

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

**Seventy-Seventh Session
April 2, 2013**

The Committee on Transportation was called to order by Chairman Richard Carrillo at 4:05 p.m. on Tuesday, April 2, 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 James W. Healey
Assemblywoman Ellen B. Spiegel
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblyman Jim Wheeler
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblyman Crescent Hardy (excused)



GUEST LEGISLATORS PRESENT:

Assemblywoman Marilyn Dondero Loop, Clark County Assembly District No. 5
Assemblyman John Ellison, Assembly District No. 33

STAFF MEMBERS PRESENT:

Vance Hughey, Committee Policy Analyst
Jacque Lethbridge, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Dawn Lietz, Supervising Auditor II, Audit Section, Motor Carrier Division, Department of Motor Vehicles
Paul J. Enos, Chief Executive Officer, Nevada Trucking Association
Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation
Peter Krueger, representing the Nevada Petroleum Marketers and Convenience Store Association
Jim deProse, Administrator, Housing Division, Department of Business and Industry
Bill Hoffman, P.E., Deputy Director, Department of Transportation
Anita Bush, P.E., CPM, Chief Maintenance and Asset Management Engineer, Maintenance and Asset Management Division, Department of Transportation

Chairman Carrillo:

[Committee protocol and rules were explained. Chairman Carrillo read Rule No. 54, Testimony, Witnesses and Exhibits, from the "Excerpts of the Assembly Standing Rules, 77th Session (2013)."] We will open the hearing on Assembly Bill 243.

Assembly Bill 243: Revises provisions governing designs of special license plates. (BDR 43-76)

Assemblywoman Marilyn Dondero Loop, Clark County Assembly District No. 5:

I am here to present Assembly Bill 243, which revises provisions governing the design of special license plates. This interim I served as Chairwoman of the Commission on Special License Plates. [Read from written testimony ([Exhibit C](#)).] I have provided a sample of Utah's special license plates, which are required to have a uniform design and background color ([Exhibit D](#)).

Thank you for your time and attention. I encourage your support for this important and worthwhile legislation.

Assemblywoman Carlton:

What do you imagine the background color being? Do you have any idea how they would look?

Assemblywoman Dondero Loop:

No, that has not been discussed. I think there were some ideas of a light blue. We have already standardized them by making one-third of the plate a design. However, as some of you have noticed, firefighter plates that were orange are no longer orange. We would have to look for a color that is more sun and weather resistant.

Assemblywoman Carlton:

For the 150th anniversary plate, there was a dark background with another color on top. When the road test was done, the plate was difficult to see. There are organizations who may have gone through expensive design work and are in the queue. Has thought been given to pushing the July 1, 2013, effective date out, or making it effective after organizations in the queue have processed their plates? The March of Dimes was in the queue and they had a design for over two years that is cute. I would hate to see some of the nonprofits, who have put money into the design work, lose that opportunity to use their design. Was that a topic of discussion in the commission?

Assemblywoman Dondero Loop:

That was not a topic of discussion. I can find out and get back to you. I know sometimes the designs are cute but are not good designs for a license plate.

Chairman Carrillo:

Are there any questions from Committee members? [There were none.] Is there anyone wishing to testify in support of A.B. 243? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 243? [There was no one.] Is there anyone wishing to testify in neutral for A.B. 243? [There was no one.] We will close the hearing on A.B. 243. We will open the hearing on Assembly Bill 244.

Assembly Bill 244: Revises provisions governing special license plates.
(BDR 43-77)

Assemblywoman Marilyn Dondero Loop, Clark County Assembly District No. 5:

I am here to present Assembly Bill 244, which revises provisions governing special license plates. Assembly Bill 244 is the second of three bills that were

requested by the Commission on Special License Plates. [Read from written testimony ([Exhibit E](#)).]

Assemblyman Sprinkle:

If the plate is discontinued, do the individuals that have it get to continue using the plate? Do the fees they pay every year go to the organization that the plate was designed for?

Assemblywoman Dondero Loop:

That is correct.

Assemblyman Healey:

I want to clarify that the 1,000 minimum for special license plates does not apply to the veterans, law enforcement, fallen soldiers, et cetera. They have an exemption. Is that correct?

Assemblywoman Dondero Loop:

Yes, I believe you are correct. There would not be as many fallen soldiers, so they would not have that same minimum requirement.

Assemblywoman Carlton:

How many folks do you think might be bumped off with this 1,000 minimum?

Assemblywoman Dondero Loop:

There are currently 14 plates with a 250 minimum requirement. If this bill, requiring the 1,000 minimum, passes, three plates would be in jeopardy. Those three plates would be the Las Vegas Valley Water District, Atomic Testing, and Las Vegas Federal Lands. The federal lands plate is probably most in jeopardy to meet their 1,000.

Assemblywoman Carlton:

Do you have numbers on that or can you get that to me in the future?

Assemblywoman Dondero Loop:

I believe federal lands needs 500 more purchases to keep their licenses. I am not sure with water and atomic testing, but they would need less than that.

Assemblyman Healey:

Where does the 1,000 number come from?

Assemblywoman Dondero Loop:

Assemblywoman Carlton has the answer to that question.

Assemblywoman Carlton:

Former Speaker Ocegüera and I wrestled over the number and he got 1,000.

Assemblyman Healey:

Would that number be something we might look at, because I would hate to see some of these organizations lose revenue?

Assemblywoman Dondero Loop:

That would be another bill and another day. Next session you could look at that.

