MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION

Seventy-Seventh Session
April 8, 2013

The Senate Committee on Transportation was called to order by Chair Mark A. Manendo at 8:10 a.m. on Monday, April 8, 2013, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 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:

Senator Barbara K. Cegavske, Senatorial District No. 8
Senator David R. Parks, Senatorial District No. 7

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Michael Sullivan, Whittlesea Bell Transportation
Kimberly Maxson Rushton, Executive Director, Livery Operators Association of Las Vegas
Paul J. Enos, CEO, Nevada Trucking Association
Keku Kamalani, Viva Las Vegas Tour and Travel
Fernando Cardenas, Viva Las Vegas Tour and Travel
Nobu Yamamoto, President, Vega International Inc.

Warren B. Hardy II, J&J Worldwide Travel
Andrew J. MacKay, Chair, Nevada Transportation Authority, Department of Business and Industry
David Goldwater, Desert Cab; On Demand Sedan & Limousine
Terri L. Carter, Administrator, Management Services and Programs Division, Department of Motor Vehicles
Doreen Rigsby, Division of Central Services and Records, Department of Motor Vehicles
Jeannette K. Belz, Property Casualty Insurers Association
Adam Plain, Insurance Regulation Liaison, Division of Insurance, Department of Business and Industry
Sandy Heverly, Executive Director, STOP DUI, Inc.
Sandra Scott, STOP DUI, Inc.
Joan Eddowes, STOP DUI, Inc.
Nancy Greiner, STOP DUI, Inc.
Melanie Holt, STOP DUI, Inc.
Richard Glasson, Justice of the Peace, Tahoe Township, Douglas County; Trustee, Nevada Judges of Limited Jurisdiction
Linda Finch, Program Coordinator, MADD Nevada Affiliate
Kurt Hervin

Chair Manendo:
We will begin the meeting with a hearing on S.B. 429.

SENATE BILL 429: Revises certain provisions relating to taxicabs. (BDR 58-1103)

Michael Sullivan (Whittlesea Bell Transportation):
We support S.B. 429. I will read from my written testimony (Exhibit C).

Senator Hardy:
Are these advertising wraps appropriate for my grandchildren to see?

Mr. Sullivan:
Yes. Most of them advertise the shows such as Cirque du Soleil. I do not know of any that will be objectionable. Some of the billboard advertising in Las Vegas is scandalous, but I do not know of any taxicab wraps that will be offensive. It is not our intention to do that. Many of the wraps will be part of month-long advertising campaigns for shows or promotions.

Senator Hardy:
Will screening of these advertisements be under the purview of the Taxicab Authority, Department of Business and Industry (DBI)?

Mr. Sullivan:
I do not know. Whittlesea Bell Transportation does not intend to place advertising on its cabs that is not friendly to families. The company does not accept such advertising.

Senator Gustavson:
I agree with Senator Hardy. We need to take preemptive action. I have lived in Las Vegas. I do not want my grandchildren to see some of the advertising being displayed there now. Some of the ads are objectionable.

Chair Manendo:
The cabs with advertising in place will not be affected by this bill. Even some cars have advertisement wraps on them these days. We can ask about this point and discuss the issue further. I will close the hearing on S.B. 429 and bring it back to the Committee for further consideration. The hearing for S.B. 263 is now open.

SENATE BILL 263: Revises provisions relating to motor carriers. (BDR 58-950)

Senator Barbara K. Cegavske (Senatorial District No. 8):
I support S.B. 263 and will read my prepared testimony (Exhibit D).

Kimberly Maxson Rushton (Executive Director, Livery Operators Association of Las Vegas):
I support S.B. 263 and submit amended language (Exhibit E) for your consideration. Senate Bill 263 clarifies the distinction between contract motor carriers and common motor carriers. Common motor carrier is defined in the *Nevada Revised Statutes* (NRS) 706.036 as:

> … any person or operator who is held out to the public as willing to transport by vehicle from place to place, either upon fixed route or on-call operations, passengers or property, including a common motor carrier of passengers, a common motor carrier of property and a taxicab motor carrier.

Specifically, these include limousine, taxicab, shuttle bus, airport transfer and nonemergency medical transportation operators. Property includes that transported by residential household-goods movers and tow operators.

Contract motor carrier is defined in NRS 706.051 as:

> ... any person or operator engaged in transportation by motor vehicle of passengers or household goods for compensation pursuant to continuing contracts with one person or a limited number of persons: 1. For the furnishing of transportation services through the assignment of motor vehicles for a continuing period of time to the exclusive use of each person served; 2. For the furnishing of transportation services designed to meet the distinct need of each individual customer; and 3. Not operating as a common motor carrier of passengers or property.

With the exception of a 1997 amendment to the definition of contract motor carrier distinguishing between property and household goods movers, this statute has been in effect since 1971. For more than 4 decades, a distinction has existed between common motor carriers of passengers and contract motor carriers. During the past 2 years, this delineation has been blurred. Some contract motor carriers today in Nevada perform services in exactly the same way as common motor carriers of passengers. This conflicts with NRS 706.051, subsection 3. For this reason, S.B. 263 limits the definition of contract motor carrier to employee shuttle operators only.

Chair Manendo:
Why do we need this new language?

Ms. Rushton:
This legislative body drew the distinction in 1971 which has been the practice ever since. The Nevada Transportation Authority (NTA), in the Department of Business and Industry (DBI), has maintained the delineation between these two authorities. Regulatory oversight and the application process for both kinds of motor carriers are in place. We propose that the distinction between the two remain in place and the statute be narrowed to specify the services performed by contract motor carriers and common motor carriers.

Additionally, a handful of contract motor carriers perform services akin to those of a common motor carrier. Those people have been properly certificated by the NTA, but we disagree with the NTA's decision to do this. However, we respect that those people have previously been permitted to operate this way and have invested in their operations. The bill is not retroactive; it will not affect those carriers. If they seek to amend their authority to add another contract that is not for employee shuttle service, they will be required to file as common motor carriers.

The matter rests on the regulatory oversight. There is a distinction between how the NTA oversees contract motor carriers and how it oversees common motor carriers. To be a common motor carrier demands a heavier burden. Common motor carriers have additional responsibilities in the application process, day-to-day operations and State's oversight. Contract motor carriers are left to their own volition to perform services consistent with their contract terms rather than statutory provisions. This is the basis for our request for the distinction between common motor carriers of passengers and contract motor carriers.

A question arose about common motor carriers of property and contract motor carriers performing services involving property, specifically residential household goods movers. Because the intent of this bill does not cover this aspect, we will be offering another amendment to clarify that common motor carriers of passengers may not simultaneously hold a contract motor carrier authority. The amendment will change the wording in section 2, subsection 3 of Exhibit E, found on lines 18-22. It will add the words "of passengers" to the end of the sentence.

Senator Gustavson:
I want to see the amendment in writing. It is a bit confusing. The NTA regulates both of these carriers. Why do we need to change it? What is the reason? Some companies have both types of certificates.

Ms. Rushton:
The main part of the bill further defines contract motor carrier, limiting it to employee shuttles only. For instance, a company on Las Vegas Boulevard does not have space for employees to park on site, so it contracts with a contract motor carrier for employee shuttle services. In this case, the contract outlines the employer and the people to be transported, the employees of that company

only. The employees must show identification to ride the shuttle from an off-site parking lot to the company. Thereafter, the contract does not define other services. It is paid every 30 days and payment is not based on the number of passengers or trips. The contract is narrow. This concept does not compete with services of a common motor carrier.

