

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

**Seventy-Eighth Session
April 30, 2015**

The Committee on Transportation was called to order by Chair Jim Wheeler at 3:16 p.m. on Thursday, April 30, 2015, 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 www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Jim Wheeler, Chair
Assemblywoman Jill Dickman, Vice Chair
Assemblyman Nelson Araujo
Assemblyman Richard Carrillo
Assemblywoman Victoria A. Dooling
Assemblyman Edgar Flores
Assemblyman Brent A. Jones
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman P.K. O'Neill
Assemblyman Stephen H. Silberkraus
Assemblywoman Ellen B. Spiegel
Assemblyman Michael C. Sprinkle
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblywoman Michele Fiore (excused)



GUEST LEGISLATORS PRESENT:

Senator Greg Brower, Senate District No. 15
Senator David R. Parks, Senate District No. 7

STAFF MEMBERS PRESENT:

Michelle L. Van Geel, Committee Policy Analyst
Melissa N. Mundy, Committee Counsel
Henri Stone, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Eric Spratley, Lieutenant, Legislative Services, Washoe County Sheriff's Office
Sean McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles
Ed Garcia, representing DesertXpress Enterprises, LLC, dba XpressWest
Greg Gilbert, representing Xpress West
John Fudenberg, Coroner, Government Affairs, Office of the Coroner/Medical Examiner, Clark County
Kelly Martinez, Government Affairs Officer, Office of Administrative Services, City of Las Vegas
Matthew B. Parker, Chairman, Nevada State Legislative Board, and Brotherhood of Locomotive Engineers and Trainmen
Jeannie Kim, Commissioner, California-Nevada Super Speed Ground Transportation Commission
Richann Bender, Executive Director, California-Nevada Super Speed Ground Transportation Commission

Chair Wheeler:

[Roll was taken. Protocol and procedures were explained.] We will begin with Senate Bill 121 (1st Reprint). Senator Greg Brower is here to present this to us.

Senate Bill 121 (1st Reprint): Revises provisions relating to certain special license plates. (BDR 43-413)

Senator Greg Brower, Senate District No. 15:

Senate Bill 121 (1st Reprint) is being introduced at the request of a constituent who discovered a loophole in the current law regarding license plates. The intention of S.B. 121 (R1) is to fix this and to allow the owner of a vehicle that otherwise qualifies for classic rod or classic vehicle status to register as

such while maintaining their own personalized prestige plates. If you had a 1968 Camaro and it qualified as a classic vehicle but you also wanted to put JW1 on the plates, under the current law you could not do both. If you wanted to register with the classic vehicle plates you would have to have the classic vehicle plates. Although the Department of Motor Vehicles (DMV) has been great and very cooperative with respect to this bill, and even offered up a compromise whereby you could put "JW1" because it is only three characters on the classic vehicle plate, if you had a six-character personalized plate, that would not fit and would not be possible. The compromise that we worked out is that they would, if this bill passes, endeavor to create the appropriate programming within DMV to make this possible.

The operative sections of the bill in that regard are sections 3 and 4. Section 4, subsection 1 reads, "Upon passage and approval for the purposes of the adoption of regulations and any other preparatory and administrative tasks that are necessary to carry out the versions of this act," giving them some time to come back to the Legislature in the future and notify the Legislature that it is now ready with the new programming to put this new scheme into effect. It is an important fix. The bill does not require that it be done immediately. We are not imposing a mandate on DMV to do something that they say requires a little bit of reprogramming. We will give them time to do that. Anybody who wants to take advantage of both the classic rod or classic vehicle and the personalized plates would have to pay all of the fees that correspond to both. It is a potential moneymaker for the state and would make a lot of constituents happy.

Chair Wheeler:

Are there any questions for the Senator?

Assemblyman Carrillo:

Thank you for bringing this forward. Anything to do with classic vehicles is appreciated. I know that the classic vehicle insignia takes up a portion of the plate, so how many characters would be permitted on the plate?

Senator Brower:

Upon some necessary reprogramming by DMV, the idea would be to allow you to register your vehicle as a classic rod or classic vehicle, thereby getting the benefits of that status, but it would not have the words "classic vehicle" or "classic rod" inscribed on it. If you had a six-character personalized plate, you could put that on your classic vehicle.

Assemblyman Jones:

We have had some bills come through here relating to classic vehicles. How would these coordinate? Could they be compatible?

Chair Wheeler:

The bills have nothing to do with each other. All we did is set the date on which you could apply for a classic plate.

Assemblyman Jones:

There is still old language in here. Will this be okay?

Chair Wheeler:

We will ask Legal for an opinion. I am pretty sure that our bill is going to override that and that language will be changed.

Melissa N. Mundy, Committee Counsel:

If both bills are passed, we will make sure they do not conflict.

Assemblyman Jones:

So there is no conflict and no problem?

Melissa Mundy:

I do not believe so. I will take a closer look at that other bill.

Chair Wheeler:

Are there any further questions for the Senator?

Assemblywoman Kirkpatrick:

Thank you for bringing this bill. A lot of people have been asking for this so they could have names such as "Old Blue 65," or something along those lines so they could actually show who they are in relation to their older car. I have had lots of requests for this and am glad that someone was able to do it.

Senator Brower:

As I mentioned at the outset, this was requested by a constituent who has several classic vehicles and they all have personalized plates. He would like to pay the extra money to register them as classics and also have his personalized plates; it should work. The DMV has worked closely with us to find a way to reprogram their system to allow for this. That is why the bill, at the end, in sections 3 and 4 gives DMV some time to come up with that reprogramming before we mandate that they put this into effect.

Assemblywoman Dickman:

Why does this require a two-thirds vote? The fees are the same as any other personalized plate, correct?

Senator Brower:

They are and that is a great question. I do not know the answer to that question. This bill had overwhelming support in the Senate—it was unanimous—so we did not focus on the two-thirds issue. I do not see an increased fee. Maybe Legal can weigh in on that.

Melissa Mundy:

I believe it is because a person is now paying two fees. If they only wanted the classic rod plate, they would be paying just the \$35 and \$10 as stated in section 2, subsection 5. But to get the personalized prestige plate, they need to pay that fee in addition to the \$35 and \$20 for issuance or renewal.

Senator Brower:

That, of course, would be correct. It strikes me as an odd way to meet the criterion for the two-thirds vote.

Chair Wheeler:

I looked at the fiscal note. It is zero due to the extension of the date you had in section 4. We will have Legal check on that and let us know before this bill goes to the floor. That two-thirds requirement may be able to be removed. Does anyone have any further questions?

Assemblywoman Kirkpatrick:

I believe it is considered a user fee because it is a fee by choice. In all the years that I have been here, I have never seen anybody take a two-thirds off of a bill. We will have to explain to members that it is a choice—if people choose to have one classic plate all by itself or they choose to go the extra mile, then you do have to pay an additional fee which could be couched as a new fee, but it is still a user fee. It is your choice to have the personalized plate and the classic vehicle. I would be surprised if the two-thirds comes off the bill because typically it prints right away when the bill is drafted, unless you made some major amendments. I think it is a good bill and a choice people should have. I would work hard to make sure we had the 28 votes for it.

Senator Brower:

Frankly, we did not focus on the two-thirds aspect of this at all. You are absolutely right. When there is a new fee or an increased fee, we see

a two-thirds requirement. This is really neither one of these. It is not a new fee or an increased fee. It is kind of in a grey area. I would agree with you. The bill is good enough on its own that we need not worry about that.