Chairman Carrillo:

Are there any other questions from Committee members? [There were none.] Is there anyone wishing to testify in support of A.B. 244? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 244? [There was no one.] Is there anyone wishing to testify in neutral for A.B. 244? [There was no one.] We will close the hearing on A.B. 244. We will open the hearing on Assembly Bill 455.

**Assembly Bill 455: Revises provisions concerning special license plates.
(BDR 43-75)**

Assemblywoman Marilyn Dondero Loop, Clark County Assembly District No. 5:

I am here to present Assembly Bill 455, which revises provisions concerning special license plates. Assembly Bill 455 is the third bill requested by the Commission on Special License Plates. This bill was requested to improve the process by which persons and organizations may apply to the Department of Motor Vehicles (DMV) to have the Department design, prepare, and issue new special license plates. [Read from written testimony [Exhibit F](#).]

Assemblywoman Carlton:

There are provisions in issuing special license plates as far as being able to evaluate what their uses will be. We had gone through a whole criteria for that; none of this bill touches those criteria. This bill deals with the technical aspects of getting the plates processed and having the correct contact information. This would prevent multiple phone calls from being made to get a plate that is in the queue and approved up to the firing line to get it executed.

Assemblywoman Dondero Loop:

Something that happened to someone who was in the queue, and had been for a while, was that their national organization changed their bylaws and the contact people changed. The accurate information was not available and they had to do things differently because of their national organization.

Chairman Carrillo:

Are there any other questions from Committee members? [There were none.] Is there anyone wishing to testify in support of A.B. 455? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 455? [There was no one.] Is there anyone wishing to testify in neutral for A.B. 455? [There was no one.]

Assemblywoman Dondero Loop:

Thank you for listening to these three bills and doing it expediently.

Chairman Carrillo:

We will close the hearing on A.B. 455. We will open the hearing on Assembly Bill 336.

Assembly Bill 336: Provides for an extended term of vehicle registration for certain trailers. (BDR 43-240)

Assemblyman James Healey, Clark County Assembly District No. 35:

I am here to present Assembly Bill 336. It is intended to be friendly to our constituents and a great opportunity to generate revenue for the State. There is a friendly amendment that gives you a breakdown of what the problem is and why the amendment ([Exhibit G](#)). We will go into that amendment shortly with some experts who can give you information that is more detailed. This bill is intended to do two things.

The first is to amend to allow semitrailers the opportunity for Nevada to be competitive in the registration process. We currently require trailers to be registered yearly in Nevada. This is quite a task and fee to trailer operators. Our neighboring states allow semitrailers to be registered one time.

The second is to allow a convenience and option to owners of trailers that are for recreational use, or trailers that haul Jet Skis, et cetera. Currently you register that trailer annually. That can be cumbersome to an owner because oftentimes those trailers are used seasonally. It could be an all-terrain vehicle or motorcycle trailer that you use in the spring, summer, or fall and then it sits in storage for a season or two. When you decide to use it, you realize the registration has expired. You have to decide if you risk it and go, or cancel that trip until you get online and reregister that trailer. This bill proposes owners of those types of trailers, not including semitrailers, register them for a five-year period of time and not have to worry about it. This is an option; we are not saying you have to register them for five years. If you know you are going to be in Nevada and have that trailer, you have the ability to register it for

five years. There are some pros as to why we want this option. We will go into that with my experts in terms of numbers and what that revenue means.

Today I have Dawn Lietz from the Motor Carrier Division of the Department of Motor Vehicles, and Paul Enos from the Nevada Trucking Association. They will walk us through the friendly amendment. Before that, I will walk you through the bill. It is a large bill, but we are attacking only a couple of sections with some new language.

Section 1 adds language permitting the five-year registration process for trailers. As the bill was drafted from Legal, it does not delineate between semitrailers and recreational trailers. Our amendment will do that. We will go back through this and send the Committee a mock-up with the new language once we are able to get with Legal to clarify that.

Section 2, subsection 6, adds language about the transfer of the registration and how that transfer takes place. With our amendment, a semitrailer registration will be nontransferable. You cannot transfer or get a refund. With the five-year registration, say you are two years into it and have to move or sell the trailer, you can get with DMV and request a credit. You would have three years left of that five-year registration available to you. The DMV will not write you a check for the additional amount; they will give you a credit that you can put toward your automobile or new trailer registration. This provides flexibility and comfort to constituents who pay the five years up front. If you do the five-year registration, you do pay the full five years and the taxes that go along with that. In the event they never use that credit, the State gets that money.

Section 3, subsection 6, adds language clarifying that governmental services taxes (GST) are to be collected for the full five years at the time of registration. All taxes and registration fees are due at the time you are going to do the five-year renewal.

At this time, I would like to turn this over to my experts for additional information on the friendly amendment and answer specific questions relating to numbers and figures.

**Dawn Lietz, Supervising Auditor II, Audit Section, Motor Carrier Division,
Department of Motor Vehicles:**

This bill proposes amendments to *Nevada Revised Statutes* (NRS) Chapter 371 and NRS Chapter 482, allowing a registrant to elect a five-year registration for all trailers. If a five-year registration is selected for these vehicles, the registrant must pay upon the first year of registration all applicable fees and taxes which

the registrant would have paid if the vehicle was registered for one year and four consecutive years. The DMV has no position on this bill; however, we would like to go over the effect should this bill pass. [Read from written testimony ([Exhibit H](#)).]