Recently, a contract motor carrier was given authority to provide transportation services for a travel agency. That travel agency advertises on the Web and has more than 50 offices in Mexico and South America. Any member of the public walking into this travel agency seeking services in Las Vegas will receive services identical to those of a common motor carrier. They can take a tour or go to dinner or a show through that contract motor carrier. These services are what common motor carriers perform. The payment is based on the number of trips a person takes. This situation is not consistent with the statutory definition. We seek this amendment to ensure the law is tailored to its intended purpose for employee shuttles, vanpools and services not deemed to be those of common motor carriers.

Senator Gustavson:
I understand the difference because I used to drive employee and airport shuttles in the same vehicle. I worked for a company, not under contract.

Ms. Rushton:
That was a common motor carrier for which the services were paid on an individual basis, open to the public and akin to those authorized for common motor carriers.

Senator Gustavson:
Now there is a company, the travel agency you mentioned, that is providing both types of services.

Ms. Rushton:
In that example, the travel agency was awarded contract motor carrier authority. I submit it should have been awarded common motor carrier authority as a limousine operator and provider of airport transfers, special services and scenic tours because it is doing all these functions. Without that authorization, as a contract motor carrier the company has no restrictions on its fleet size, is not obligated to adhere to a tariff and does not have the same regulatory

oversight as common motor carriers even though it is providing the same services.

One company has been certificated in the last 6 months to hold dual authority. First, it was granted limousine operator authority as a common motor carrier. Then it sought contract motor carrier authority after setting up a separate legal entity by filing with the Secretary of State with the same domicile and many of the same members. In the hearing, this company stated the reason it sought contract motor carrier authority was its common motor carrier passengers did not want to pay the tariffs. The company is performing the same services, but it is not obligated to adhere to a tariff approved by the NTA. This is inconsistent with the legislative intent of NRS 706.051, the definition of contract motor carrier.

Senator Hardy:
As I understand the situation, a chauffeur cannot moonlight. How does an independent contractor with a limousine contract with a party without holding itself out to the public for business?

Ms. Rushton:
Only taxicabs in northern Nevada may set up agreements with independent contractors. Otherwise, chauffeurs are employees of limousine companies. Independent contractors are specific only to taxicabs operating outside of Clark County. Those independent contractors drive company vehicles. Those companies have authority as common motor carriers.

Senator Hardy:
I see a matrix in the making with a side-by-side explanation of the regulatory oversight. It would include who can be an independent contractor and a chauffeur, the burden of the common motor carrier, what it means to advertise to the public and so on. The amendment is not retroactive, so it will not cover the travel agency you mentioned nor the companies already granted dual authority.

Ms. Rushton:
The license for a contract motor carrier is specific to the operating entity. An independent contractor is only authorized to work for a taxicab company in northern Nevada. The taxicab company holds the license as a common motor carrier. The authority does not go to the driver but to the entity and the

functions that entity can perform. What has happened is a misunderstanding of contract motor carrier authority. If contract motor carriers agree not to advertise to the public, the belief is they meet the statutory definition. I do not agree with this because the language is clear. Nevada law precludes contract motor carriers from performing the services of common motor carriers.

Senator Hardy:
How does a company become a contract motor carrier without advertising its availability as such? Do potential customers knock on their doors and ask if they can perform these services?

Ms. Rushton:
They advertise prior to the application to the NTA. They tell the NTA they have a contract and, therefore, do not need to advertise to the public.

Senator Hardy:
I will have to see this in a way I can understand it.

Ms. Rushton:
I hope the example I gave you is clear.

Senator Hardy:
I know you think it is clear, but it is not clear to me.

Ms. Rushton:
Contract motor carrier authority would be limited to employee shuttles. The uniqueness of the service is the basis for the distinction between the two types of motor carriers. An imbalance in the industry is created when the regulatory body does not look at the specific language of NRS 706.051, subsection 3. It is inconsistent with the statutory language and intent, and it creates confusion. The two kinds of motor carriers have different regulatory oversight. The oversight of contract motor carrier is much less, and therefore the ability of this kind of motor carrier to perform services similar to that of common motor carriers is inconsistent. For these reasons, we are proposing to revise the statutory language to reflect its original intent. We want to ensure that the small category of transportation providers that do not perform common motor carrier services have safe vehicles, have the required insurance and conform to the other obligations in Nevada.

Senator Hardy:
Are you saying the amendment is retroactive and does not apply to that travel agency?

Ms. Rushton:
That is correct. It would apply, however, to the one company that holds dual authority because the bill states such companies must elect which authority they seek to hold by September 30, 2013.

Senator Hardy:
Could that one company split into two with the same owner?

Ms. Rushton:
That is what it has done.

Senator Hardy:
Is it illegal to do that?

Ms. Rushton:
Allowing a contract motor carrier and a common motor carrier to have the same ownership is inconsistent with the statute.

Senator Hardy:
We change statutes all the time.

Ms. Rushton:
Yes. Perhaps there should be other considerations about how contract motor carriers operate in Nevada. Maybe every company should be deemed a common motor carrier of passengers or property with no delineation of being a contract motor carrier. Truthfully, common motor carriers enter into contracts. They all enter into some type of agreement with customers. This legislative body has never sought to change the distinction, thereby evincing it wants to see this distinction. To do this, the language must be clear about the distinction. Holding both authorities is not consistent with the law. Neither is having authority as a contract motor carrier and performing services of a common motor carrier. The law needs to be completely revamped or further delineated.

Senator Spearman:
Other than inconsistency, are there issues of competition because of the statute?

Ms. Rushton:
It is not about competition as much as it is about regulatory oversight. In Nevada, at least 85 percent of common motor carriers have some type of fleet restriction. Contract motor carriers have no restriction on their fleets. Common motor carriers must adhere to a tariff approved by the NTA. They cannot change their rates without filing an application with and being approved by the NTA. For contract motor carriers, the contracts dictate the rates and terms. If a common motor carrier wishes to add a new service to its operation, it must file another application and be approved by the NTA. A contract motor carrier only has to modify its contracts without oversight from the NTA. This is inconsistent. The burden on common motor carriers is much greater.

Senator Spearman:
If we corrected the inconsistencies by synchronizing the requirements for the two types of motor carriers, would that solve the issue?

Ms. Rushton:
It could. The contract motor carrier authority was meant to be limited. Each contract is limited to its terms. These carriers are not holding themselves out to the public. They are serving the groups that contract with them. The statute pertaining to contract motor carrier authority says the NTA may regulate them in the same way as a common motor carrier. The NTA just does not do this. Additionally, what is the point of having a definition of "common motor carrier of passengers" but allowing contract motor carriers to perform the same services? The statute is inconsistent. Either remove the designation of a contract motor carrier, putting all providers under common motor carrier, or narrow the definition of contract motor carrier. It is complex only because a distinction was made in 1971, and the lines have been blurred.

Senator Cegavske:
I understand the issue, but I cannot repeat the explanation.

Senator Gustavson:
The two authorities are still under the jurisdiction of the NTA. I understand the difference, but it seems competition is being stifled. If I want to buy a shuttle

bus and contract with company XYZ for certain services and then use the time I am not working with XYZ to perform services of a common motor carrier, why should I be restricted from doing this? It sounds as if you are saying I would not be able to do this.

