

**MINUTES OF THE  
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-Seventh Session  
May 10, 2013**

The Senate Committee on Transportation was called to order by Chair Mark A. Manendo at 9:37 a.m. on Friday, May 10, 2013, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark A. Manendo, Chair  
Senator Kelvin Atkinson, Vice Chair  
Senator Pat Spearman  
Senator Joseph P. Hardy  
Senator Donald G. Gustavson

**GUEST LEGISLATORS PRESENT:**

Assemblyman Richard Carrillo, Assembly District No. 18

**STAFF MEMBERS PRESENT:**

Jered McDonald, Policy Analyst  
Darcy Johnson, Counsel  
Jennie F. Bear, Committee Secretary

**OTHERS PRESENT:**

Lynn Chapman, Nevada Families  
Ann Yukish-Lee, Division of Central Services and Records, Department of Motor Vehicles

**Chair Manendo:**

We will open the hearing on Assembly Bill (A.B.) 165.

**ASSEMBLY BILL 165 (1st Reprint)**: Limits the purposes for which the Director of the Department of Motor Vehicles is allowed to release certain personal information. (BDR 43-995)

**Assemblyman Richard Carrillo (Assembly District No. 18):**

Existing law provides that the Department of Motor Vehicles (DMV) can release personal information relating to a driver's license, ID card, title or registration of a vehicle for use in the bulk distribution of surveys, marketing materials or solicitations. Assembly Bill 165 seeks to limit the release of this information.

Many of the extended warranty solicitations make it appear that there currently is a warranty, and if the owner of the vehicle does not respond, he or she will lose an opportunity to extend the warranty. I have provided several examples ([Exhibit C](#)) of such solicitations I have received in the mail.

During the interim, I had a constituent contact me about his receipt of such extended warranty and other offers for his personal vehicles. In October 2011, I purchased a 2006 Chevrolet van. It was still under warranty. Not long after that, I began receiving extended warranty solicitations. As you see in [Exhibit C](#), the mailings look official. One says it is from the "Motor Vehicle Division." My first thought was that it was from the DMV. Normally, I would throw such mail away. I bought my van as is and did not intend to buy an extended warranty for it. I figured the offers were junk mail from third parties trying to sell me something. After my constituent contacted me, I started to keep these mailings and to wonder what happens when people respond to them. It seems that many of the people receiving these solicitations are elderly or have bought a used car.

I asked my committee manager to call one of the numbers to find out more information. She reported high-pressure sales tactics were used by the person at the other end of the line. After a brief conversation, we learned it was going to cost me \$3,420 to purchase the extended warranty for my van, but I had to buy it that day. If I did not act then, the offer would not be available later. The salesperson stressed that my vehicle was in dire straits. Without the warranty, anything could break and I would have to pay nearly as much as the warranty amount to make a single repair. The message was that I needed this warranty.

With that in mind, I explored how these companies were obtaining people's personal information. I want to say this bill will be the last effort we need to stop these practices, but I think it will just be a first step to prevent third parties

from selling our information. Just getting an oil change will provide service companies with information about our cars such as vehicle identification numbers and mileage. They have opportunities to sell our information.

Assembly Bill 165 is a first step. The people of Nevada, as consumers, need to be aware of the situation. I am not talking about identity theft. It is a sort of identity theft of our vehicles. Once these companies have our vehicle information, they will try to sell us something we may not ever use or need.

The bill includes a simple change in language. I worked with a few of the third parties who send the solicitations, so the wording does not affect vehicle recall information. I am not looking to prevent recalls, just the extended warranty schemes.

**Chair Manendo:**

I am glad you mentioned recalls because I was curious about that point. Did automobile dealers or any other groups oppose this bill when it was heard in the Assembly Committee on Transportation?

**Assemblyman Carrillo:**

No. I had met with the automobile dealer representatives before A.B. 165 became public. They told me that they also receive these kinds of mailings and were not sure of the source of the information. Car dealers were not opposed to the bill. Once the bill went public, the organizations behind these warranty mailings came forward. They wanted to ensure their businesses were not affected by Carfax vehicle history reports. I have used Carfax, and it is a great resource. It does not give any personal information but will tell, for instance, if a vehicle's odometer has been tampered with or if a vehicle has been in an accident. Assembly Bill 165 does not interfere with such services.

**Senator Spearman:**

How many other State agencies release personal information? This situation especially affects women who are coming out of abusive relationships. It may look innocuous, but stalkers will use every piece of information for their activities.