The average cost of a small utility trailer is \$63 times five years equals \$315 for five years. The average cost of a motor carrier semi- or full-trailer is \$116 times five vehicles equals \$580 a year times 5 years equals \$2,900 for five years. [Continued to read from written testimony.]

If the current trend continues, Nevada will lose another 1,431 trailers representing about \$180,206 in registration and GST fees between 2014 and 2017. Using Idaho's statistics, since implementing the semi-permanent plates in 2009, it is estimated that Nevada could add 3,338 trailers for the same period of 2014 through 2017, resulting in additional revenue totaling \$381,127. Nevada lost \$106,037 in registration and GST fees from 2011 through 2013 on trailers moved to neighboring states, primarily Utah and Idaho.

A survey of the International Registration Plan (IRP) jurisdictions that was taken in 2011, indicated 24 of the 51 states and Canadian provinces that responded offer a permanent or semi-permanent trailer plate at a cost ranging from \$10 to \$130 per plate.

Assemblyman Healey:

California has a five-year plate for semitrailers and they have to renew every five years. Nevada would be adopting the Idaho model, which would allow Nevada to become a more competitive marketplace for trailer registration. We see many trailers that are owned and operated from Nevada registered in states like Idaho because they can do the one-time-one-fee versus our current structure. We see our dollars going to other states. This bill and amendment would allow us to capture our own state dollars, keep them here in Nevada, and potentially draw new dollars from states like California. This is a DMV bill with a revenue-neutral fiscal note.

Assemblyman Paul Anderson:

How would stickers on personal trailers stand out from a five-year sticker? Would it be a separate plate or a sticker that would look different?

Dawn Lietz:

The Department has not worked out all of the logistics on that. Right now, we offer three different colors. It would be problematic at this point, not that it is impossible.

Assemblyman Paul Anderson:

How long is the credit good? Can I transfer it to a different vehicle?

Dawn Lietz:

The credit would depreciate from month to month. You could transfer the credit to another vehicle.

Assemblyman Sprinkle:

If it is initially every year, the bill says potentially every five years and the amendment now says it would be a one-time flat fee. Is that correct?

Assemblyman Healey:

The amendment you have is only a partial. We will send a mock-up that will break down the two classifications between the semitrailer and the recreational trailer. When your renewal is up, you can continue to do the registration for one year or you could opt in for the five-year renewal. Does that answer your question?

Assemblyman Sprinkle:

Yes, I think that answers my question.

Assemblywoman Carlton:

You said there were over 2,000 hours of programming. We have heard that in a couple of other bills this session, so eventually that is going to come back to add up to some real money and time. I have concerns and want to make sure you have the resources you need to accomplish it, even with moving the effective date. What is the current fee for a semitrailer to register in Nevada?

Dawn Lietz:

The average registration in 2012 on a semitrailer was \$127.58 for one year. This bill proposes a flat fee of \$110 so we can remain competitive with Idaho. The fee would be split between the Highway Fund and the GST. It would be relatively revenue neutral for both parties.

Assemblywoman Carlton:

Registration for semitrailers will be going down.

Dawn Lietz:

They would go down slightly.

Assemblywoman Carlton:

When I read the bill, I assumed it would be the same amount, just front-loaded. How are you going to manage these monies over the five years because we are

front-loading and you will have a lot of money? Are we going to deposit it with the State Treasurer, earn interest on it, or will it sit in a reserve account? We are going to be front-loading the Highway Fund also. How does that affect our status with the feds on our Highway Fund?

Assemblyman Healey:

Yes, it would front-load, so the initial hit with registrations on semitrailers would all be in that first year. The monies would be available to the Highway Fund and GST right away. They need to understand when they are looking at budgeting for future years, it would not be as high. However, for the first couple of years you will not see an increase, but as time goes on and word gets out about our program with a one-time fee, we will see the number of semitrailer registrations in Nevada increase. Over time, it will increase the numbers that Dawn Lietz reviewed earlier. From a budgeting standpoint, those two entities would have to keep in mind the money would be front-loaded in year one. They would have the money available to use as they choose. If those agencies decide to spread the money over the five years as an accounting principle, that would be that, but more than likely the money will be used in the first couple of years.

Yes, the registration dollar amount does go down and becomes a one-time fee. Based on the Idaho model, we believe the increase in registrations in Nevada would increase. Over that four-year period, we would increase approximately \$381,127.

Assemblywoman Carlton:

What is the difference in the number between \$110 and \$127 times how many trucks?

Assemblyman Healey:

Dawn has a full breakdown that we can provide you. It shows the Idaho model breakdown and what we lose versus what we gain over that four-year period.

Chairman Carrillo:

I would like to remind our members this is a policy committee and not Ways and Means.

Dawn Lietz:

Keep in mind for the semitrailer, we are experiencing a 5.50 percent decrease in registration from year to year. In 2013, we have 7,066 registered; we are expecting only 6,677 in 2014. We have lost 106,000 registrations in the past three years because trailers are moving to states where the permanent plates are already authorized. Part of the decision for the \$110, and that is certainly

negotiable, was to find something competitive with Idaho, which is \$112, and stop the loss of semitrailers that we are currently seeing.

Assemblyman Sprinkle:

If we go to the flat fee, we are assuming more people will be attracted to register in Nevada. If that assumption is not correct, we could potentially see a decrease in revenue. Is that correct?

Assemblyman Healey:

Yes and no. As Dawn Lietz mentioned, we are already seeing a decrease so we are losing money every year anyway. What we project is, even if you take the Idaho model out and go with a flat fee, you are going to keep more people registering in Nevada than going out of state. Is there a chance we are wrong? Of course, there always is that possibility, but you go by best business practices or the available models. We are seeing a large percentage of our trailers registered in Idaho, and that is why we chose the Idaho model. Nevada dollars are going to Idaho.