Ms. Rushton:
No. As a common motor carrier, you are allowed to enter into contracts and hold yourself out to the public for business. The statute states you cannot act as both a contract motor carrier and a common motor carrier, being subject to two sets of regulations but performing the same services. There is no point in having the contract motor carrier authority if the services provided are the same but the regulatory oversight is different. I am saying your company can provide limousine services and contract with Incline Village Ski and Tour, for example. You can perform those services as a common motor carrier, but you would not be designated as a contract motor carrier because you still hold yourself out to the public.

Chair Manendo:
Contract motor carriers work under restricted circumstances. They are limited to the number of contracts they have. Can they solicit the public?

Ms. Rushton:
No.

Chair Manendo:
If this bill passes, would any existing contracts be voided?

Ms. Rushton:
No.

Senator Hardy:
This is the gist. A common motor carrier can do both. A contract motor carrier cannot do both.

Ms. Rushton:
What do you mean by "do both?"

Senator Hardy:
The common motor carrier has increased oversight. The company could contract for services as well; it can moonlight.

Ms. Rushton:
They do not moonlight. They enter into an agreement. Here is an example. Someone calls a common motor carrier to reserve a fleet of vehicles for a wedding party coming to Nevada in 3 months. That is a contract. The person has called, given a deposit and entered into an agreement. The common motor carrier agrees to provide the services specified on the future date. All common motor carriers, at some point, enter into contracts. They do not fall under the contract motor carrier authority because of the way the wedding party came to know about the carrier. The person who made the call found out about the company through the Web, a referral or the phone book. These forms of advertisement are ways the provider holds itself out to the public.

Senator Hardy:
How does a contract motor carrier connect with people who need its services without advertising in a public way?

Ms. Rushton:
Most of them connect with customers through a bid process. For instance, the mines in northern Nevada solicit bids for contract motor carriers to provide transportation services. Flat fees are paid monthly. Different types of vehicles are used. They do not advertise their services, but they do respond to bid requests.

Senator Hardy:
How does the company needing the services know where to send the bid request?

Ms. Rushton:
Most of them open up the bids to the industry, which is aware of the carrier authorities. A common motor carrier may submit bids. If selected, it is obligated to use its tariff fee and operate under its fleet restriction. The contract motor carrier could respond to the bid by naming its own fee and using any kind of vehicles it has. It is not a competitive issue but a regulatory oversight issue.

Senator Spearman:
Perhaps we need advice from legal counsel. I am trying to understand the original intent of the law. What is your understanding of that?

Ms. Rushton:
I have reviewed the legislative history and cannot answer specifically the intent. From 1971 to 2011, there has been a clear delineation between the two types of carriers. Contract motor carriers operated employee shuttles. That is consistent with the law's intent. In 1971, the definition of common motor carrier was established for these carriers to provide services to the public. The distinction was determined based on which carriers were soliciting their services to the public. After this, the NTA further defined passengers of common motor carriers to include limousine, taxicab and special service passengers. The language in the statute about contract motor carriers states unequivocally they cannot operate as common motor carriers of passengers or property. The language is unambiguous. It has not been followed. As a result, we are proposing what we think is the original legislative intent. That is, the authority of contract motor carriers is limited to employee shuttles.

Senator Spearman:
In 1971, the population of Las Vegas was 180 degrees different than it is today. Is it possible that the statute was applicable at that time but is now outdated?

Ms. Rushton:
It is a fair question and relates to Senator Gustavson's question about the need for the distinction. Could we do away with contract motor carrier authority? I say we could. It would be fair for all to compete and to be regulated in the same way. I do not believe the statute is antiquated. It was passed when the State was developing commercial transportation. The law was maintained until recently. The authority of contract motor carriers is narrow compared to the authority of common motor carriers. The language has always been clear, and the NTA has ensured the delineation between the two types of authority. The question is, since common motor carriers enter into contracts, do we need to distinguish the two types of carriers. It is equitable and less confusing to place them all under the authority of common motor carrier of passengers. If we maintain a distinction, we need to specify the distinction to address the confusion.

Chair Manendo:
Can you repeat the name of your organization?

Ms. Rushton:
I represent the Livery Operators Association of Las Vegas. Livery defines all forms of commercial transportation dealing with passengers.

Senator Hardy:
Does livery include contract motor carriers?

Ms. Rushton:
No. Livery concerns the type of vehicle used. Most contract motor carriers use vans and buses with 9 to 15 passengers. Limousine, scenic tour and airport transfer operators use different types of vehicles.

Senator Cegavske:
There is an equitable solution. We either adopt the amendment or place all carriers under common motor carrier of passengers. We want to hear the ideas of the others testifying today.

Paul J. Enos (CEO, Nevada Trucking Association):
The Nevada Trucking Association is against S.B. 263. Without the distinction between carriers of passengers and carriers of property, the bill precludes a household goods mover from investing in an employee shuttle business. We will not have issue with the bill if the change mentioned by Ms. Rushton to distinguish between common motor carriers of passengers and of property were included.

Senator Hardy:
We have not seen that amendment. With that clarification, a common motor carrier can transport people and goods, but a contract motor carrier cannot carry passengers. Is that what you mean?

Mr. Enos:
In the modern trucking business, we refer to a common motor carrier as a "for hire carrier." These hold themselves out to the public for business. The bill's proponents are trying to say that "private" carriers, or contract motor carriers, cannot simultaneously operate as a common motor carrier. It involves how the two entities are regulated by the NTA, including the tariff schedule. A "private"

entity would not be the same as a "for hire" entity. This is how I finally was able to understand the difference.

Senator Hardy:
It is all about money, what is charged and how the charge is determined.

Mr. Enos:
It is how the rates, or tariffs, are regulated. The NTA regulates the tariffs of common motor carriers but not the contract rates of the contract motor carriers.

Keku Kamalani (Viva Las Vegas Tour and Travel):
We are a contract motor carrier in Las Vegas and oppose S.B. 263 for several reasons. A contract motor carrier transports passengers or household goods as contracted. The point I want to make is there are contracts involved. In Nevada, contract motor carriers work within the terms of their contracts. We are limited in the number of contracts we can have. Unlike common motor carriers, we cannot do business with the public. They can set up booths and racks with brochures and other advertisements throughout Las Vegas as well as have their own Websites. Contract motor carriers cannot do these activities.

We believe the proposed definition of contract motor carrier is too narrow, only allowing transportation of employees to and from their places of employment. This will hurt contract motor carriers because we offer a wider range of services than this. For instance, many of us transport people to and from shopping and the airport. The bill neglects the fact that people who contract for transportation services may seek specialized services. In Las Vegas, many of the contract motor carriers are minority-owned businesses. Often, people look to contract with companies that have bilingual, bicultural staff. Many of the common motor carriers do not tailor themselves to such submarkets. Therefore, we fill a niche. Senate Bill 263 would have an impact on competition. It will steer business toward common motor carriers. We disagree that the bill is only a regulatory issue. Common motor carriers will benefit from this bill more than contract motor carriers will.

Another point of contention we have with S.B. 263 is it violates the right to contract, a cornerstone of American capitalism. We should not have more government bureaucracy to stifle the right to contract. Additionally, contract motor carriers do operate under regulatory oversight. We must be licensed by the NTA, complete annual reports, drug test our drivers regularly, limit the

number of contracts we have and so on. Most contract motor carriers only have between three and six contracts. This is a small subset of the population. Many of the companies are small and do not have the means to expand their fleets by 10 or 20 vehicles. They generally have only two or three vehicles. Finally, we are not sure that the bill's language allows existing contract motor carriers to maintain their existing contracts.