Chair Wheeler:

The good news is that we do not need two-thirds to get it out of Committee. Are there any further questions? [There were none.] I would ask for testimony in favor of S.B. 121 (R1).

Eric Spratley, Lieutenant, Legislative Services, Washoe County Sheriff's Office:

I am here in support of S.B. 121 (R1). We have major classic car events throughout the state. In Washoe County, we have Hot August Nights. We do see a number of classic cars. Owners will sometimes throw a plate on the car that might not belong there to travel from one part of the venue to another on one of the streets. This sometimes creates enforcement issues. This would clarify the plates and really help out those classic car owners. We support this bill.

Chair Wheeler:

Any questions for Mr. Spratley? Seeing none, we will take further testimony here in Carson City in favor of S.B. 121 (R1). [There was none.] Is there anyone in Las Vegas? [There was no one.] We will take any testimony in opposition to S.B. 121 (R1). [There was none.] Do we have any neutral testimony here in Carson City?

Sean McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles:

I just want to echo Senator Brower. We have been working with him on this bill. We have a workable solution; we have a way that we can move forward. I just want to get that on the record.

Chair Wheeler:

Are there any questions for Mr. McDonald? [There were none.] I will take a motion to suspend Rule No. 57 of Assembly Resolution 1.

ASSEMBLYMAN SILBERKRAUS MADE A MOTION TO SUSPEND
RULE NO. 57 OF ASSEMBLY RESOLUTION 1.

ASSEMBLYMAN JONES SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN FIORE WAS ABSENT
FOR THE VOTE.

Assemblywoman Kirkpatrick:

Senator, this is good policy. We try to move quickly.

Senator Brower:

I thank the Chair and the Committee for that quick action.

Chair Wheeler:

We have not done anything yet, Senator. All we have done is suspend the rules. I will take a motion to do pass S.B. 121 (R1).

ASSEMBLYMAN SILBERKRAUS MADE A MOTION TO DO PASS
SENATE BILL 121 (1ST REPRINT).

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN FIORE WAS ABSENT
FOR THE VOTE.)

Senator Brower:

I have heard that a number of Assembly bills have made it over to the Senate. I look forward to seeing that list and proceeding accordingly.

Chair Wheeler:

Assemblywoman Dickman will take the floor statement. We will move to the work session, beginning with Senate Bill 2 (1st Reprint).

Senate Bill 2 (1st Reprint): Increases the maximum speed at which a person may drive or operate a vehicle. (BDR 43-13)

Michelle L. Van Geel, Committee Policy Analyst:

Senate Bill 2 (1st Reprint) was heard in Committee on April 23, and is sponsored by Senator Gustavson. It increases the maximum speed limit at which a person may drive or operate a vehicle from 75 miles per hour to 80 miles per hour. The bill allows the Department of Transportation to establish speed limits up to 80 miles per hour for motor vehicles on highways and expands the imposition of a limited \$25 fine for speeding violations within certain incremental parameters up to 85 miles per hour. No formal amendments were offered on the bill. [Read from work session document ([Exhibit C](#)).]

Chair Wheeler:

I will take a motion to do pass.

ASSEMBLYMAN JONES MADE A MOTION TO DO PASS
SENATE BILL 2 (1ST REPRINT).

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

Is there any discussion?

Assemblywoman Kirkpatrick:

I am not going to vote for the 80 miles per hour because I am too chicken to drive more than 75 miles per hour. I just cannot do it. I think 75 miles per hour is a reasonable speed for folks like me.

Assemblywoman Spiegel:

I am going to vote no, but for a different reason. I am nervous about people driving 80 or 85 miles per hour in one lane and 50 miles per hour in the other. There could be accidents when they are changing lanes, and it would be too difficult.

Assemblyman Sprinkle:

I will be voting no due to the increased energy with any kind of crash that does happen with just that 5 miles per hour increase.

Assemblyman Araujo:

I will be voting no as well.

Chair Wheeler:

Just for the record, I am going to let the speed limit catch up with my car and vote yes. Is there any other discussion?

Assemblyman Jones:

I will be voting yes because I looked at the statistics and they proved to me that driving faster is not causing more wrecks. I like to go with the science.

Chair Wheeler:

Is there any other discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN ARAUJO, KIRKPATRICK,
SPIEGEL, AND SPRINKLE VOTED NO. ASSEMBLYMEN FIORE AND
FLORES WERE ABSENT FOR THE VOTE.)

Assemblywoman Dooling will take the floor statement. We will move on to
Senate Bill 3 (1st Reprint).

Senate Bill 3 (1st Reprint): Requires the Department of Motor Vehicles to establish a registry of emergency contact information for certain persons. (BDR 43-14)

Michelle L. Van Geel, Committee Policy Analyst:

Senate Bill 3 (1st Reprint) was also heard on April 23 and also sponsored by Senator Gustavson. The bill requires the Department of Motor Vehicles (DMV) to establish and maintain an Internet-based registry of emergency contact information to be known as the Next-of-Kin Registry. Anyone with a Nevada driver's license, authorization card, or identification card and an Internet portal account with the Department may create a registry of record with the Registry. [Read from work session document ([Exhibit D](#)).]

Three amendments have been offered on this bill. Assemblyman O'Neill offered an amendment to expand the notification provisions of the bill to permit a law enforcement officer or other authorized employee of a law enforcement agency to search the registry during accidents or emergency situations other than motor vehicle accidents ([Exhibit E](#)). The second amendment is offered by DMV and is on page 2 of the work session document (([Exhibit D](#))). It is to delete the double registry provisions of subsection 3 of section 9 which require the DMV to assign a registry record number and registry access code to a registrant because the registrant is already required to have an Internet portal account. The third amendment would be to add Assemblymen O'Neill and Silberkraus as joint sponsors to this bill.

Chair Wheeler:

I will take a motion to amend and do pass.

ASSEMBLYMAN SILBERKRAUS MOVED TO AMEND AND DO
PASS SENATE BILL 3 (1ST REPRINT).

ASSEMBLYMAN O'NEILL SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN FIORE AND FLORES
WERE ABSENT FOR THE VOTE.)

Assemblywoman Spiegel will take the floor statement. We will move on to Senate Bill 142 (1st Reprint).

**Senate Bill 142 (1st Reprint): Revises provisions governing motor vehicles.
(BDR 43-718)**

Michelle L. Van Geel, Committee Policy Analyst:

Senate Bill 142 (1st Reprint) was heard on April 23, also sponsored by Senator Gustavson and other Assembly members. The bill revises the definition of "trimobile" to mean every motor vehicle designed to travel with three wheels in contact with the ground, at least one of which is power driven. The term does not include a motorcycle with a sidecar. The bill also provides that money in the Account for the Program for the Education of Motorcycle Riders may only be used to pay the expenses of the program and not for any other purpose. No formal amendments were offered. A surety bond must be posted with the Department of Motor Vehicles. There were no amendments. [Read from work session document ([Exhibit F](#)).]

Chair Wheeler:

I will take a motion to do pass S.B. 142 (R1).

ASSEMBLYMAN O'NEILL MADE A MOTION TO DO PASS
SENATE BILL 142 (1ST REPRINT).

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN FIORE AND FLORES
WERE ABSENT FOR THE VOTE.)