Chairman Carrillo:

We are trying to prevent the hemorrhaging Nevada is experiencing with companies registering their trailers in other states. We are trying to stop any more loss.

Assemblyman Healey:

Yes, that is correct.

Assemblyman Hambrick:

Who is our largest competitor?

Assemblyman Healey:

Mr. Enos will be up and can answer that question.

Paul Enos, Chief Executive Officer, Nevada Trucking Association:

I am here today in support of A.B. 336 and its friendly amendment. We had a conversation with Assemblywoman Kirkpatrick before adding this amendment on the bill and got approval from her to move forward. In 2009, I started getting fliers from Idaho regarding permanent trailer registration and I thought, Nevada is going to have a problem. Under the IRP, all of the taxes are on the power unit, the tractor, not on the trailers. You can register a trailer anywhere in the country. It is different from your utility, boat, Jet Ski trailer, or your camper. As a Nevada resident, if you live here, you have to register that vehicle where it is domiciled.

It is different in interstate commerce. You have the option to register your trailer anywhere. When I saw Idaho moving to a permanent trailer registration model at \$112 a year with no physical inspection, no requirement that the trailer be domiciled there, I thought Nevada was going to start to see a hit on the number of trailers registered here and it was going to hit the Highway Fund and GST. In fact, in 2009, I approached some legislators and DMV about moving forward with that. At the time, DMV did not want to do it. They did not think it was going to be that big a hit. They thought it would be all right. In June of that year, after session was out, they came to me and said they were seeing some problems and wanted to move forward with permanent trailer registrations. We introduced a bill last session, but it did not move forward. When we started looking at this in 2008, we had over 10,000 trailers registered in Nevada. Today we have 7,066. We are competing with other states where you can register the semitrailer. From the standpoint of the trucking industry, it is a benefit. They can go to Idaho and Utah to get a permanent plate, although it is more expensive in Utah. It is \$10 to register in Oregon; however, if you register a trailer in Oregon, it has to be domiciled in Oregon. Idaho does not have that model.

This amendment will benefit the trucking industry and increase the revenue to our Highway Fund and the GST. I get calls from people who want to know if we are getting permanent registration in Nevada because they have renewals coming up and want to register them somewhere else. I had people call a few years ago asking if they could register their semitrailer in Idaho and if it was against the law. I had to tell them they could register the semitrailer in Idaho for \$110. They talk to their friends and other people in the industry. You see more and more trailers with Idaho plates. Then I start getting calls from people wanting to know why local Reno companies have their trailers registered in Idaho. They are not paying Nevada taxes and are breaking the law. I have to explain they are not breaking the law but making a financial decision to register a trailer once, for one cost; register forever in another state and it is legal. Your constituents want to know how we can fix this. We cannot fix this because it is part of the IRP. The compact we are in with other states and the Canadian provinces is to make sure trucks traveling in interstate commerce throughout the country are paying their fair share of registration for roads they use here. Trailers are not part of that equation. This bill will make Nevada not just a better place for Nevada carriers to register semitrailers, but see a revenue increase. I hope we would be the most competitive state at \$110 registration and that carriers all over the country would register their trailers here.

Chairman Carrillo:

I would like Committee members to know this is an amendment to the bill, not the bill. I do not want Committee members to feel semitrailers are the whole premise to the bill.

Assemblywoman Carlton:

I am concerned about the race to the bottom of fees. We will do this, Idaho will lower their fee, or Oregon will get into the race, then Kansas will get into the race, and the next thing you know we will be lowering the fee and there will be no money left for the GST. The GST is important to counties. It pays for some important functions.

We also hear from our constituents the reason they register their car in Oregon or Utah is because the registration is cheaper. Do we want to lower our registration on cars so we can get people to register their cars here? We have to figure out the value of the service. Staying current with what is going on is a good thing, but how much of an impact is too much and where will that lie? I get many complaints from my constituents regarding the change of depreciation schedule on cars. There are a lot of them with very old cars. Giving one group a break, without trying to do something for another group, could cause us some issues. I am not sure if I am looking at the amendment. I saw the fiscal note, I saw a handout, but is the handout the amendment?

Chairman Carrillo:

The amendment starts at the bottom of the first page of the handout.

Paul Enos:

I share the same concern. The difference with semitrailers that are engaged in interstate commerce, compared to a personal trailer, is under the IRP, they do not have to register the semitrailer in the state they are domiciled. They can register it anywhere. We are already losing a number of trailers to other states. When you look at the 30 percent decrease since 2008, from 10,000 trailers to 7,066 trailers, we already have a race to the bottom. Unfortunately, it is a race we are losing. We have taken a hit to the Highway Fund and the GST because people are registering their trailers elsewhere. My hope is Nevada would be a little more competitive and not get just Nevada carriers to register here. They might not register their trailers here that have a permanent plate from another state. In talking to DMV, it sounds like the number is about 8 percent turnover that we see in new trailers every year. We could do what Idaho did and go to other states letting them know they could register in Nevada and have those states contributing to our GST and Highway Fund. This would put a tourniquet on that 30 percent loss we have seen since 2008.

Chairman Carrillo:

In reference to the registration of these trailers, as they are retired and later want to reregister them, does that transfer from trailer to trailer? If you have a permanent plate, does it end when the trailer is retired, or can you transfer it? If a company buys 200 trailers, does it transfer, or is the trailer registered with a new permanent plate?