Fernando Cardenas (Viva Las Vegas Tour and Travel):
I own Viva Las Vegas Tour and Travel. My company has been in Las Vegas more than 18 years. We are a contract motor carrier serving the personalized needs of clients who speak Spanish. They do not want to ride in a taxicab or shuttle bus on their trips to Las Vegas. They want to have a Spanish-speaking driver who knows their culture and idiosyncrasies meet them at the airport, take them shopping or on tours and provide them with a first-class experience. Common motor carriers do not provide these kinds of services. My colleagues have employees who can speak Japanese, Chinese, French, Italian, Portuguese and Spanish. We offer a service that is distinct from what common motor carriers provide. At times, we have clients who do not require such tailored services, and we refer them to common motor carriers.

Senator Spearman:
Do your companies have Facebook pages or work with social media?

Mr. Kamalani:
No. In compliance with the NTA regulations, we do not have Facebook pages, Twitter accounts and the like. We work within the limits of our contracts and play by the rules. As contract motor carriers, we are obligated to refer to common motor carriers when people approach us at the airport for transportation. We send business to common motor carriers.

Senator Hardy:
Perhaps they approach your companies because they have waited an hour in line for a taxicab. My wife and I went to Hawaii with a travel group. We were met at the airport and did not have to wait in line. The driver helped us get around during the trip. It was a pleasant experience geared to our culture. I am not sure how other states regulate their motor carriers. Perhaps we will hear information about this.

Nobu Yamamoto (President, Vega International Inc.):
My colleagues covered everything that needed to be said. I must decipher this morning's discussion before I say more.

Mr. Kamalani:
Ms. Rushton made a point we find interesting. It seemed she said it is acceptable for common motor carriers to enter into contracts, but she has a problem with contract motor carriers venturing into the realm of common motor carriers. This bill seeks to end that practice. We think this is inconsistent, if not discriminatory, because she represents livery operators.

Senator Hardy:
I understand what Ms. Rushton said is that common motor carriers are bound by tariffs while contract motor carriers are not. Is that right? Even if common motor carriers enter into contracts, their contracts still must be in line with the tariffs.

Mr. Kamalani:
Yes. We have set rates negotiated for use in the contracts.

Senator Hardy:
Whereas you are bound by the contract terms, the common motor carrier must abide by the tariff imposed on it. I see heads shaking "yes" from the NTA representative in the audience.

Mr. Kamalani:
Yes. That is accurate.

Warren B. Hardy II (J&J Worldwide Travel):
We are neutral on S.B. 263 based on discussions with Ms. Rushton about possibly changing our application to become a common motor carrier. I understood it was a substantially similar process, but now I understand there are some requirements that would not apply. Part of the problem that brought about this bill is confusion on the ground. When we explained what we do, we were told by legal counsel and others that we could not apply as a contract motor carrier. I understand the problem that the bill is trying to address. I do not want to oppose the bill because it will address the confusion.

We want to see the scenario described by Senator Hardy. Usually, we will contract with a common motor carrier to service our clients. Occasionally, it is not economically feasible to do this. We would like the ability to transport individuals and small groups. I am given pause today by additional testimony regarding the regulatory differences between common and contract motor carriers. I urge the Committee to consider allowing contract motor carriers to transport individuals or small groups.

Andrew J. MacKay (Chair, Nevada Transportation Authority, Department of Business and Industry):
We are neutral on S.B. 263. I want to clarify several points. It is not accurate that one company has been granted dual authority. The situation involved two legally distinct entities with different ownership structures. The NTA was taken to court and prevailed in this matter. I was a presiding officer. We have never awarded dual authority.

Another point I wish to clarify involves the authority granted to Viva Las Vegas Tour and Travel. The court affirmed the decision of the NTA. There was substantial testimony that the services this company provided only involved what was contracted.

I disagree with Ms. Rushton's statements that there has been a lack of oversight by the NTA for contract motor carriers. Our enforcement staff looks to see if contract motor carriers attempt to hold themselves out to the public for business. The number of contracts for contract motor carries is limited to six by regulation. Companies that want to have more than six contracts must file for common motor carrier authority.

Senator Spearman:
Is it true that contract motor carriers cannot use social media outlets as part of their marketing plans?

Mr. MacKay:
Yes. Contract motor carriers that use social media outlets are holding themselves out to the public for business. This is what only common motor carriers are authorized to do. One of the questions was how do members of the public know who provides contract motor carrier services. The answer is people in industries who need transportation services, such as mining, know the companies they can use. There are only 12 contract motor carriers in Nevada. It

is a finite arena. Douglas Parking, for example, specializes in employee shuttle service nationwide. Not many companies provide this type of transportation.

Senator Spearman:
In 1971, social media was to people as microwaves were to people in the eighteenth century. Perhaps this law did not consider all the tools a small business might use. With Facebook having more than one billion users, saying to business owners they cannot use that tool in their marketing efforts limits commerce.

In the Colloquium section for Social Media and Business of the professional management journal *Vikalpa* (Vol. 37, No. 4, October-December 2012), the discussion coordinator states, "The world that is today, is a world shaped by social media and the free-flow of conversations that the phenomenon enables and endorses."

A portion of this discussion included an article titled, "The Economics of Attention: Social Media and Businesses," which states, "Starting with 50 million users in October 2007, they [Facebook] have grown to a staggering one billion users as of September 2012. … It is reported that 75 per cent [*sic*] of the Fortune 100 companies are on Facebook."

The next sentence from this article is not only telling but chilling if we limit businesses from taking advantage of all available tools to grow. It reads, "However, apart from these companies, Facebook is also beneficial for small businesses as it allows them to reach their target audience with a personal approach."

Another relevant point the article makes is:

> Twitter has attracted lots of attention from corporations for the immense potential it provides for viral marketing. Due to its huge reach, Twitter is increasingly used by news organizations to disseminate news updates, which are then filtered and commented on by the Twitter community.

I am concerned that the statute limits advertising, because small businesses need all the tools available to grow. We know small business is the engine of our economy.

Chair Manendo:
I am involved in marketing at my other job. My bosses were reluctant to use Facebook when I suggested it to them. My company started using Facebook and saw an increase in business within weeks. Small business is the economy's engine. I agree with you, Senator Spearman.

Senator Hardy:
Mr. MacKay, have you seen the amendment? Are you comfortable that it will clarify the definitions and ensure everyone is operating by the same rules?

Mr. MacKay:
Yes.

Senator Hardy:
Regarding the retroactive element, do you believe the bill will protect the companies already operating under contracts? Will the bill infringe on their actions?

Mr. MacKay:
Yes. If a company holds dual authority, it will have to make a choice.

Senator Hardy:
The language is not retroactive to those who are dually authorized. Is that right?

Mr. MacKay:
Ms. Rushton was correct. There is one entity affected by the bill in this way.

Senator Hardy:
Is the bill not retroactive to one company?

Mr. MacKay:
It is not retroactive to 11 of the 12 contract motor carriers in the State. Limousines of Las Vegas Parking is the one company that will have to make a choice.

Senator Hardy:
Am I correct in saying a tariff is imposed on common motor carriers but not on contract motor carriers?

