed to safely and comfortably accommodate all the people that use our roadways, including bicyclists, motorists, transit riders, and pedestrians. This is accomplished through a variety of improvements, including the creation of bike lanes, narrower vehicle lanes, lower speed limits, dedicated bus lanes, wider sidewalks, and landscaping improvements, just to name a few.

Complete Streets projects range from a fairly simple installation of a pedestrian activated signal at a busy mid-block crossing to a more complicated corridor project that adds bike lanes, transit lanes, wider sidewalks, improved lighting, and landscaping ([Exhibit H](#)). With that, Mr. Chairman, we have some other speakers.

Nicole Bungum, Supervisor, Office of Chronic Disease Prevention and Health Promotion, Health District, Clark County:

I am from the Southern Nevada Health District and I am pleased to be here today to express our support for Complete Streets and A.B. 145. I have submitted a written copy of my testimony ([Exhibit I](#)) and many of the comments have already been made, so I will be brief. Because Complete Streets are safer, more convenient, and more accessible than other streets, people are more likely to use them for active transportation, including walking and biking, as well as for public transportation. From a public health standpoint this is important because we know from the literature that people who use active or public transportation, in general, are more physically active than those who only commute by car. Of course, the more physically active the lower your risk for a host of chronic diseases, including obesity. We are supportive of A.B. 145 because it would help facilitate the development and retrofitting of incomplete streets into complete streets, which would make our roadways safer and more efficient. It would also help facilitate public transportation use, active transportation use, and physical activity.

Christopher Roller, representing the American Heart Association:

I submitted written testimony as well ([Exhibit J](#)). I just want to echo the sentiments of the previous speaker that we are in support of A.B. 145 because of the potential positive impacts in terms of the reduction of obesity and subsequent reductions in chronic disease, including heart disease and stroke. If we can get more infrastructure in place, that can help with the activity levels of our population in the state. I just want to put this in the context of health care costs as well, which is definitely a hot topic in our state and our nation. We should do everything we can to help reduce health care costs, including the prevention of chronic disease up front. We know that Complete Streets and

allowing for more active communities can help with curbing health care costs through the prevention of chronic disease. That is very important, and for those reasons we are in support of A.B. 145.

Chairman Carrillo:

We will move to neutral on A.B. 145.

Terri L. Carter, C.P.M., Administrator, Management Services and Programs Division, Department of Motor Vehicles:

With me today is Mark Froese, Administrator of the Motor Vehicle Information Technology Division. The Department is neutral on A.B. 145. As written, this bill requires the Department to collect a voluntary \$2 contribution for the Complete Streets program. The \$2 fee will be added to each vehicle registration and then distributed to the county where the vehicle is to be registered, unless the person registering the vehicle opts out of making the contribution. The fiscal note on this bill is to complete the programming necessary to add and distribute the fees ([Exhibit K](#)). Mr. Froese will now provide testimony regarding the programming impacts.

Mark Froese, Administrator, Division of Information Technology, Department of Motor Vehicles:

The DMV application is a large complex system with over 1,600 programs and screens and over 400 tables in its database. This change through the bill must be built into the three main systems that we use to interact with the public: the DMV application, our web services, and our kiosks. All three of these systems present their own unique challenges. The bill as it is written will require some fundamental changes to our application.

Currently, there is no "volunteer contribution" for vehicle registration transactions in our application. This alone is a major enhancement, which would require us to make major changes to the systems for vehicle registrations and motor carrier fleet registrations. We have determined that accomplishing this work in a reasonable time frame would require contracting with two Master Services Agreement contractors. This is because our existing programmers already have a full plate of prioritized projects that they are working on for these systems. Also, the accounting structure would have to be changed to allow for the proper distribution of the volunteer contribution funds collected. Due to the complexity of our accounting structure, this portion of the programming would be accomplished using existing staff. Combining the Department's existing information technology (IT) project priorities and the complexities of these changes, the Motor Vehicle Information Technology Division will not be able to meet the proposed implementation date ([Exhibit L](#)). This concludes my testimony.