Paul Enos:

That would be a new trailer, new plate, so a new fee. You cannot transfer a plate from trailer to trailer. Even if you sell a trailer, you cannot sell it with a plate. Someone would have to register that trailer at that point in time.

Chairman Carrillo:

At the end of the day, they may reregister those trailers in Nevada instead of Idaho where they might have registered it ten years ago.

Paul Enos:

That is the hope of this bill. When you are registering a new trailer, you are going to do it here. If you have a trailer in California, rather than look at Idaho or Utah, you will consider Nevada. We want Nevada to become the place for people to register those trailers. They do not have to be domiciled here, they do not have to be located here, they just have to be involved in interstate commerce. If those trailers are registered here, Nevada will get the benefit of the revenue to the Highway Fund and GST.

Assemblyman Paul Anderson:

I am thinking about the resident agent business in Nevada where we have many limited liability companies, S corporations, and C corporations registered here. This is another way of creating a similar environment where they want to bring their business here versus other states. In the Idaho model, where did the fliers come from? Did they come from registration services or Idaho DMV?

Paul Enos:

Those were from the Idaho DMV. It surprised me they were from DMV. This is an issue I wish we were able to address before we saw 30 percent of our trailers move out of Nevada. I hope that we can remedy that situation with A.B. 336 and its amendment.

Assemblyman Paul Anderson:

You could spawn another industry here. You could now have a resident agent registration business to take care of semitrailer registrations. They could market that service to states.

Paul Enos:

Absolutely. I have a number of truck registration services. They see this as a potential driver for business for them.

Assemblyman Sprinkle:

What would allow us to do this? In the IRP, does it say semitrailers do not have to be domiciled in the state they are registered in as opposed to a personal vehicle that has to be domiciled where it is registered?

Paul Enos:

That is correct. The IRP never takes into account the trailers; they are focused on the power unit. That is why you see the plate with the A on it. That means it is paying its registration in all of the states and provinces it travels through. That International Fuel Tax Association (IFTA) sticker says it is paying fuel tax in all of the states it is travelling through based on how many miles they travel through each state.

Assemblyman Sprinkle:

The truck part of the semitrailer would have to be registered in the state where it is domiciled.

Paul Enos:

With IRP and IFTA, each company chooses a base state. Your base state is where your headquarters are. If you have facilities in multiple jurisdictions, say Nevada and Utah, you might choose Utah as your base state. It does not matter where the trailers are registered. You could be based in Utah and have trailers registered in Idaho. However, whatever your base state is, that is where your plates and IFTA stickers are located. That base state determines who audits you. Nevada audits Nevada carriers. That is why you choose a base state. That is where you are going to be audited. We have a compact with all other states and Canadian provinces, their regulatory bodies will do the same.

Assemblyman Hambrick:

What is stopping another state from getting involved in a bidding war? Whatever price we have, when their legislature meets, they might undercut us by 50 cents or \$100. I can see bidding wars, particularly where your corporations are housed. These southeast areas will give you lower reductions in having the corporations there, benefiting lower local taxes. They would not technically have to go there; everything could be done on the Internet. How do we combat this, or is that an issue we do not have to worry about?

Paul Enos:

That is an issue we have to worry about. With 30 percent of trailers being registered elsewhere, Nevada has been on the losing end. You do run the risk of getting into a bidding war. I have members who love Nevada and they are proud of Nevada. A good friend has a trucking company in Battle Mountain. He knows he will save money if he registers in Idaho. If this is passed, he will have Nevada plates on his trailers. People in the construction and road building industry get a lot of criticism because of out-of-state registrations. However, what does Nevada have to offer them? It was a financial choice. Many people would register their trailer in Nevada. If it is a permanent plate, you will not have to worry about registering it year after year.

Assemblyman Hambrick:

You could have one trailer with a tag from one state, the other trailer have a tag from another state, and the truck itself with a tag from a third state.

Paul Enos:

That is correct. You have a truck with a trailer that is owned by the shipper, a customer, or maybe even a rental. That does happen quite a bit. With the passage of this bill and its amendment, you will see more of those trailers registered in Nevada as opposed to elsewhere.

Assemblywoman Carlton:

We hear about the 30 percent loss, and it is during an economic downturn. Is there a way to track these and find out what states they went to and how many of them may just be sitting in storage someplace not being used because there is no work?

Paul Enos:

The Department of Motor Vehicles has some of those numbers. It is not just the economy. They have seen an increase in tractor registrations and still see a decrease in trailer registrations. They will see more tractors registered here, but fewer trailers. You could see those numbers decrease due to the economic downturn, but you do see the number of tractor registrations going up, and the number of trailer registrations going down. The money is made in the trailer, not the tractor; it is in what they haul. When you see those numbers going down, you know it is an issue of somebody registering elsewhere.

Chairman Carrillo:

Are there any other questions from Committee members? [There were none.] Is there anyone who wishes to testify in support of A.B. 336?

Doug Busselman, Executive Vice President, Nevada Farm Bureau Federation:

We are here to support A.B. 336 with the amendment. We do have agricultural enterprises that have trucks used for hauling hay and other types of commodities. We believe this would be beneficial for them.

Chairman Carrillo:

Are they registered the same as the semitrailers?

Doug Busselman:

Yes, they are very similar.

Peter Krueger, representing the Nevada Petroleum Marketers and Convenience Store Association:

We are the liquid haulers in Nevada. We are in support of A.B. 336 and think it will do a lot to encourage our members to continue to register their trailers in Nevada.