Assemblyman Flores is not here so he gets the floor statement. We will now hear Senate Bill 229 (1st Reprint).

**Senate Bill 229 (1st Reprint): Provides for the issuance of special license plates
indicating support for Second Amendment rights. (BDR 43-713)**

Michelle L. Van Geel, Committee Policy Analyst:

Senate Bill 229 (1st Reprint) was also heard on April 23 and sponsored by Senator Gustavson. The bill provides for the issuance of special license plates indicating support for the rights guaranteed by the Second Amendment to the *United States Constitution*. The fees generated by such special license plates, in addition to all other applicable registration and license fees and governmental services taxes, must be deposited with the State Treasurer and distributed to the Nevada Firearms Coalition or its successor on a quarterly basis. Such funds

are to be used only to provide or pay for firearm training or firearm safety education. These special license plates must be approved by the Commission on Special License Plates, and after approval, will not be issued until one of the 30 design slots for special license plates becomes available. [Read from work session document ([Exhibit G](#)).]

Chair Wheeler:

I will take a motion to do pass Senate Bill 229 (R1).

ASSEMBLYWOMAN DICKMAN MADE A MOTION TO DO PASS
SENATE BILL 229 (1ST REPRINT).

ASSEMBLYMAN SILBERKRAUS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN FIORE AND FLORES
WERE ABSENT FOR THE VOTE.)

Assemblywoman Dickman has requested and will take the floor statement.

I will close the work session. We will move on to Senate Bill 457 (2nd Reprint). I understand that we will start in Carson City and move to Las Vegas for testimony.

**Senate Bill 457 (2nd Reprint): Creates the Nevada High-Speed Rail Authority.
(BDR 58-1106)**

Ed Garcia, representing DesertXpress Enterprises, LLC, dba XpressWest:

Thank you, members of the Committee, for the opportunity to present Senate Bill 457 (2nd Reprint). On behalf of the proponents of this bill, joining me in Las Vegas is the counsel for XpressWest, Greg Gilbert. Very briefly, the purpose of this bill is to establish the Nevada High-Speed Rail Authority. Specifically it amends *Nevada Revised Statutes* (NRS) Chapter 705 by adding language to establish and govern the High-Speed Rail Authority. The reason that it is necessary to amend the language of NRS Chapter 705 is to bring it in line with recent developments and the current realities of rail transportation in the western United States. As you may know, NRS Chapter 705 currently establishes and governs the California and Nevada Super Speed Ground Transportation Commission. The statute in its current form was established in 2003 and was envisioned as the framework to assist in promoting and establishing a magnetic levitation (maglev) line between Nevada and California. Changes in technology and recent developments in the rail environment, most importantly the decision of California to proceed with high speed rail and not maglev for their line between northern and southern California, as well as

developments at the federal level, make this bill necessary to allow Nevada to fully engage with California and the federal government in pursuing the development of Nevada's portion of the high-speed rail from Las Vegas to southern California.

This bill, as originally presented, had the High-Speed Rail Authority supplanting the Super Speed Ground Transportation Commission. The bill has since been amended and will now maintain the Super Speed Ground Transportation Commission. This will allow Nevada to be involved with California no matter what technology is ultimately selected, be it maglev or other high-speed ground transportation.

There are a couple of points I want to make before I turn it over to the speaker in Las Vegas. It is important to note that this bill does not create any additional financial obligations for the state of Nevada to fund any future rail project. It does not grant any greater authority to the High-Speed Rail Authority than is currently enjoyed by the Super Speed Ground Transportation Commission. We also believe it is important to mention that this bill, although with revisions, was approved unanimously last session by both the Assembly and Senate, but for a last-minute request from the Office of the Governor dealing with the appointment of some board members, it came back and ran out of time before the conference report could be approved by both houses.

I would like to turn this over to our XpressWest counsel, Greg Gilbert, in Las Vegas, to give you an update on high-speed rail in general and XpressWest in particular, and the potential rail between Las Vegas and southern California.

Greg Gilbert, representing XpressWest:

I am an infrastructure and transportation lawyer. For the past seven years, I have primarily worked on infrastructure, including XpressWest in particular. I have worked with the United States Department of Transportation (USDOT), Federal Railroad Administration, and California High-Speed Rail Authority. I think it is worth noting that, from a background perspective, the XpressWest project has taken us around the world. We have gained a thorough understanding of high-speed rail technology—not only what is appropriate and possible here in the United States, but also around the world. We have seen the growing trend of what is being installed, at least for the purpose of ground speed transportation. I am going to talk a little bit about the need for this bill and then provide you with an update concerning the XpressWest project. Some of this may be a bit repetitive, but it is worth noting.

Why do we need this bill? The answer is simple. For the past decade, passenger high-speed rail has been part of our nation's transportation conversation as it relates to rail and infrastructure. Nevada high-speed rail has been part of that conversation to a certain degree, but it has only been part of that conversation because of the XpressWest/DesertXpress project. We have never had a high-speed rail authority dedicated to what is known as steel wheel on rail, which is the prevailing technology that is being used throughout the country. Without a high-speed rail authority to speak at least on behalf of the state or in that capacity, it is very difficult if not impossible to have a governmental representation in that conversation—at least from government to government, whether it is with the USDOT, the Federal Railroad Administration or a neighboring state like California. With regard to our state's only real connection to that governmental conversation, it has just been through the private railroad company known as XpressWest. While these efforts have been significant, DesertXpress and its XpressWest project can only do so much as that private entity. It is time for Nevada to catch up and be a part of that conversation. We believe the only way to do that is to create a high-speed rail authority similar to the high speed rail authority that has existed and currently is robust and active in California.

What exactly does this bill do? It creates the Nevada High-Speed Rail Authority which can officially communicate on behalf of Nevada with neighboring states and the United States Department of Transportation. How does it do that? The bill functionally is fairly simple. It literally has copied the existing language of the maglev statute and changed it so that it would allow for this kind of technology, steel wheel on rail, to exist through the High-Speed Rail Authority. Why can high-speed rail not be advanced by the California-Nevada Super Speed Ground Transportation Commission (Maglev Commission)? The current Maglev Commission in the state of Nevada is dedicated by statute to a specific type of technology. XpressWest and the high-speed rail proponents for steel wheel on rail are taking quite a conservative position in saying that we do not want to negatively impact what the Maglev Commission may do and can do. The maglev statute is not dedicated to other types of technology beyond maglev, so the idea is to create a parallel statute that embraces what the USDOT and what California are advancing. As Mr. Garcia said, does the bill create an obligation for the state beyond what is contemplated by the maglev statute? The answer is no. The language is verbatim with existing law. Does the bill obligate the state as it relates to bonds and other financial commitments? The answer is no. It does not do so and it does not go beyond what the existing statute provides for the Maglev Commission.

With regard to the XpressWest update, you may not understand how much progress the private railroad company has made over time and has done so quite quietly. I will go through a brief description of what the XpressWest project is, tell you a little bit about the highlights of where it is today, and why this is so important. XpressWest is a private company. It is dedicated to connecting the Las Vegas to Victorville segment. The project is 185 miles long. It is designed to be implemented on dedicated track for passengers only. It is primarily located within or adjacent to Interstate 15. There are no grade crossings so an image of high-speed trains whizzing through intersections is not happening here. It is separated completely from other types of transportation and pedestrians. It is fully electric.