Assemblyman Bobzien:

This fiscal note is incredibly frustrating, and while I understand the justification of the hours, and while I may have some question with the hours, I think ultimately there is a bigger picture budget problem here. We hear in the Assembly Committee on Ways and Means that there is a seven-year backlog of IT projects for DMV. We hear that the reason for that is we have system upkeep, enhancements that have to be made, responses to federal and state mandates, et cetera. But, when something like this comes along, and you know that the state is going to legislate and that things will change, flexibility should be a goal. Why are we not hearing in Ways and Means that, "You know what, to solve that seven-year backlog, we need these resources to modernize the platform that we have for our data systems and for our applications development so that they are more flexible to be able to respond to these inevitable changes in policy and in how we do things. We need to do this"? What we end up with and what is frustrating for the Legislature, is that our hands are tied in trying to enact good policy on behalf of the state, because we are routinely told, "Well that is going to cost us too much, because we cannot change the programming." I have to believe that if we were to finally solve the seven-year backlog, the next time a bill comes forward like this, which is a checkbox for a voluntary donation and the accounting of those funds, we would see a fiscal note, yes, but a fiscal note that would be far easier to deal with once a bill such as this makes it over to DMV and we get to our budget closing. It is a shortcoming of our system as the Legislature when we have policy separated from budget, and this is a classic example of where they go right together. I do need to hear if there is some acknowledgment that maybe that is the conversation we need to be having in the budget committees.

Troy L. Dillard, Interim Director, Department of Motor Vehicles:

Assemblyman Bobzien points out an issue I think we are dealing with not just at the DMV, but throughout the state—IT resources. We all have competing needs and interests, and there are only so many resources to go around throughout the state. Those decisions are made on a much larger scale than in a single department. In our department budget, there are additional programming resources that have been asked for and approved in the Executive Budget and are before those committees for consideration. But you are correct, there are continuing IT issues that deal with consolidation that are being discussed both at the Executive Branch and before this body.

Assemblyman Bobzien:

I do appreciate that, and I did earlier have a conversation with a few members and Mr. Gustafson and Mr. Mohlenkamp about these issues, and this is a classic example of the need to consolidate IT, focus on IT, invest in IT, and all work together. This is another shortcoming when we feel like we cannot legislate

good policy on behalf of the state and the citizens because we have an IT infrastructure that just cannot deal with it. Hopefully we are going to make some progress this session on moving that along across the entire state enterprise.

Assemblyman Paul Anderson:

In line with that, is there a time frame that you can consider that would change that fiscal impact? Is there something that if it was 18 months out versus 12 months versus 6 months that the fiscal impact would change?

Mark Froese:

Pushing out the implementation date would not affect the amount of work that is needed.

Assemblyman Paul Anderson:

I recognize that, but I am not sure where that seven-year backlog is and the priorities inside of that and where this would fit inside of those priorities. If you start stretching out the timeline, then maybe it just works inside of the normal priority list that you have going.

Troy Dillard:

The issue really is that we do not know where we are going to be with the number of hours that are being placed upon us from all of the different pieces of legislation that are being passed. There are tens of thousands of hours already in bills that have come out for fiscal note analysis alone. Many bills have not come out yet, so we do not know exactly what the ultimate demands upon our resources are going to be.

We do not know how many of those bills are going to pass and how many are not, and they have differing implementation dates. We do not want to commit to saying, "Yes, push it out 18 months, and we will get it done," because we may not be able to get it done because we do not know what that ultimate demand upon our resources is going to be yet.

Assemblyman Paul Anderson:

Thank you. I am obviously asking you a crystal ball question there with all the unknowns, so thank you.

Chairman Carrillo:

Is there anybody else neutral on A.B. 145? [There was no one.] Anybody else neutral down south? [There was no one.] We will close the hearing on A.B. 145. We will now move on to public comment. [There was none.] The meeting was adjourned [at 5:04 p.m.].

RESPECTFULLY SUBMITTED:

James Fonda
Committee Secretary

APPROVED BY:

Assemblyman Richard Carrillo, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: March 7, 2013

Time of Meeting: 3:22 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 96	C	Assemblywoman Dina Neal	Statistics and Map
A.B. 96	D	Assemblywoman Dina Neal	Statistics
A.B. 96	E	Deborah Cook	Written testimony
A.B. 145	F	Kyle Davis, rep. Nevada Conservation League	Complete Streets FAQs Complete Streets Brochure
A.B. 145	G	Anne Macquarie, rep. Muscle Powered	Testimony in support
A.B. 145	H	Mike Hand, Dir. Of Engineering Services, RTC of Southern Nevada	Testimony and Sample Pictures
A.B. 145	I	Nicole Bungum, Supervisor, Southern Nevada Health District	Written testimony
A.B. 145	J	Christopher Roller, rep. American Heart Association	Written testimony
A.B. 145	K	Terri Carter, C.P.M., Nevada Dept. of Motor Vehicles	Written testimony
A.B. 145	L	Mark Froese, Admin., Division of IT, NV Dept. of Motor Vehicles	Written testimony