Chairman Carrillo:

Are there any questions from Committee members? [There were none.] Is there anyone else wishing to testify in support of A.B. 336? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 336? [There was no one.] Is there anyone wishing to testify in neutral to A.B. 336? [There was no one.]

Assemblyman Healey:

You get the gist. This is a great bill for Nevada and our constituents. Let us pass it. Thank you.

Chairman Carrillo:

We will close the hearing on A.B. 336. We will open the hearing on Assembly Bill 379.

Assembly Bill 379: Revises provisions governing the disposal of abandoned recreational vehicles. (BDR 43-593)

Assemblyman John Ellison, Assembly District No. 33:

Assembly Bill 379 makes various changes concerning the disposal of abandoned recreational vehicles (RV). Specifically, it allows an owner or occupant of private property who discovers an abandoned RV on that property to properly and legally dispose of that abandoned RV. [Read from written testimony ([Exhibit I](#)).]

We have run into several of these lately in mobile home and RV parks and properties of people who left these old motor homes because landfills will not take them. Disposal companies will not take them because of the stuff that is in them. This would allow us to take them to the landfills, as you would a vehicle. Right now, there are several that cannot be disposed of. Assemblyman Carpenter had one, there is one in Carlin, and there is one in a Carson City trailer park. People are pulling old vehicles out onto side streets and the city has to dispose of them so they end up in an impound yard. The city has to go through the same process. The problem is once you get them, how to dispose of them.

We asked that sections 2, 3, and 4 of the amendment ([Exhibit J](#)) be deleted. There were a number of problems we were trying to resolve, but could not. We want to present today the abandonment and disposal of the RVs.

Assemblyman Sprinkle:

Mobile homes do not qualify under the same definition as an RV so you are removing that entire part from your bill.

Assemblyman Ellison:

That is correct.

Assemblyman Sprinkle:

It sounded like that was the background for the initiation of the bill.

Assemblyman Ellison:

Mobiles are built as manufactured housing, and they get a title, and we can generally dispose of them. The biggest problem we have run into is the RV.

Assemblyman Wheeler:

This is a big problem in the rural areas. Thank you for bringing this up because now we can get rid of some of these things.

Assemblyman Ellison:

I have the Nevada Housing Division and they might want to touch on this. We have had a real problem with these. Most of the mobile homes can be disposed of because they have the title of the trailer. They will still have to go through the same process with the State.

Assemblywoman Carlton:

I thought we were talking about manufactured homes. We are strictly talking about RVs, which have a vehicle identification number (VIN) so we would be able to track it back to the owner. I am concerned about disposing of someone

else's property, even though you may consider it abandoned and I may consider it abandoned if it is sitting on a side street, but it belongs to someone.

Assemblyman Ellison:

One of the problems is they are being pulled out to the side street and scratching off the VIN, or whatever they can do to dispose of identification of the owner. They can take pictures and advertise in the newspaper to find the owner. The police run numbers, if they can, to try to find the owner. Most of the problems are when they are left in lots or in trailer parks.

Assemblywoman Carlton:

County ordinance does not deal with abandoned vehicles on private property. We have had some towed away in my neighborhood.

Assemblyman Ellison:

They are not treating RVs like a car. If you pull a car into a crushing yard, it can be crushed. If you pull an old motor home in, it has the roof, a blown engine, and there is so much garbage inside that they do not want to handle it. We are trying to tell them it is a vehicle; it has to be disposed of. There have been several who have the title, they were taken to the city landfills, and the city would not accept them. This is a clean-up bill. We have to be able to dispose of these vehicles.

Assemblyman Hambrick:

If you find out who the owner is, is there any way to force them or penalize them to pay for the removal? Once you get the vehicle to whatever land disposal group, can they cannibalize the vehicle? There are still some things of value, even if the vehicle is in bad shape. Some things have resale value. The yard will be able to keep that to help offset the cost of disposal.

Assemblyman Ellison:

These units have so much garbage in them that by the time you pay the weight to go into the landfill and you do the advertising, it costs more to dispose of them than you will ever get in salvage. I am sure the city will separate metal, aluminum, et cetera and they will benefit a little bit from that. As far as making a profit, you do not, at all. It ends up costing them hundreds of dollars to go through the process to get rid of them.

Chairman Carrillo:

A lot of time, the motor oil or other oils are still in the vehicle. How does that affect the landfill? Whose responsibility is it to get rid of the oil, et cetera?

Assemblyman Ellison:

You will have to drain the oils before you pull the vehicle into the landfill. Most of these units are in such bad shape they have to be put on a trailer to get them to the landfill.

Assemblyman Paul Anderson:

Whom do they apply to when they are applying for this abandonment? Is there a state or city agency?

Assemblyman Ellison:

They have to advertise for 60 days to find the owner. If the owner does not answer the notification, they will go through DMV and apply for a lost title. Then you take the vehicle to the landfill with the title or the abandonment letter.

Assemblyman Paul Anderson:

I know how the process works in the tow industry. If I am a private party, I have no reclamation on the fuel, the oil, the radiator fluid, et cetera. There is nothing governing how I pull that stuff out. If you go to a salvage yard, they have tools that take care of all of that stuff. Therefore, that reclamation is of concern. Transporting the vehicle bears a huge cost.

Assemblyman Ellison:

Before they cross the weight station, all of the oils have to be drained, and the vehicle would be checked. Sometimes they will leave the rear end grease in the vehicle because you cannot drag cars in. Most of these will have to be trailered.