**Assemblyman Carrillo:**

I have not explored that information. The DMV officials here today may be able to tell us more about how their department uses the information. Employees from other State departments could help answer the question as well.

**Chair Manendo:**

Part of the answer may be in this statute. I will have to look at it. A few years ago, the matter of stalking was raised in the Legislature. We looked at how to keep personal information from stalkers.

**Lynn Chapman (Nevada Families):**

Nevada Families supports A.B. 165. When I get recorded calls about extended warranties, I continue to hit the star button to try to ruin the recording and annoy those who placed the calls. Former Senator Valerie Wiener brought many bills about identity theft to the Legislature. Nevada Families always supported them. Selling personal information has a scary tone. As Senator Spearman implied, there are scary things going on in the world. We must be careful with our personal information because of identity theft, stalking and so on. Bad things can happen when our information is used without our knowledge.

I did some research online and found an interesting article, dated July 21, 2011, from *First Coast News* in Tallahassee, Florida, entitled, "DMV Making Millions off Your Personal Information." Here are a few excerpts:

The state raked in about \$63 million in 2010 by selling that [personal] information, according to a spokesperson for Florida's Highway Safety and Motor Vehicles. ... "This is nothing new," said Ann Howard, a Florida Department of Motor Vehicle spokesperson. The information is being sold to towing companies, insurance companies, auto manufacturers and private investigators—among others—and it is being sold for 1 cent per record. ... state Rep. Charles McBurney ... wants to know if the information is being handled properly by the companies that buy it. "Is there enough out there to be sure those safeguards are being met?" he asked.

The reporter also interviewed people on the street. Randy Russell, from Jacksonville, Florida, said, "Anytime my personal information is being sold without my knowledge or me being told about it upfront is wrong." It is wrong.

We have to protect our identities and our personal information. Selling our information is not helping us at all. Another Florida resident, Rich Johnson, said in the article, "It is my info not theirs. They [the State] should not be making a profit off me. They are the last ones I would think would be selling personal information."

**Ann Yukish-Lee (Division of Central Services and Records, Department of Motor Vehicles):**

The DMV is neutral on A.B. 165.

**Assemblyman Carrillo:**

It comes down to consumer protection. Many times, people feel they need to buy extended warranties. I, for one, do not mind extended warranties except when high-pressure sales tactics are involved. The people who meticulously care for their vehicles may be the ones who feel they need extended warranties after the manufacturer's warranties on their vehicles expire. Assembly Bill 165 is another consumer protection measure to ensure Nevadans do not lose money out of their pockets.

**Chair Manendo:**

We will close the hearing on A.B. 165 and open the work session. The first bill to be considered in the work session is A.B. 129.

**ASSEMBLY BILL 129 (1st Reprint)**: Provides for the issuance of special license plates honoring peace officers who have received certain medals or the equivalent thereof. (BDR 43-154)

**Jered McDonald (Policy Analyst):**

I will read the work session document (Exhibit D) for A.B. 129.

SENATOR SPEARMAN MOVED TO DO PASS A.B. 129.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

The next bill for consideration is A.B. 282.

**ASSEMBLY BILL 282 (1st Reprint)**: Revises provisions governing certain sales of motor vehicles. (BDR 43-640)

**Mr. McDonald:**

I will read the work session document ([Exhibit E](#)) for A.B. 282.

SENATOR HARDY MOVED TO DO PASS A.B. 282.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

The last bill we will consider today is A.B. 455.

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

**Mr. McDonald:**

I will read the work session document ([Exhibit F](#)) for A.B. 455.

SENATOR GUSTAVSON MOVED TO DO PASS A.B. 455.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

Having no other business on the agenda, I adjourn this meeting at 10:09 a.m.

RESPECTFULLY SUBMITTED:

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Jennie F. Bear,  
Committee Secretary

APPROVED BY:

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Senator Mark A. Manendo, Chair

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

<b><u>EXHIBITS</u></b>				
<b>Bill</b>	<b>Exhibit</b>		<b>Witness / Agency</b>	<b>Description</b>
	A	1		Agenda
	B	1		Attendance Roster
A.B. 165	C	6	Assemblyman Richard Carrillo	Examples of Extended Warranty Solicitations
A.B. 129	D	1	Jered McDonald	Work Session Document
A.B. 282	E	1	Jered McDonald	Work Session Document
A.B. 455	F	1	Jered McDonald	Work Session Document