XpressWest has obtained its Surface Transportation Board certificate from the federal government. Currently it is recognized as an interstate passenger high-speed railroad with the authority to operate and construct its line. It is recognized by that federal entity that has jurisdiction over these types of projects. The environmental permitting is complete. This took seven years of my life—the process started in 2006 and was not complete in 2011. The records of decision have been published for that line. All federal permits for the XpressWest project have actually been achieved, meaning that all governmental entities that would have had an interest and jurisdiction over the XpressWest project participated in creating those records of decision and participated in approving this project from an environmental-permitting perspective. That was a significant piece of business.

XpressWest has and will continue to lease the land necessary for its routes. When we think about site control, part of this alignment is owned by the Bureau of Land Management (BLM), U.S. Department of the Interior. XpressWest has leased and will continue to lease all BLM property that is within its alignment. It has the right and will continue to have the right to use the land that is necessary for its project. All federal agencies having jurisdiction over the project did approve the environmental process.

The Federal Railroad Administration (FRA), under the USDOT's authority, has recently published the Southwest Multi-State Rail Planning Study, a study that took two years. It involved California, Arizona, and Nevada. The FRA published an opinion and a study that recently found that the XpressWest route and the connection between southern Nevada and Los Angeles was the backbone of the southwest network. We participated in that study. For the past two years, we have been working with the High Desert Corridor Joint Powers Authority to develop an area that links Palmdale, California, to Victorville, California. It has been dubbed "the train to nowhere." Part of the issue is that getting from and to and into southern California has been very complicated because it involves

environmental work in southern California, but we are excited about the first quarter of 2016 when this joint power authority is set to publish its environmental document. That document contemplates a rail system that is designed and specced for the XpressWest project. When that connection is environmentally permitted, it will allow XpressWest to continue with its development to get to Palmdale.

You may wonder why we need to go to Palmdale. It is the site of the existing Metrolink. There is an existing rail network there that brings passengers deeper into California and the Los Angeles Basin. The other reason is because the California High-Speed Rail Authority has located a station site for its project in Palmdale. The California High-Speed Rail Authority has been diligently working on connecting Palmdale to a future station site in Burbank. That is currently in development, and the environmental work on that is about to commence.

That brings up the relationship with California. It should not shock you to know that we have been working with the California High-Speed Rail Authority as a railroad company to essentially achieve a seamless network connecting Las Vegas to the California high-speed rail network, which is the overall goal. These are large infrastructure projects that take an inordinate amount of time. That has to be specified and planned in the beginning so that you do not forget to connect somewhere in the middle. At this point, Palmdale is in the middle.

California's high-speed rail system that is currently being built—their first segment is starting in the Central Valley—has the same specifications and design as the XpressWest system. You will be able to envision riding an XpressWest train to that system, and similarly, California rolling stock would be able to ride on the XpressWest track to Las Vegas. The systems and the design are meant to create "interoperability." That is an important word throughout the country. Systems that are selected in each state are supposed to efficiently and effectively be able to have reciprocal traffic. That is what USDOT and the Federal Railroad Administration have been wanting and promoting. It is no surprise that the California system is the same type of design as the XpressWest system.

At this point it should be clear that these projects do not take weeks and hours; they take years and decades. There are a number of reasons that having a statute that is styled in the name of a high-speed rail authority will help us and the state, and will enable us to engage at a governmental level with California and with the USDOT. It is also important for the ever-looming question of who is going to pay for these types of things? I will not bore you with the legislative history and what is going on in Washington, D.C., but bills are being introduced to help restructure federal funding and opportunities for these types of projects.

It would be wonderful if our state could engage in those conversations meaningfully as a high-speed rail authority with the technology that is being supported around the country. Are there any questions?

[Assemblywoman Dickman assumed the Chair.]

Assemblywoman Kirkpatrick:

Bills creating an authority typically go to the Assembly Committee on Government Affairs. It is odd that this is in the Assembly Committee on Transportation. Section 8.8, subsection 2 says the Authority is not liable for any act or omission pursuant to sections 8.2 to 8.9, inclusive, of this act. Who is liable if this Authority goes out and gets bonds, grants and financing? In another section it says the Authority has the ability to do that. Who secures that information? How is it filed with the Internal Revenue Service (IRS)—as a limited liability company (LLC) or a Form 990 [federal tax form used by certain tax-exempt organizations]? I want the record to be clear as to what the expectation is. I also have a question about section 8.85, subsection 6 that talks about the creation and how the money is obtained. What should the legislative intent be on that?

Greg Gilbert:

Section 8.8, subsection 2 is identical to the section that currently exists under NRS 705.4295 subsection 2. I bring that to your attention simply because that is language that already exists that we have just moved over for the purpose of this bill. The idea is that this bill, much like the maglev bill, simply intends to allow projects like this and like the maglev to raise revenue bonds, not obligations of the state. If the project has the ability to raise funds as a project not obligating the state, but would like to issue revenue bonds based on ridership or revenue that comes in off the project, it may do so. That is what the original intent of the maglev language was, and that is what the intent of this is also in section 8.8, subsection 2.

Assemblywoman Kirkpatrick:

I am not familiar with the other bill. I am concerned about the bill I have in front of me. What you talked about is having the ability to get revenue bonds. This, in particular, says that you are not liable—so I want to know, who is liable for those bonds if something goes defunct or the revenues do not come in? It requires you to fill out an IRS form. Where can I, as a policymaker, go to follow the legislation, to see the revenue you are collecting, the wages that you are paying? All of that would be on the IRS form, I would think.

Greg Gilbert:

I have actually reversed the answer. With regard to section 8.8, subsection 2, the intent of this language is to say that the members of the Nevada High-Speed Rail Authority, as a governmental entity, will not be liable for damages that result from any acts that they carry out in furtherance of sections 8.2 through 8.9. That brings us to your question—who would? The answer to that question is the project or, in this case, the franchisee. The concept under both statutes—the one that exists and the one that is contemplated here—is that the project itself would be responsible for any type of bond, revenue or otherwise, that it was able to procure or a grant that it was able to receive. The project would be the party responsible for making those commitments come true. Did that respond to your question on section 8.8, subsection 2?

Assemblywoman Kirkpatrick:

Somewhat. How is it going to be listed with the IRS? Is that a public document? For example, I can go and look at the Form 990s today. They are typically a nonprofit type of organization. Or, is it going to be listed as an LLC?

Greg Gilbert:

My understanding is that it would be listed as an LLC, but I think it is worth looking into. The expectation is that it would be an entity-level LLC and listed accordingly as the franchisee.

Assemblywoman Kirkpatrick:

Why do we need legislative authority to create the Authority? In everything else I have seen in the past, when you create the stadium authority it is because the state has skin in the game so you need some legislative oversight so that we know where those dollars are going. We have nonprofits on the state level that are allowed through the Department of Business and Industry. We do that because we have skin in the game or are receiving the grants that actually come through the State Treasurer and then get doled over to our entities, but those are also nonprofits. I am not familiar with the other legislation. I am just trying to understand why you need state authority to do this.

Vice Chair Dickman:

Do you have a response for Assemblywoman Kirkpatrick?

Greg Gilbert:

I do not know the history of what created the maglev statute and why a state authority was deemed necessary. I think within the statute, the Authority, the appointees, are created by the Governor. I think that the point of the Authority in the prior statute is that it is going to be identified as the applicant for federal grants or funds that it could be eligible to receive. Because it has the

transportation element associated with it, I am assuming that the government, the legislators, had it reporting to the government or to Nevada's Department of Transportation (NDOT) at some level because of its transportation aspect. I will look into it.