Assemblywoman Carlton:

I noticed the two-thirds vote notation on the bill. Does the amendment change that? I cannot seem to figure out why this bill would have a two-thirds vote notation on it. That is usually only if it increases the fee, establishes a new fee, or decreases the fee.

Vance Hughey, Committee Policy Analyst:

The two-thirds majority vote that is required is based on section 1. The amendment will take out sections 2, 3, and 4.

Assemblywoman Carlton:

Is it because of the advertisement in the newspaper? Is that a new fee? What is giving it the two-thirds notation?

Vance Hughey, Committee Policy Analyst:

If you look at section 1, subsection 5 it states, "The Department may charge and collect a fee for issuing a letter of abandonment pursuant to this section, which must not exceed the actual cost to the Department of issuing the letter of abandonment." That may be driving the two-thirds notation.

Assemblyman Ellison:

Everyone I talk to is more than happy to pay all of the fees to dispose of these vehicles.

Assemblywoman Spiegel:

What happens today if you own a lot of land and discover one day that someone has dumped an RV on your property? Is there a process today or do you just have to leave it there?

Assemblyman Ellison:

You have to leave it there until you go through this full process. You have to advertise, then you have to call for the letter of abandoned vehicle, and then you can dispose of it. Up until that point it has to sit right there. That has been the problem at trailer parks; they cannot move them.

Assemblywoman Spiegel:

The current process in place that you just described sounds like what is in the bill. What happens right now without this bill?

Assemblyman Ellison:

Right now, it sits there.

Assemblywoman Spiegel:

It just has to sit there forever?

Assemblyman Ellison:

Until we can figure a place to put it. I know they are looking at areas in Reno that will accept them. In most rural areas, they do not have a place to haul them.

Chairman Carrillo:

Are there any other questions from Committee members? [There were none.] Is there anyone wishing to testify in support of A.B. 379? [There was no one.] Is there anyone wishing to testify in opposition to A.B. 379? [There was no one.] Is there anyone wishing to testify in neutral to A.B. 379?

Jim deProsse, Administrator, Housing Division, Department of Business and Industry:

The Manufactured Housing Division is neutral on A.B. 379, provided the amendment, as stated by Assemblyman Ellison, holds removing sections 2, 3, and 4.

Chairman Carrillo:

Are there any questions from Committee members? [There were none.] Is there anyone else wishing to testify in neutral on A.B. 379? [There was no one.]

Assemblyman Ellison:

It was an easy bill. Thank you.

Chairman Carrillo:

We will close the hearing on A.B. 379. We will open the hearing on Assembly Bill 447.

Assembly Bill 447: Revises provisions relating to roadside rest areas. (BDR 35-1157)

Bill Hoffman, P.E., Deputy Director, Department of Transportation:

We have an amendment that has been distributed to the Committee ([Exhibit K](#)). This bill revises provisions related to roadside rest areas. It brings the opportunity for funding offsets for rest area maintenance. Sponsorships and other funding offsets would be available to Nevada's Department of Transportation (NDOT) for the Highway Fund. There are revenues involved with this bill. We hope you feel as strongly as we do about improving the Highway Fund. Anita Bush is the Division Chief over our Maintenance and Asset Management staff. She is prepared to discuss the bill and amendment in detail.

Anita Bush, P.E., CMP, Chief Maintenance and Asset Management Engineer, Maintenance and Asset Management Division, Department of Transportation:

The Department requested this bill to allow the NDOT Director, with the approval of the transportation board, to authorize placement of roadside acknowledgement signs for rest area private sector sponsorships in Nevada. The Department would like to be able to offer sponsorship opportunities for private enterprises in order to seek additional revenue for providing services critical to enhancing the safety and efficiency of Nevada's highways. [Read from written testimony ([Exhibit L](#)).]

Would you like me to proceed with the amendments? Do you want me to go through the bill as proposed first and then follow with the amendments?

Chairman Carrillo:

Let us see if there are any questions from Committee members before we go on to the amendments.

Assemblywoman Carlton:

How many rest areas do we have in Nevada?

Anita Bush:

We have 34 rest areas and 3 visitor centers.

Assemblywoman Carlton:

Thirty-four rest areas and three visitor centers?

Anita Bush:

Yes, a total of 37 facilities.

Assemblywoman Carlton:

Does this apply to rest areas and not visitor centers?

Anita Bush:

No, it would apply to all of them.

Assemblywoman Carlton:

How would the liability be addressed if we allow a private company to have operations on State property? We have sovereign immunity if something goes wrong or someone gets hurt. We cannot extend that to a private company.

Bill Hoffman:

We would treat it exactly how we do when we have contractors working on our highway right of way for construction projects. We would still have protection under the limited liability. I am sure all of the same requirements, performance bonds, et cetera would apply, just as they would in a construction contract.

Assemblywoman Carlton:

Within our state structure for vendor services, we have Business Enterprises of Nevada. It is called BEN. I am sure you are aware of it. How would that program integrate with this proposal?

Bill Hoffman:

We would have to look at that. I am sure we would follow the same requirements and mandates. I know the Federal Highway Administration has similar requirements, especially on the interstate and roadways where they have full oversight.

Assemblywoman Carlton:

In all of the state buildings, it has to go through that process, there is no other way. If you put it out to bid, would anyone be interested? I would want a real thorough understanding of how the BEN program would apply to this.