Mr. MacKay:
Yes. The rates charged to clients are governed by the contracts. To address Senator Spearman's concern, I agree with her comments. Before I became the chair of the NTA, I was a partner in an advertising agency. I have a degree in marketing. The statute does not preclude a contract motor carrier from having a Website, a Facebook page, a Twitter account and so on. If a contract motor carrier solicits business outside its contracts, it violates the law. It is acting like a common motor carrier. A common motor carrier can hold itself out to anyone. For the contract motor carrier using social media, the content of the message must be carefully worded. It is legal for these carriers to have a presence on the Web.

Senator Spearman:
It is difficult to delineate between a company's Facebook-like page on the Web and the meaning of "holding itself out to the public for business." Again, in 1971 this technology was not even imagined. We need to consider this matter so that statutes comport with today's culture.

Mr. Sullivan:
Whittlesea Bell Transportation supports S.B. 263.

David Goldwater (Desert Cab; On Demand Sedan & Limousine):
We also support S.B. 263.

Ms. Rushton:
To clarify, the NTA does an excellent job in regulatory oversight. The regulatory scheme as expressed in the statute, rather than the NTA's oversight, is what I have criticized. Further, I disagree with two of the NTA's decisions in the past 24 months to issue permits as contract motor carriers to the travel agency I described earlier and the company granted dual authority.

The fact that contract motor carriers are limited to six contracts is further substantiation of the intent to delineate between the two types of carriers. Regarding the cultural experience point, such services are not unique to contract motor carriers. Common motor carriers have employees who speak Russian, Italian and other languages and provide the same services. You have heard that contract motor carriers provide airport transfer service to members of the public contracting with travel agencies that have Websites and Facebook pages. While the contract motor carriers do not hold themselves out to the public, but choose

to work through travel agencies with multiple offices, they are serving the public in essence. The distinguishing criterion is not the advertising of the contracts. The criterion is subsection 3 of NRS 706.051 that prevents contract motor carriers from operating as common motor carriers.

What is the point of having airport transfer authority allowing per capita service to and from the airport if a contract motor carrier can do the same thing? What is the point of having charter limousine service if a contract motor carrier can perform the same service? There is no differentiation, but the statute requires they be different. We are trying to make the language more consistent with the original 1971 language. Specifically, we do not want contract motor carriers to be able to compete head to head with common motor carriers without the same regulations as fleet restrictions, tariffs and so on. There is no point to have the language in subsection 3 of NR 706.051 if they are allowed to perform the same services. The distinction is the services provided.

Senator Gustavson:
Since the economy now is down, I ask myself if the bills before us will create jobs. We have another law, NRS chapter 598A.030, subsection 1, paragraph (a) stating, "The Legislature hereby finds that: (a) The free, open and competitive production and sale of commodities and services is necessary to the economic well-being of the citizens of the State of Nevada." Will S.B. 263 conflict with this statute?

Ms. Rushton:
No. This is why. Some common motor carriers have, for example, a restricted fleet of only eight vehicles and can only provide charter limousine service. If such a company enters into an agreement with a hotel that wants it to provide exclusive service, that carrier must reapply to the NTA for expansion of its fleet and for an additional service. This application process can take 6 to 18 months. A contract motor carrier can expand its fleet simply by modifying its contract. Where is the equity in this arrangement? This is how S.B. 263 will help competition.

The current situation also is inconsistent with NRS 706.151, the legislative declaration relative to transportation in Nevada. It obligates the NTA to ensure equity and soundness of the transportation market and demands the industry be regulated fairly. The industry is regulated well, but not if we allow the two types of carriers to offer the same services under different regulatory

schemes. We should either do away with contract motor carrier authority so that all operate as common motor carriers or narrowly define the distinction between the carriers.

Senator Gustavson:
Perhaps we should examine having fewer regulations for common motor carriers.

Ms. Rushton:
I would never advocate for that because most of the regulations concern safety.

Senator Gustavson:
I understand, but many of the regulations do not concern safety.

Ms. Rushton:
The NTA carefully considers regulations such as fleet size and types of vehicles at the time an application is submitted. Its decisions are based on the market the applicant proposes to serve. This point is found in NRS 706.391, subsection 2, paragraph (f) which was promulgated in 2003. It is a critical tool. Dr. Keith Schwer, formerly of the University of Nevada, Las Vegas, stated that oversaturation of the market with vehicles without an intended market to serve leads to declining revenue and, as a result, declining safety standards. Regulation is critical to the industry and the safety of the traveling public. I do not advocate reducing the amount of regulation.

Senator Spearman:
I agree with you on several points. It is time we look at the statute to align it with today's culture. I am not sure more competition decreases the opportunity for profit or job creation. We can think of arguments on both sides. I still am not convinced we can solve the problem if we apply the same rules to both entities. Perhaps contract motor carriers should be bound by tariffs. Regarding safety, there must be safety standards for all companies and all vehicles because tourism is part of our economic structure. Your comments are not lost on me when I discuss Facebook advertising. The parameters of the law in 1971 could not have envisioned social media tools being available to small business owners. It may be time for this body to look at the legislation as it was interpreted over time given the ups and downs of the economy. The blurring of the lines is an indication we should look at the statute to ensure it is in line with the culture of

today to increase, not stifle, business. Competition does not decrease profits because the people who are good at their work rise to the top.

Senator Hardy:
Regarding retroactive action, this bill will affect some businesses.

Ms. Rushton:
Yes. Contract motor carriers will not be required to obtain common motor carrier authority. Section 2, subsection 3 and section 4, subsection 5 of S.B. 263 preclude carriers from holding dual authority. Currently, this will apply only to one company.

Senator Hardy:
The bill will affect the people in one company.

Ms. Rushton:
Yes. It will require the company to choose which authority it wants to hold.

Senator Hardy:
There are 12 contract motor carriers in Nevada. How many small common motor carriers are there in the State, and how small are they?

Ms. Rushton:
I defer to Andrew MacKay on this question. Less than ten common motor carriers of passengers are unlimited certificated carriers, in my estimation. This means they do not have fleet restrictions. All the rest of the common motor carriers in our State have some kind of fleet restrictions.

Senator Cegavske:
We will present the amendment to you for a work session.

Senator Spearman:
I want to speak with you to see that the amendment addresses some of the other concerns discussed this morning.

Chair Manendo:
I will close the hearing on S.B. 263 and bring it back to the Committee for further consideration. I now open the hearing on S.B. 387.

SENATE BILL 387: Revises provisions concerning the insuring and registering of motor vehicles. (BDR 43-452)

Senator David R. Parks (Senatorial District No. 7):
This Committee passed S.B. No. 323 in the 76th Session. Unbeknownst to us, several problems occurred in its implementation. Senate Bill 387 seeks to correct the issues. The first section of the bill changes the requirement to register a vehicle within 60 days, making it consistent with other parts of the *Nevada Revised Statutes*. Another part of the bill's first section deals with seasonal residents. The definition of "seasonal resident" has been updated. The next change being proposed covers penalties for lapses in insurance coverage. Several parts of the bill concern an appeal process I requested. New language about insurance standards is included as well in S.B. 387.

Terri L. Carter (Administrator, Management Services and Programs Division, Department of Motor Vehicles):
The DMV is neutral on S.B. 387. We are offering a friendly amendment to help alleviate some of the fiscal impact involved in the administrative hearing and appeals processes noted on page 7, section 5 of the bill. Under NRS 233B, the DMV already has a process in place. We would like to incorporate the language from this statute into S.B. 387 so we can use the existing administrative hearings process. Our proposed language for section 5, which we will submit to you, states, "Any person against whom the Department has imposed a reinstatement fee or fine pursuant to this section is entitled to judicial review of the decision in the manner provided by chapter 233B of NRS." Several other bills dealing with similar matters are being considered this Session. The DMV has provided the same language for those bills.