[Assemblyman Wheeler reassumed the Chair.]

Chair Wheeler:

Please get back to members of the Committee with the answer.

Assemblyman Sprinkle:

I must have misunderstood because we continue to talk about the Authority that is created in this. I thought I heard that there was an amendment that said the Authority was not necessary and we were going to use the original committee or commission.

Ed Garcia:

There currently exists the California-Nevada Super Speed Ground Transportation Commission that deals solely with maglev. Under NRS Chapter 705, the train has to go at least 240 miles per hour and is specifically called "magnetic levitation" in the statute. That is not what XpressWest deals with, so they would not qualify to be governed by that Commission. What we were doing is going ahead and presenting a bill which would create an authority which would allow not only XpressWest, and any other high speed proponent, to try and connect that rail. At the time, we did not know that the Super Speed Ground Transportation Commission was active and viable, so the original thought was to replace it with something a little broader and less limiting than maglev. We had some concerns. People said there is a commission that is still looking at maglev, so we thought we would go ahead and allow that Commission to continue and we would create another entity that would govern high-speed rail as opposed to maglev. Does that answer your question?

Assemblyman Sprinkle:

Yes, thank you. Section 8.7, subsection 3, paragraph (a) talks about acquiring or gaining control or use of lands. Is that meant to allow eminent domain acquisitions through this? Since we do have legislative appointments to this Authority, will there be reporting back to the Legislature in regard to the actions that are being taken by this Authority?

Greg Gilbert:

Section 8.7, subsection 3 is a direct replication of what is currently in NRS 705.4294. The intention is to allow the Authority to have a right to acquire or gain control of land. Eminent domain is not mentioned here.

It is worth noting that eminent domain laws that are presently in our statutes already provide for who is eligible to use those eminent domain statutes. XpressWest, as an interstate federal railroad, has its own powers for eminent domain that are granted to it via existing Nevada statute. The quick answer to your question is if an alignment were selected for a rail option, that alignment would be socialized with any government entity that had jurisdiction over that alignment—whether it is NDOT, Clark County, or any cities in between Las Vegas and Victorville, at this point in time, or other southern California cities. It does not call out for eminent domain, but it does mention that the Authority would have the ability to work with other parties through an interlocal agreement, a lease, or something short of eminent domain.

Chair Wheeler:

I am checking with Legal. We will get back to the eminent domain question.

Assemblyman Jones:

I am a little confused. This seems like a very good idea if you can reduce traffic by 25 percent and provide more access, but at the same time we have heard of so many boondoggles associated with rail transportation that it is pretty scary. I would like some clarification. We have the Maglev Commission that already exists. Why could we not amend the existing Commission to say maglev and other high-speed transportation instead of creating two separate commissions? We are trying to consolidate commissions and here we are creating two that basically cover the same thing except for a slight definition on which exact train technology we are going to use.

Greg Gilbert:

I understand your point. I think the history of the Maglev Commission has been dedicated to a certain type of technology which is so distinctly different than steel wheel on rail that it is simply incompatible. Those concepts do not work together. The Commission in its current configuration, the history of those that have worked on the Commission and around the Commission and have been in contract with the Commission are dedicated to promoting a certain type of technology which the statute requires. There is no history of integrated options for different types of technology. The current board, the current philosophy, and the history of this Commission simply has been intertwined with maglev—magnetic levitation. We would have to do quite a bit of work on the existing statute to make it as broad as what you may be contemplating.

Assemblyman Jones:

We are talking then about viewpoints that are so incompatible that they would not get along. If you could, give us a brief explanation as to why they are not

compatible and what the real differences are. Secondly, are we going to have a third commission to determine which technology is better, the high-speed rail or the maglev before we try to move forward?

Greg Gilbert:

Maglev technology is completely different than steel wheel on rail. Steel wheel on rail is just that—it is what you think of as a train. Magnetic levitation systems do not exist in the United States and to my knowledge, none are being planned in the United States. This is a system that is based on a concrete track where the rolling stock, the train cabin itself, floats on a magnetic levitation propulsion system. These systems are completely incompatible; they are not interoperable. They are not designed in similar ways. They are simply different flavors. A magnetic levitation system is not even within the realm of being in a rail discussion. I do not look at them competing at all because they are apples and zucchinis.

Your next question was, will we need to have another commission to decide whether one is better than the other? The project that is developed and approved by the federal government as it relates to rail is the one that will be installed. It is not a competition—it is a question of what systems are being developed around the country. In this situation, there is not any question that the California High-Speed Rail System is based on steel wheel on rail. There is no discussion about it because it has already been designed and is being built. There are no other maglev projects in the United States other than the one, theoretically, that Nevada will have one day. There is nothing for it to connect to on any end.

Assemblyman Sprinkle:

Section 8.6 says, "The Authority is hereby designated as an agency of the State of Nevada for the purposes of carrying out the provisions of sections 8.2 to 8.9, inclusive, of this act." Who oversees this? Will they be reporting back to this legislative body? What are we going to know as far as the actions that are being undertaken by this Authority?

Ed Garcia:

The intent of this is to create an authority with appointed board members who would be the oversight. Last session there was an attempt to include legislative oversight by having board members appointed by the Legislature. That is what had to be changed in the last-minute amendment. Unfortunately, that was not approved. As we proposed the bill last time, legislative oversight was included. We are happy to have further discussions about that.

[Assemblywoman Dickman assumed the Chair.]

Assemblyman Carrillo:

Section 8.5 talks about five members appointed by the Governor. Why are there appointments by the Governor and not by the Legislature?

Ed Garcia:

That was a change that was made in the bill last session. We are happy to discuss that further. I think that was a point of contention the last time the bill came through as well.

Assemblywoman Kirkpatrick:

I would bet that as the Legislature, we do not always want to be part of these authorities for making sure that the three branches of government stay equal. We do not typically oversee those kinds of boards with the money during the interim. Basically there are no real requirements of who gets appointed by the Governor. I would feel better if I knew they had some expertise in at least finance if somebody is going to be in charge of money and bonding capabilities. It basically says five people, but there is nothing about finance there. I was wondering if that was brought up during the Senate hearing. If you are going to have a board you want to make sure it is functional. I am struggling with what happens if this goes bad? Where does it fall? Does it fall on the Legislature, the Governor and the Executive Branch, or into a sinkhole because no one is responsible for it? It seems there must be a hook for the members to be held accountable if they go out and get these bonds. The way I read this is you are going to be able to use the State's bonding rate at some point. If those rates are beneficial to you, they could also be detrimental to us if things did not go right.

Ed Garcia:

I would like to follow up on the issue with oversight. That was the concern raised—that would be constitutionally setting a precedent that the Governor did not want to engage in last session because that is not typically the way it is done. What was the follow-up question?

Assemblywoman Kirkpatrick:

I do not feel that I have a concrete answer on who is responsible for these bonds if they go bad. I do not have a level of comfort on who that is. I think this should have gone to the Assembly Committee on Government Affairs. I think that there are different ways this could have been addressed through Economic Development, Office of the Governor, through the transportation sector, even through the hospitality sector. I just do not feel that I know who is on the hook. I will use a really bad example to prove my point—the monorail.