Assemblyman Sprinkle:

One part says it is by the authorization of the Director. Are there policies in place as to who would qualify? What type of advertising would qualify? Many of these places are very family friendly. Has that been taken into consideration?

Anita Bush:

The Federal Highway Administration is very specific on what we can or cannot offer as products or services; it is very limited in scope. That language would be included in our request for proposal.

Assemblyman Hambrick:

There was a similar bill last session about sponsorships along the highway. It was like pulling teeth to find out where the money is good, how much money would be paid back to Nevada. I thought the bill passed.

Anita Bush:

I believe that was the logo program and we can report back to you on it. This is different from the logo program. This has no cost to the state and no investment is needed to offer the program. We are getting back 37 percent of the total revenue of what the company is collecting from the logo program. It is about \$250,000.

Assemblywoman Swank:

When you said that we could have tourist related services and products, other than in Las Vegas where we had some interesting tourist services and products, I want to make sure we will not have gambling or other activities going on at rest stops.

Bill Hoffman:

Your comment is noted and we will make sure we follow up.

Assemblywoman Carlton:

I noticed the increase in the fine from \$100 to \$1,000 and \$500 to \$5,000. That is a big increase. Can you elaborate on that?

Anita Bush:

We thought it would be appropriate to increase the fines since they were enacted in 1979. They have been adjusted for inflation and are certainly negotiable. The Department is not an enforcement agency and does not collect the fines. It is not really a deterrent of this behavior.

Assemblywoman Carlton:

What behavior?

Anita Bush:

Defacing our signs in our right of way. Our maintenance workforce spends a lot of time and effort on removing those signs.

Assemblywoman Swank:

If you calculate for inflation from \$100, it gets us to about \$320.

Anita Bush:

It was also the deterrent factor. It is negotiable.

Chairman Carrillo:

Is the Governor okay with the fine change? Can we get some sort of assurance he is not going to veto this bill?

Bill Hoffman:

This bill has gone through the Governor's Office. They are familiar with this. It is one of their bill draft requests that they felt strongly about, so I am sure it has been checked and triple-checked. I would assume the Governor is behind this and would be surprised if he vetoed it.

Assemblywoman Spiegel:

The fines have been in place since 1979. I was wondering if there have been violations, if they have charged much through the years or has it been an issue?

Anita Bush:

We do not know because we are not the enforcement agency.

Chairman Carrillo:

Are there any other questions from Committee members? [There were none.] Is there anyone wishing to testify in support of A.B. 447? [There was no one.]

Is there anyone wishing to testify in opposition to A.B. 447? [There was no one.] Is there anyone wishing to testify in neutral on A.B. 447? [There was no one.] We will close the hearing on A.B. 447. We are going to go into our work session with Assembly Bill 305.

Assembly Bill 305: Revises provisions relating to highways. (BDR 35-1030)

Vance Hughey, Committee Policy Analyst:

Assembly Bill 305 requires the Board of Directors of Nevada's Department of Transportation (NDOT) to prescribe regulations allowing the issuance of permits for signs known as commercial electronic variable message signs that conform to regulations promulgated by the Secretary of the U.S. Department of Transportation. [Mr. Hughey read an explanation of the bill and proposed amendments from the work session document ([Exhibit M](#)).]

One amendment is being proposed by Jennifer Lazovich, with Kaempfer Crowell Law Firm, to change the definition of "commercial electronic variable message sign" to reflect current technology and to clarify that permits issued by NDOT for these signs cannot allow full motion video. A copy of that proposed amendment is included in your work session document.

While a second amendment was proposed by NDOT, and is included in your work session document, it is staff's understanding that NDOT has asked that the proposed amendment be rescinded and that it receive no further consideration.

Staff has been advised by NDOT that the Department is in agreement with the amendment proposed by Ms. Lazovich.

ASSEMBLYMAN SPRINKLE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 305.

ASSEMBLYMAN PAUL ANDERSON SECOND THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN HARDY WAS ABSENT
FOR THE VOTE.)

Chairman Carrillo:

The floor assignment will go to Assemblyman Sprinkle. Is there any public comment? [There was none.]

The meeting is adjourned [at 6:08 p.m.].

RESPECTFULLY SUBMITTED:

Jacque Lethbridge
Committee Secretary

APPROVED BY:

Assemblyman Richard Carrillo, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: April 2, 2013

Time of Meeting: 4:05 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 243	C	Assemblywoman Marilyn Dondero Loop, Clark County Assembly District No. 5	Written testimony
A.B. 243	D	Assemblywoman Marilyn Dondero Loop	Utah DMV – Special Group plates
A.B. 244	E	Assemblywoman Marilyn Dondero Loop	Written testimony
A.B. 455	F	Assemblywoman Marilyn Dondero Loop	Written testimony
A.B. 336	G	Assemblyman James Healey, Clark County Assembly District No. 35	Friendly Amendment
A.B. 336	H	Dawn Lietz, Supervising Auditor II, Audit Section, Motor Carrier Division, Department of Motor Vehicles	Written testimony
A.B. 379	I	Assemblyman John Ellison, Assembly District No. 33	Written testimony
A.B. 379	J	Assemblyman John Ellison	Proposed amendment
A.B. 447	K	Bill Hoffman, P.E., Deputy Director, Department of Transportation	Proposed amendment
A.B. 447	L	Anita Bush, P.E., CPM, Chief Maintenance and Asset Management Engineer, Maintenance and Asset Management Division, Department of Transportation	Written testimony
A.B. 305	M	Vance Hughey, Committee Policy Analyst	Work session document