Senator Gustavson:
I like this bill. On page 6 of the bill, section 4 allows 24 hours for the owner of a motor vehicle to insure it with a new or renewed policy after the previous policy expired or was terminated. I have no problem with the 24-hour period, but what if the coverage expires or is terminated over a weekend or a holiday? Could we change the time period to 2 business days?

Senator Parks:
This part of the bill was added without my involvement. I had changed my car insurance policy over a weekend through the Internet. The process went smoothly. Someone from the Division of Insurance will speak about this.

Senator Gustavson:
Some people do not have access to their insurance companies during the weekend. They might be out of the Country or State when their policies expire. We should consider allowing a bit more time for them to comply.

Senator Parks:
With the proposed amendment from the DMV, section 5 of S.B. 387 will be deleted in its entirety. The DMV amendment, as Ms. Carter read it, will be added to sections 6 and 7. I propose to delete section 8 as well and to change the effective date in section 10 to July 1, 2013.

Doreen Rigsby (Division of Central Services and Records, Department of Motor Vehicles):
The DMV's insurance verification program allows insurance companies time to enter policy changes into their databases so that people's insurance will not lapse. We would only send notices to vehicle owners when there is a break in their coverage.

Senator Parks:
One other concern has been the $250 fine for a lapse in insurance coverage. People with busy lives may not remember to renew their vehicle insurance as soon as they should. We need to distinguish between people who intentionally let their insurance lapse to avoid paying and those who overlook their insurance renewal dates. A situation arose in which a person had a policy with two or more vehicles covered by the policy. If this policy lapsed, the insured person would have to pay $250 for each car insured by the policy. Senate Bill 387 addresses this matter.

Jeannette K. Belz (Property Casualty Insurers Association):
We are concerned that allowing a grace period will create a short period of time when a vehicle is not insured. Who will be responsible to pay for an accident if it occurs during the grace period? For years, we have tried to reduce the number of uninsured motorists in Nevada. One opportunity to do this is to remove the grace period that has been in place. While we understand this may cause difficulties for some vehicle owners who have not renewed their policies for whatever reason, allowing a grace period is a step backward. We have spoken with Senator Parks about our concern. People who have not renewed their policies on time for legitimate reasons have recourse through the administrative hearing process. With this process, might it be possible to remove the grace

period? The DMV has worked to address the problem of a 1-day lapse in insurance by sending alerts to insurance brokers and disseminating public service announcements about this matter.

Adam Plain (Insurance Regulation Liaison, Division of Insurance, Department of Business and Industry):
We are neutral on S.B. 387 as a matter of policy. We are concerned about section 8. It is a national standard in the insurance industry that property and casualty insurance policies lapse at 12:01 a.m. on the day the coverage ends. This affects insurance coverage for businesses, homes, marine craft and so on. To change the time to 11:59 p.m., as proposed in section 8 of the bill, would be a substantial deviation from the national standard and put Nevada in an interesting position with the insurance industry. Regarding the 24-hour grace period, we agree with Ms. Belz. While people may not be subject to fines, their vehicles are still uninsured for 24 hours. They may not know about this. In the worst-case scenario, they will be treated as uninsured motorists if they are in accidents. The Division of Insurance has worked to correct this situation. In addition to what Ms. Belz mentioned, we have added a question on this topic to the insurance licensing test in the State. It helps new insurance agents learn how to work with clients to avoid lapses in vehicle insurance.

Senator Hardy:
Is your office telling insurance agents to bind the insurance at 11:59 p.m. or at 12:01 a.m. the day before it lapses at 12:01 a.m. the next day?

Mr. Plain:
There is usually a 24-hour delay from when an insurance policy is purchased and when it goes into effect. Our notices to the licensed insurance agents inform them of this fact. Some overlap in coverage is better than risking one or more days without coverage.

Senator Hardy:
When buying insurance, the theory is to make it effective the day before one's policy ends. Is that what you mean?

Mr. Plain:
While we do not give specific instructions to agents on how to bind coverage, you have summarized the gist of what we tell them. You are correct. People need to realize their coverage ends at 12:01 a.m. on the expiration date, and

they do not have until the end of the expiration date. They should not wait until the last day of coverage to shop for a new insurance policy for their vehicles. There will be no lapse if they continue with their current policies. When changing policies, last-minute shopping creates the problem.

Senator Hardy:
What precludes us from stating on the insurance cards that the last day of full coverage is the day before the expiration date?

Mr. Plain:
The insurance industry members would need to decide this. I understand it involves the computer programs used to print the insurance cards.

Chair Manendo:
I will close the hearing on S.B. 387 and bring it back to the Committee for further consideration.

Senator Atkinson:
I will open the hearing on S.B. 312.

SENATE BILL 312: Makes various changes concerning victim impact panels. (BDR 43-888)

Senator Mark A. Manendo (Senatorial District No. 21):
I am sponsoring S.B. 312 and will read my written testimony (Exhibit F). I share the background of Ms. Heverly to tell you what a valuable resource she is to our Committee as we consider this bill and why Nevada needs this legislation.

Sandy Heverly (Executive Director, STOP DUI, Inc.):
I support S.B. 312 and will read my written testimony (Exhibit G).

Sandra Scott (STOP DUI, Inc.):
I support S.B. 312 and will read my written testimony (Exhibit H).

Senator Gustavson:
I notice in the bill a requirement that defendants must attend a panel meeting within 60 miles of where they live. We heard S.B. 179 recently on pedestrian safety that mentioned a 50-mile distance. Perhaps our legal counsel can answer this. Should we set a standard distance? In my district, Fallon is about 60 miles

from Reno. A 50-mile distance would eliminate Fallon residents from the requirement. How was the 60-mile distance originally determined?

SENATE BILL 179: Makes various changes to provisions governing public safety. (BDR 43-79)

Senator Manendo:
That bill was different. Page 8 of S.B. 312 contains an error on lines 7 and 8. The words "if one is not available within 60 miles of a defendant's residence" are struck through. We want to retain this language and strike out the words "in person" at the end of that line. By doing this, defendants living 60 miles away from a victim impact panel will not have to attend a meeting in person. This addresses your concern.

Senator Spearman:
Line 6 on page 8 of S.B. 312 states, "The court may, but is not required to, order the defendant to attend such a meeting if one is not available within 60 miles ... ." Does this mean the defendant can participate in an online meeting if he or she lives further than 60 miles from a panel? I do not think we should cut any slack to people who decide to drive under the influence of alcohol or illicit drugs, especially when someone dies because of this decision. One of my friends lost his young daughter to a drunk driver a minute after she had said, "Daddy," for the first time to him. If people can afford intoxicating substances, they can afford a bus ticket.

Joan Eddowes (STOP DUI, Inc.):
Those of us here in Las Vegas hold the same sentiment as you, Senator Spearman. I concur with everything Ms. Heverly said and will read my written testimony (Exhibit I) in support of S.B. 312.

Fifteen DUI victims need assistance at this time from STOP DUI, Inc. I want to hear from people running the other victim impact panels if they are willing to help victims financially. My belief is none of them is willing to do this.

Senator Spearman:
Are you saying there are businesses that have started to conduct victim impact panels for profit?

Ms. Eddowes:
I know the one that Ms. Heverly mentioned, New Beginnings. The moderator stated in a news interview that it is a for-profit organization. I do not know about the other panels, but I would like to know that they are following the guidelines and keeping collected funds in Nevada. I wonder how much of the money collected by MADD stays in Nevada and how much goes to its headquarters in Irving, Texas.