That is a really good example of when things go bad. The hook was on Clark County taxpayers at one point, and then it became the state's problem. I just want to know who is on the hook for this.

Ed Garcia:

I was clear with that question. I was unclear on the question you stated earlier regarding expertise of appointees to the board. I think there is more expertise required of this Authority than there was previously. We are happy to entertain a request that there be a certain expertise on the board. That only helps the Authority. If someone is going to loan you the money, they realize that when you come to them, whatever investment will be secured by fare revenue. That is ultimately going to hinder the process because of examples like the monorail. What should have happened did with the monorail project. The bondholders were on the hook—it was not the State of Nevada, it was not Clark County. Not one cent of taxpayer dollars ended up going to pay those bonds back. Because of that, people will be very hesitant to invest in bonds solely secured by fare box revenue. Mr. Gilbert can explain in more detail how the financial instruments work in this type of situation.

Assemblywoman Kirkpatrick:

Before he does that, I will say that I think that one of those five members has to have some kind of financial background.

Greg Gilbert:

I think those are good questions. By way of background, section 8.85 is the existing section in the maglev statute, NRS 705.42955. This is a verbatim cut and paste of that exact statute. I think the answer is found in reading section 8.85, Assemblywoman Kirkpatrick. In subsection 2, it talks about what would secure those bonds. In that subsection, it references pledge of revenue, pledge from the system, pledge of any money made available to the Authority or corporation formed by the Authority, grants from the federal government, and funds that may be made available to pay costs of the system. Any public or private company funds that would be committed to this, either through the form of equity or other loans that would be subordinate to these funds, or any other local or governmental entity that chooses to be involved, not that is forced to be involved. The security devices that would support any of these bonds that you are appropriately nervous about in identifying—the answers were in the original statute and are the same as in this statute. I think it is worth going back to address these issues to understand whether these things

could be more robust. To your point, we would agree that having a financial person on the Authority makes sense and is a very elegant way of handling a situation that, should the Authority receive funds at some point in time, it would actually know what to do with them. We would certainly go back and try to promote that idea.

Assemblywoman Kirkpatrick:

Because you keep referring to this other legislation, could you find that for me so I could look at it and understand the history and maybe read the minutes on it? I do not know what the other legislation is that this was copied and pasted from. I am a policy wonk who likes to understand the history and read the minutes to figure out what the thought process is behind it because it might make it clearer for me.

Greg Gilbert:

We would be happy to study and assemble those materials for your review.

Assemblyman Araujo:

Section 15 says, that the Nevada High-Speed Rail Authority, which would be created by July 1, 2015, would be tasked to select a franchisee by October 1, 2015. That essentially gives you three months. Is this enough time for the Authority to select a franchisee?

Greg Gilbert:

We think it is sufficient time to provide for anyone to select a franchisee specifically based on the criteria that has been included in this bill. Much of this is in harmony with what the federal government and California are promoting with regard to their systems.

Assemblyman Carrillo:

This bill is peppered with wording about the Governor appointing people. Has this already been vetted through the Governor's Office? Has the Governor already approved this? If it goes through both houses, can we expect this to be signed? Is this a done deal through the Governor's Office?

Ed Garcia:

I do not want to speak on behalf of the Governor's Office, but we have been in touch with them. They were also intimately involved with this legislation. My understanding is that we are okay with that language, but for that appointment authority.

Assemblyman Jones:

Assemblywoman Kirkpatrick brings up a good point that perhaps Legal could clarify. It is my understanding that this is basically an exploratory-enabling legislation to think of a plan. Once there are details about how much it is going to cost, how much the federal government is willing to contribute, who is going to potentially finance this, we would have to come back if the state was going to be held liable for anything. It would have to be approved at that point—we could approve to allocate \$50 million through the NDOT and we are going to do this or that as a percentage. I do not think that your Authority right now would have any authority to put us on the hook for any obligations at this point. Am I reading it correctly that with this legislation, you are trying to figure out what the package would be?

Melissa N. Mundy, Committee Counsel:

I believe that is correct.

Vice Chair Dickman:

Are there any further questions from the Committee?

Assemblywoman Kirkpatrick:

The language that is currently in statute was started in 1987, an amendment was made in 1991, and there was another in 2001. In 2003, this actually was put into place. Typically, when we do authorities, there are some startup costs. Where do you meet? How do you have the conversation? You need maps. I am assuming that you might have federal grants. I would like to know how that gets deposited and spent. Sometimes when we do authorities, we use the state as a mom and we say, Mom is going to watch just in case. I need to know how Mom is going to watch if the federal government gives you money, so that we can ensure that we are not on the hook to pay it back even through the exploratory process. You only need an authority if you are expecting some revenue to come in, correct? Otherwise everybody has been sitting in a room talking about how to get this together. You do not need an authority until you want to get some cash to fund your conversations. Is that a fair statement?

Greg Gilbert:

I think that was the perfect way to characterize my mom, so it was a fair statement. This statute contemplates that the Authority will delegate and select a franchisee, which is ultimately the project. What is contemplated here is that it will not be the Authority that does more than the mom overview. As it relates to costs and liabilities and risk-shifting, it would be the franchisee that holds those types of risks as contemplated in this bill. I think that your point is very well taken that there should be a nexus between the project's risks and liabilities and what it obligates itself to achieve and what the Authority would be

doing in terms of transparency and reporting obligations to make sure the state is not at risk. This statute, as it is currently drafted, does not contemplate and is completely silent as to obligations that the state would have. It is not intended to do that. It does not create that type of authority much like the maglev statute. That is not here. There is nothing express or implied. It is ultimately the franchisee that has those obligations and the reporting obligations to the state as it relates to its progress on a particular project that is being selected by the Authority. I hope that helps.

Assemblywoman Kirkpatrick:

Yes, it does. I wish that I had asked that question 40 minutes ago.

Vice Chair Dickman:

Are there any more questions from the Committee? Seeing none, we will now take testimony in support of the bill.

John Fudenberg, Coroner, Government Affairs, Office of the Coroner/Medical Examiner, Clark County:

I have discussed some of our concerns with Mr. Garcia and will be working on some amendments. I apologize for not having them ready today for the Committee. There are a few issues that I would like to clarify. I would like to give a brief overview for the record. In section 8.7, subsection 3, we would like to be clear that the franchisee will need to negotiate with the local entities for the acquisition of the property. In other words, this franchisee does not get the right to build and operate facilities on a county right-of-way in the same manner that traditional utilities would. We want to put that language in; we think it is very important to have that language in the bill.

Another concern is that there is language in section 5, subsection 3 of the bill as introduced that was removed. We would like to see that language placed back in this bill. Basically that language allows for local entities to have input on the location of the stations. We think that is very important as the local jurisdictions are most familiar with their respective areas and can give everyone a better idea of where they should be located due to traffic flow.

In section 8.7, subsection 3, paragraph (f), we would like to eliminate the reference to the Surface Transportation Board of the U.S. Department of Transportation. The preemptive right is outlined in law. We do not want this language to infer the franchisee has preemptive right. We feel if that language is left in that may be the case. We would just like to refer to the law and not imply that they have preemptive right.

Assemblyman Jones:

Is this a high priority for Clark County? Are you actively trying to get this created or are you passive?

John Fudenberg:

I do not have the answer to that question. A few of these amendments are very important to us, if this bill does pass. As far as whether or not this particular bill creating this Authority is a high priority for Clark County, I do not have that answer. I can certainly find that out.