Senator Spearman:
If the for-profit entities did not exist, who would develop and sponsor the panels?

Ms. Eddowes:
Developing and sponsoring victim impact panels is open to anyone. This is why we are supporting S.B. 312 to provide guidelines. We want all panels in Nevada to be run the right way. I have heard from DUI offenders who attended our panel meetings that they got the message. Some have told me they remember my son, Mark. This means the world to me as a victim. I do not believe some of the other panels are providing the necessary education.

Nancy Greiner (STOP DUI, Inc.):
I support S.B. 312 and will read my written testimony (Exhibit J).

Melanie Holt (STOP DUI, Inc.):
I support S.B. 312 and will read my written testimony (Exhibit K).

Senator Manendo:
The work we have done to implement accountability measures for the panels is long overdue. If we do not pass a bill that provides guidelines, regulations and accountability, we might as well scrap it. I have seen the problems in the south. Ms. Holt spoke about a person who smelled of alcohol. I may have been at that meeting. During the meeting I attended, people were listening to music on iPods®; some smelled of alcohol; music was playing loudly in the back of the room, and people were dancing. It seemed like a disco. All of this was so distracting. The leaders just read to us, line-by-line verbatim, for an entire hour. It was not interactive at all. The meeting was a joke.

We work hard to pass legislation. Sadly, there are folks who read the legislation and manipulate it to make a profit. I do not know how they send people to

panels who are not allowed by statute to participate. I mean it when I say we should scrap the whole idea if we do not pass a bill with oversight of the process this Session. Conducting these kinds of meetings is worthless. It offends me, as someone who has worked to help victims, to have them go to victim impact panels that are not run appropriately.

I like Ms. Holt's idea of having a standard fee. This is not in the bill. We should consider it as an amendment. With a standard fee, people will not be able to undercut the process. We are not for sale. The panels should not go to the lowest bidder. It offends this body and the Governor who signed the original bill into law.

Richard Glasson (Justice of the Peace, Tahoe Township, Douglas County; Trustee, Nevada Judges of Limited Jurisdiction):
The Nevada Judges of Limited Jurisdiction is a group of judges that hear and decide all DUI cases in Nevada not charged as felonies. More than 90 percent of DUI cases are in this category. The president of our group, E. Alan Tiras, Justice of the Peace from Incline Village Township, Washoe County, has provided testimony for me to read (Exhibit L) in opposition to S.B. 312.

As a Justice of the Peace, I represent the rural counties of Nevada. Nevada has 39 rural justice courts and 8 unique rural municipal courts. The majority of my colleagues in our judges association do not support the passage of this unnecessary bill. Drunk driving is never an accident. The goal of my association is simple, educate the offender and empower the victim. I was a member of the ad hoc committee of our association to determine best management practices for handling DUI panels. We do not support online DUI and victim impact panels. Nor do we support the panels being run for profit. We only support an in-court judicially enforced and monitored presentation. The current law is working well when it is empowered and enforced by the judges. Senate Bill 312 puts the victims last, removing their voices, and puts money first.

In my court, the offender attendance fee is $24. Judge Tiras's court charges $10 per offender for panel attendance. The North Las Vegas justice courts and municipal courts have adopted our model. They run their own panels without the need for input from a for-profit or large organization. Their panels are judicially enforced and mandated, taking place in courtrooms where they have the imprimatur of the justice system on the offender.

Under S.B. 312, victims in the rural and North Las Vegas courts will not have access to offenders as the current law allows. They will not have access to judges anymore. Instead, victims will have booking agents and managers who will broker them out to the courts or their own programs as they see fit, not as the judicial branch sees fit. If a victim does not curry favor with his or her agent, manager or sponsor, he or she will be silenced. No other state treats its victims like that. What business does the State have in limiting access of victims to the courts and impact panels except, perhaps, to drive up the demand for victims and the cost for the few remaining panels that will only be able to exist in the downtowns of Las Vegas and Reno? How will the victims of these horrible DUI crimes be served by the State mandating they not speak more than twice per month? How does that help my rural courts? We are conducting panels in New River Township, East Fork Township and new ones in Sparks. My courts have to share victims who want to speak. They are not doing it for money. It is a donation of their time. If they want to speak, far be it from our judges to tell them not to speak. It is a big state. No legitimate purpose is served by decreasing the availability of a victim to speak out about his or her pain or loss.

Nationally, over 35 percent of the children injured in a crash caused by a drunk driver were being transported by that person. This person could be a stepfather picking up his daughter from Sunday school, soccer practice or kindergarten. Under this bill, none of these innocent children will be allowed to speak as a victim for their entire lives. They may grow up as paraplegics, but this bill does not want their stories told. Why? If 4-year-old Katrina Skogsberg had survived, she would have been banned forever from speaking about the effect it had on her life. The most effective and experienced speaker in the Reno panel would be disqualified by this bill because he happened to be riding in a car operated by a drunk driver.

I want to see what is effective and what is not. That is why we do this in the courtroom. We have these judicially sponsored and monitored panels in the courts for a very good reason, especially in a tourist state such as ours. How is a drunk driver from Oklahoma in my court, which is primarily composed of tourists, going to attend a panel? Where is the fiscal note to set up the teleconferencing centers or Internet connections this bill discusses? There is no money for that. How is someone from Muskogee, Tuskegee, Tallahassee, Kankakee or Tehachapi going to come to my court? We make them come to our

courts or find valid victim impact panels for them to attend before our next session.

On behalf of my colleagues and me, do not try to fix what is not broken. Give our association a chance to spread this good panel design throughout the State. If there is a problem in Clark County, we can address that. I have asked to help the courts there and have been ignored.

Linda Finch (Program Coordinator, MADD Nevada Affiliate):
I am a victim of a drunk driving crash. I am the MADD program coordinator in northern Nevada. MADD is on Facebook and Twitter and has a Website and a victim helpline available 24/7. We urge you to reconsider passage of S.B. 312. This new legislation is unnecessary. Current panels allow victims to work within the judicial system to meet DUI laws in Nevada. We have a good system, which is growing daily. For decades, MADD has presented victim impact panels and has always followed state regulations across the country. This is particularly true in our State. Four years ago, justices of the peace and municipal court judges asked us to develop a panel format that complies with Nevada law. Our current long-standing law requires judicial participation and interactive discussion between victims and offenders. We have updated the format to cover the matter of drug abuse and driving also. Anyone convicted of a DUI charge in Nevada is ordered to attend a panel. This is true for first, second, third and other habitual offenders.

In the past 4 years, the Nevada affiliate of MADD has collected $75,961 in panel fees. We charge an offender $35 to attend the meeting. Through the national efforts of MADD, we expended $129,555 in program expenses. For the first 2 years I worked for MADD, we did not have panels. MADD paid my small salary to establish the panels. We are not in it for the money. All the money collected in Nevada is spent in Nevada. Let me repeat that very clearly—all the money collected in Nevada is spent in Nevada. Our national headquarters is in Irving, Texas. We collect money orders instead of cash for the panel fees. I send the fees to Texas where they are deposited in an account for Nevada expenses. My salary is paid out of that account, as are any expenses I have. With a national office, MADD has accountants, lawyers, public relations staff and others I can call for help with questions I have. I am not charged for such help. This is a more effective way for a national nonprofit to operate.

Frankly, we are surprised that you would want to take away the close oversight of victim impact panels by judges and put it in the hands of the DMV. The judges know what we are doing and, through lists of speakers and moderators, are aware of the quality of our product. It takes work away from their already overworked staff. Our panels are conducted inside courthouses. Because of this, we do not pay extra for security because bailiffs are there on duty. We do not pay people to conduct alcohol breath tests. The victim impact panels have about 40 people with 2 or 3 bailiffs, a judge and 4 or 5 panel members in attendance. Maybe someone who has taken a prescription drug sneaks in, but I have never had anyone hug me after the panel who smelled of alcohol.

The micromanaging of the first organizational certification, certification of the moderator and checking victim speakers is ineffective and creates an unnecessary level of bureaucracy. We have had high standards for recruiting speakers and moderators for years. Mothers Against Drunk Driving has been the standard of the industry. We have booklets and manuals to train people to be panel speakers and moderators as well as victim advocates. In fact, the two largest presenters of victim impact panels in Nevada were trained by MADD. Our speakers come from a cross section of the community, so there is extensive training for everyone involved in the program. We fear increased training responsibilities, in addition to what we already have, will eliminate volunteer participation. A small group of unpaid volunteers now dedicates much time.

Under the new law, I could no longer be a victim speaker. My DUI crash was in 1982 in Oberlin, Ohio. I do not think I could produce police records, newspaper articles or, by this time, medical records to prove I was ever in an accident. An X-ray taken today could prove it. Is that what we really want to do? We are here to change people's behavior.

The mission of MADD is to stop drunk driving, support victims of this violent crime and prevent underage drinking. To support our mission, we offer the panels as they have been ordered by the State. We work as victim advocates, conduct school presentations, participate in community resource events, belong to local and state partnerships, take part in state government committees, monitor local courtrooms and work closely with law enforcement officials. Jumping through all the hoops in the new law would result in a serious cutback in our services. I am submitting written testimony (Exhibit M) in opposition to S.B. 312.

Kurt Hervin:
I support MADD and am a victim of a drunk driver. Just over a year and a half ago, my wife—Reiko—was killed by a drunk driver. Flown to Renown Hospital in Reno, she spent 3.5 weeks clinging to her life before she died. During that time, I was in limbo. I did not know what was going on. I knew nothing about the civil or criminal justice system. I did not know where to go. People told me to contact MADD. I am glad that I did, because without its help through this life tragedy, I probably would be a basket case. The group helped my son and me understand all the criminal procedures and who was involved with the case. This kind of information is very important for victims to know. Mothers Against Drunk Driving gives to the community. I was never asked for a dime for all the help I received. I could go on for hours explaining all the things I endured, but that is not going to help the issue. I am still going through this ordeal and, no doubt, will deal with it for the rest of my life and my son's life.

Senator Manendo:
Nothing in S.B. 312 prevents victims from working with MADD or being legitimate panel speakers. Someone like you, Mr. Hervin, a legitimate victim, is who the bill says should be discussing what happened and how it affects your life forever, so people who choose to drink or take drugs and drive will see firsthand the pain, suffering and sorrow you and your family endure. Not all people are wonderful and great like you. There are people who will come forward, who say they are victims, but will get involved for the money. It is not about that. We want someone like you, whether through MADD or another nonprofit organization following the guidelines, to be involved. We do not want rogue groups doing this for profit. The intent of the original legislation did not envision this happening. I really do feel for you and other victims. I know many of them in southern Nevada. Until I met Joan Eddowes in Las Vegas, I did not realize that I used to play basketball with her son. One day he did not come to play basketball, and I found out he was killed by a drunk driver. That is how our paths crossed. I think someone like you would be perfect as a speaker, and this bill would not stop you from that. Ms. Finch, how much of the $129,555 goes to victim assistance?

Ms. Finch:
That is not part of our mission. We do not give money to victims. I also have a letter (Exhibit N) from another victim, Sue Bukoskey, I wish to submit for the record in opposition to S.B. 312.

Senator Spearman:
How does the mission of the community-based panels conflict with what the judges are doing? The missions of MADD and STOP DUI, Inc. seem complementary to what the judges do.

Judge Glasson:
They are not in conflict. The methods are different but not the mission. By law, judges must compile a list of speakers willing to discuss the impact with offenders. I do not allow the 60-mile exemption. Most judges do not allow it. The mission of speaking to the offenders is the common goal. I have never heard of a for-profit outfit conducting panels. The problem in the north is access to victims and getting the panels started. In Eureka, Austin or Hawthorne, for example, the problem is getting to a program. There will not be a sponsor as envisioned in this bill in those rural areas. What will we do if judges are banned? I understand the goal is to remove the for-profit outfits from this business, and I am not against that. I am opposed to removing judicial oversight and preventing me from doing my job in my courtroom with my offenders for my victims.

Senator Spearman:
Are you saying you would not have access to victims if this bill becomes law?

Judge Glasson:
Correct.

Senator Spearman:
Usually when rape victims go to hospitals for help, they are referred to rape crisis centers. Protocols are in place so they know where to go for help. Is it possible to use a system similar to this so you will have access to victims?

Judge Glasson:
No. It works the other way around.

Senator Spearman:
Can you work with STOP DUI, Inc. to fix this situation?

Judge Glasson:
Will STOP DUI, Inc. be the only provider in the State? It seems as if that is the way this is being planned. I can work with anybody. It is not financially feasible

to expect Clark County to provide three speakers each quarter for the Douglas County program. However, if the State mandates the sponsor to provide speakers to rural counties, I would say, "Hallelujah!" To require that each justice court in the 38 rural areas be supplied with speakers as a condition of being licensed by the DMV would be a tremendous benefit. That is a wonderful idea, Senator Spearman.

Senator Atkinson:
I will close the hearing on S.B. 312 and bring it back to the Committee for further consideration.

Chair Manendo:
Senate Bill 430 will need to be rereferred to the Senate Committee on Finance before the deadline so it can be exempted.

SENATE BILL 430: Revises provisions related to motor carriers. (BDR 58-1072)

SENATOR SPEARMAN MOVED TO REREFER S.B. 430 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

* * * * *

Chair Manendo:
Having no other business now, I adjourn this meeting at 12:22 p.m.

RESPECTFULLY SUBMITTED:

_____
Jennie F. Bear,
Committee Secretary

APPROVED BY:

_____
Senator Mark A. Manendo, Chair

DATE: _____

EXHIBITS				
Bill	**Exhibit**		**Witness / Agency**	**Description**
	A	1		Agenda
	B	7		Attendance Roster
S.B. 429	C	5	Michael Sullivan	Written Testimony
S.B. 263	D	2	Senator Barbara K. Cegavske	Written Testimony
S.B. 263	E	6	Kimberly Maxson Rushton	Proposed Amendment
S.B. 312	F	2	Senator Mark A. Manendo	Written Testimony
S.B. 312	G	28	Sandy Heverly	Written Testimony
S.B. 312	H	4	Sandra Scott	Written Testimony
S.B. 312	I	3	Joan Eddowes	Written Testimony
S.B. 312	J	4	Nancy Greiner	Written Testimony
S.B. 312	K	5	Melanie Holt	Written Testimony
S.B. 312	L	3	Judge Richard Glasson	Written Testimony from Judge E. Alan Tiras
S.B. 312	M	9	Linda Finch	Written Testimony
S.B. 312	N	4	Linda Finch	Sue Bukoskey's Written Testimony