Assemblyman Jones:

I am not asking specifically about this bill. What I am interested in is if a high-speed train of some sort to connect Las Vegas with southern California is a high priority for Clark County.

John Fudenberg:

I do not have the answer to that. I cannot speak for the county management or the Clark County Board of Commissioners.

Vice Chair Dickman:

Thank you. We will move on.

**Kelly Martinez, Government Affairs Officer, Office of Administrative Services,
City of Las Vegas:**

I would like to support the proposed amendments that our friends from Clark County have identified. To answer your question, we are also in support of a concept of high-speed rail. Our mayor has met with the proponents of the bill in previous years and does see this as a priority. We think there needs to be a stop in the downtown Las Vegas area. We are in support with some concerns.

Vice Chair Dickman:

Are there any questions? [There were none.]

**Matthew B. Parker, Chairman, Nevada State Legislative Board, Brotherhood of
Locomotive Engineers and Trainmen:**

Our organization, both nationally and in Nevada, supports the development of high-speed rail. As Assemblywoman Kirkpatrick noted, the expansion of passenger rail service has been a topic of increased discussion. The reason for that is that passenger rail has experienced growth and popularity as a mode of transportation as evidenced by ridership numbers reported by Amtrak.

In 11 of the past 12 fiscal years, they have set new records for ridership. Here in Nevada we have one passenger train service at this point, one eastbound and one westbound train serving the northern part of the state—Reno, Winnemucca, and Elko. In six consecutive fiscal years, Amtrak reported growth in the number of people boarding and detraining here in northern Nevada. In 2013, they reported 80,216 riders on that route, a route that the National Association of Railroad Passengers calculates serves just over 519,000 people living within 25 miles of the three stations served. This bill addresses a goal of establishing high-speed rail service out of Las Vegas, where the bulk of the population of this state lives.

Assemblywoman Dooling and I were discussing the fact that Las Vegas has not had rail passenger service since 1995. When the Amtrak Reauthorization Bill was voted on this year by the United States House of Representatives, Congresswoman Titus, in her remarks on the House floor, also noted Las Vegas's lack of passenger rail service and her desire to see that service restored.

Assemblywoman Kirkpatrick discussed concerns over some of the start-up costs on this. California has funded part of that project so far with cap-and-trade auction proceeds based on their estimation in the reduction of passengers using fossil-fueled cars and planes in favor of an electric rail service. This bill is an important step in moving Nevada forward in the development of high-speed rail and continuing to partner with California, where construction of the first 65 miles of their proposed high-speed rail system in the San Joaquin Valley has already been funded. I ask for your support for S.B. 457 (R2).

Vice Chair Dickman:

Is there anyone else in the Carson City who would like to speak in support of the bill? [There was no one.]

Assemblyman Carrillo:

Mr. Fudenberg, you said there was a certain section that you wanted to have put back into the bill. I wanted to confirm that it was section 5 that was deleted by amendment.

John Fudenberg:

That is correct. As the bill was introduced it was section 5, subsection 3.

Vice Chair Dickman:

Is there anyone in Las Vegas who would like to testify in support of the bill? Seeing none, we will take testimony in opposition to S.B. 457 (R2).

Senator David R. Parks, Senate District No. 7:

We have someone in Las Vegas prepared to speak, and I would like to follow them.

Jeannie Kim, Commissioner, California-Nevada Super Speed Ground Transportation Commission:

I was appointed to the Commission by Governor Sandoval in 2013. This California-Nevada Commission has been in place since 1988. It is in NRS 705.4291 through 705.4296. I object to S.B. 457 (R2). The reasons are that we already have a commission in place to implement high-speed train services between Las Vegas and southern California. This route was selected after many studies were conducted and the corridor from Las Vegas to Primm to Victorville to Ontario to Anaheim was chosen. A train authority agreement was awarded back in 1996 to the American Magline Group, an industrial consortium of U.S. companies that will design, build, operate, and maintain high-speed train services. Next, S.B. 457 (R2) was written with specific language and criteria so the franchise can only be awarded to one group that meets these specifications. That group is XpressWest, which used to be known as DesertXpress. They are developing another project between Las Vegas and Victorville, with a possible extension to Palmdale. Third, having more than one state authority is confusing to the public and to potential investors. We already have a commitment to the total project by private investment for this high-speed train, so having two different commissions could jeopardize our agreement with our investors. I do respectfully ask you to keep the existing commission as is so that we can move forward with our project.

Assemblyman Jones:

You mentioned that the franchise was granted for your commission's train back in 1996 or 1997. If it was granted way back then, why has something not happened since then? If it is financed as you mentioned, why is it not started? Why are we not reading about it?

Jeanne Kim:

I was not here in 1998. I was appointed two years ago. My understanding about this Commission is that we are flexible and looking at different technology as well as maglev. Back in 1998 or 2003, our Commission made a trip to China and tried two different technologies, maglev and regular high-speed train. Our Commission chose to proceed with the maglev, which is more than appropriate for travel between Nevada and California. Why did we not do the project? At that point, we were counting on federal funds to build the project.

Right now, we know it is going to be very difficult to proceed with totally federal funds. We actually have a commitment from a private investor to come in to support our project. That way it could be maglev or a regular high-speed train. So we are not only limited to a maglev train system.

Vice Chair Dickman:

Is there anyone else in Las Vegas wishing to testify in opposition?

Jeannie Kim:

I have only been a member of this Commission for two years. We have the director of our Commission, who has been around since Day One. She may be able to explain our project a little bit better.

Richann Bender, Executive Director, California-Nevada Super Speed Ground Transportation Commission:

I have been working on this project for many years. We have received federal funds for the development of our study work. We were part of a maglev deployment program, a national program to work on maglev technology. Some of our study work revolved around that. That was many years of studying to determine if maglev would have potential in the United States. Today, maglev is operational in Shanghai, going from the city of Shanghai to the airport. It is currently a small system, but they are working on an extension. Also, maglev is being looked at in other parts of the world.

Because it is a new technology, and because it operates at 300 miles per hour, there have been a lot of studies done on electromagnetic effects, the noise levels, et cetera, that are filed with the Federal Railroad Administration. Any questions regarding the new technology can be found there. We looked at maglev for our corridor because of the route that we chose. The maglev technology can take a 6 percent grade. Therefore, it would be able to go through the Cajon Pass. That is why we selected it—a more direct route into the southern California's large population center. LA/Ontario International Airport was one of our station sites and also the new Anaheim Regional Transportation Intermodal Center (ARTIC) Station in Anaheim.

We have spent a lot of years working on this project and certainly have had our ups and downs. It is not easy to implement high-speed rail in the United States. I think that both projects would say that. You meet up with a lot of obstacles that are not easy to get over. It was interesting that the other group decided to use our legislation to write theirs. I do believe our Commission's legislation as it exists is good, our commissioners are good, and we are working hard. We were preparing to make a report. We did not know that this was coming up.

We want to say that we want our legislation to stay in place. We want to continue on with our project and our new investor that has the potential of funding at least the first segment of our project.

Assemblyman Jones:

It appears then that XpressWest, a private entity, is trying to create another quasi-government entity to help approve its plan. Is your investor for maglev or for high-speed rail?

Jeanne Kim:

It can be either.

Assemblyman Jones:

Before an investor can get involved, they would probably need to know precisely what it was going to be—one or the other. It appears that you have two competing interests. It might then be a race as to who can get this. Obviously, we would not approve or fund both programs. Are we then creating a race between two quasi-government entities to see who comes up with the best plan the fastest?

Richann Bender:

It is my understanding that if the XpressWest project were to be selected by this new Authority, I believe their route is between Las Vegas and Victorville, with a possible extension to Palmdale. I am not sure what their corridor is along Interstate 15 into Victorville. You could be creating two different projects. Theirs would go into Victorville and ours would go to Anaheim.

Assemblyman Jones:

Practically speaking, I do not think this would be feasible. These projects are in the hundreds of millions of dollars. I do not think it would be realistic to have two almost identical projects, even though one goes into Anaheim and the other to Victorville, and approve and fund them both. Would it not have to be one or the other?

Jeanne Kim:

We are not looking for any government funds at this point. I am requesting to keep our Commission as is. The maglev is pretty good technology; however, we are also looking into different technology as well. Maglev was not chosen by the government, it was actually chosen by our Commission. We are looking

at a few different types of high-tech technology for high-speed trains from Las Vegas to southern California. Our Commission is not only designed for maglev. It is for high-speed ground transportation, so it could be for whatever works the best for our state. That is the main reason I object to having another commission pretty much with the same purpose for our state.

Senator Parks:

What I would like to do is to compare and contrast a little of what we have here. We do have in place a super speed train commission, which has been in effect for many years and has concentrated on maglev technology. However, there are other technologies out there that are similar to maglev. They differ in the fact that XpressWest proposes a steel wheel on rail technology which, as we all know, is several centuries old, versus the more recent development of maglev or other high-speed rail technology. The difference, of course, is that maglev technology allows for speeds of 300 miles per hour, whereas a steel wheel tends to not exceed 130 to 140 miles per hour. What I think this bill comes down to, and where we come out, is that the passage of this bill would, in effect, create two competing governmental entities by the state of Nevada to develop a high-speed train along the same corridor. I think it sends the wrong message—both to the public as well as to potential investors and regional and local agencies. We know this system being proposed was initially expressed as being 100 percent privately funded. In 2007, they declared that they would never apply for federal or state funds. We see that this is totally different by virtue of S.B. 457 (R2).

Another factor is that the California-Nevada Super Speed Ground Transportation Commission was moving along quite well until 2009. At that time, funds that were pledged by the federal government that had been earmarked for a maglev project had been redirected through the actions of then-Senate Majority Leader Harry Reid when he pronounced that he would withdraw his support for the spending of those funds on a super speed maglev type of investment. I think that we are really sending a bad message. By passage of S.B. 457 (R2), what we are doing is creating a new obstacle for the California-Nevada Super Speed Ground Transportation Commission. As was indicated earlier, it would go to Anaheim. We have had great support from the cities of Anaheim and Ontario. The emphasis here has been that they have great congestion and they see a super speed train as being a key to reducing some of the congestion in the eastern part of the Los Angeles Basin. I will conclude my remarks and am open to any questions.

Assemblywoman Kirkpatrick:

I thought I heard the folks in southern Nevada say that you could have any type of high-speed transportation based on the direction the current commission

was going. Is that something you have talked about? It is confusing within statute because it says the definition for the commission is the California-Nevada Super Speed Ground Transportation Commission. Then it says that the Super Speed Ground Transportation System means a system that is capable of sustainable speeds of 240 miles per hour, uses magnetic levitation technology, carries primarily passengers and operates on a grade-separated, dedicated guideway. It looks like that definition has not changed since 2003. I read it that it must meet all of those criteria. If there are other discussions going on, it would be helpful to know about the different pieces.

Senator Parks:

You are totally correct. In the early years, there was some interest in looking at alternative types of transportation, but in the more recent years—since the date you cited—it has been exclusively looking at a maglev system, not that we have not kept abreast of other developments along the way. That is exactly what we have done. In the early years, we evaluated a number of systems. There is a system that we looked at closely in Germany called the Talgo train, which would lean into corners so that it could achieve that high rate of speed of nearly 240 miles per hour. That was a German technology. We have looked at several other German technologies. I think in the more recent years, we have been much more impressed with the technology that was developed and is fully in active use today in both China and Japan.

Assemblyman Jones:

I notice that in the Senate, you were excused during the vote on this bill. I imagine there was a conflict that you addressed. Are you currently tied to the board of the maglev trains?

Senator Parks:

Yes, I am an active member on the board and I did get an opinion from the Legislative Counsel Bureau. Since I am an unpaid member, I do not have a conflict and am free to participate. I think you had an initial question as to my vote? I did cast a no vote, the only no vote I have cast in ten sessions. I cast that vote because the bill had been significantly amended, removing any replacement of the Super Speed Ground Transportation.

Assemblyman Jones:

There were 20 votes for this bill in the Senate, and you did not vote. You did not cast a no vote, you simply did not participate in the vote. This is creating two competing agencies basically. The Senate then passed it with 20 votes. Could you shed some light on why they thought it would be wise to do that and not just allow it to remain in the existing agency?

Senator Parks:

I do not know if I can explain how my colleagues in the Senate voted on it. I know that they did not want to remove the Super Speed Ground Transportation Commission. They saw this as an alternative. I will say that I think the issue is that it sends a bad message of having competing authorities.

Assemblyman Carrillo:

Senate Bill No. 508 of the 77th Session went all the way to the Governor's Office and it came back. I do not remember there being this much concern about it. We need to understand why we are having issues in the first place. How were you appointed? What was the vetting process for you to be appointed to that Commission?

Senator Parks:

My experience relative to super speed trains and mass transit goes back a long way. We did talk about the monorail. In my first session as a legislator, I was instrumental in dealing with that issue in Assembly Bill No. 333 of the 69th Session. My experience dates back prior to that when I worked with Mayor Bill Briare in Las Vegas. There was a request to look at high-speed transportation between southern Nevada and California. As the budget director for the city, I worked closely with an office that was created to explore these possibilities. My interest has certainly continued. I served on this Committee in the Assembly and I was approached and asked to fill a vacancy. There has been an ongoing effort to have at least two elected officials serve on the Super Speed Ground Transportation Commission. I am currently one of them. The other is Ricky Barlow from the City of Las Vegas.

Vice Chair Dickman:

Are there any more questions for the Senator? [There were none.] Is there any other testimony in opposition? Seeing none, do we have anyone who would like to speak as neutral? [There was no one.] We will now close the hearing on S.B. 457 (R2). Now we will take public comment. Seeing none, this meeting of the Assembly Committee on Transportation is adjourned [at 5:09 p.m.].

RESPECTFULLY SUBMITTED:

Henri Stone
Committee Secretary

APPROVED BY:

Assemblyman Jim Wheeler, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Transportation

Date: April 30, 2015

Time of Meeting: 3:16 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
S.B. 2 (R1)	C	Michelle L. Van Geel, Committee Policy Analyst	Work Session Document
S.B. 3 (R1)	D	Michelle L. Van Geel, Committee Policy Analyst	Work Session Document
S.B. 3 (R1)	E	Chuck Callaway, Las Vegas Metropolitan Police Department	Proposed Amendment
S.B. 142 (R1)	F	Michelle L. Van Geel, Committee Policy Analyst	Work Session Document
S.B. 229 (R1)	G	Michelle L. Van Geel, Committee Policy Analyst	Work Session Document