

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

**Seventy-Ninth Session  
May 4, 2017**

The Committee on Transportation was called to order by Chairman Richard Carrillo at 3:18 p.m. on Thursday, May 4, 2017, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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/79th2017](http://www.leg.state.nv.us/App/NELIS/REL/79th2017).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Richard Carrillo, Chairman  
Assemblywoman Ellen B. Spiegel, Vice Chair  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblyman John Ellison  
Assemblyman Ozzie Fumo  
Assemblyman Richard McArthur  
Assemblywoman Daniele Monroe-Moreno  
Assemblyman Michael C. Sprinkle  
Assemblyman Justin Watkins  
Assemblyman Jim Wheeler

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Melissa Woodbury (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Scott Hammond, Senate District No. 18  
Senator Mark A. Manendo, Senate District No. 21  
Senator Kelvin Atkinson, Senate District No. 4  
Senator Joseph (Joe) P. Hardy, Senate District No. 12

**STAFF MEMBERS PRESENT:**

Jann Stinnesbeck, Committee Policy Analyst  
Darcy Johnson, Committee Counsel



Joan Waldock, Committee Secretary  
Trinity Thom, Committee Assistant

**OTHERS PRESENT:**

Kelly Crompton, Government Affairs Officer, Office of Administrative Services, City of Las Vegas; and representing City of Henderson  
Tina Quigley, General Manager, Regional Transportation Commission of Southern Nevada  
Scott Scherer, representing Regional Transportation Commission of Southern Nevada  
Nathan R. Ring, representing Operating Engineers, Local 12; and Laborers International Union, Local 872, AFL-CIO, Las Vegas Nevada  
Danny L. Thompson, Member, Transportation Resource Advisory Committee, Regional Transportation Commission of Southern Nevada  
Gary Milliken, representing Nevada Contractors Association  
Sara Cholhagian, representing Sunrise Hospital and Medical Center  
Gail Tuzzolo, Transportation Resource Advisory Committee, Regional Transportation Commission of Southern Nevada  
Susan L. Fisher, representing Southern Nevada Home Builders Association; and Nevada State Apartment Association  
Tom Morley, representing Laborers International Union, Local 872, AFL-CIO, Las Vegas, Nevada  
Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce  
Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada  
Francis Julien, General Manager, Keolis Transit America  
Anthony Ruiz, representing Las Vegas Global Economic Alliance  
Patrick Smith, representing Nevada Economic Development Coalition  
Scott W. Anderson, Chief Deputy, Office of the Secretary of State  
David Frommer, Executive Director, Planning and Construction, University of Nevada, Las Vegas  
Michael D. Hillerby, representing Lyft, Incorporated; and Regional Transportation Commission of Washoe County  
Josh Griffin, representing Uber, San Francisco, California  
Sean P. McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles  
Alfredo T. Alonso, representing Vegas Golden Knights and Black Knight Sports and Entertainment  
William Baumann, Chairman, Nevada Veterans Services Commission, Department of Veterans Services; and National Deputy Veterans Affairs Voluntary Service Representative, Disabled American Veterans  
Kevin Burns, Chairman, United Veterans Legislative Council

**Chairman Carrillo:**

[Roll was called. Committee protocols and rules were explained.] We are going to take the bills out of order. We will open the hearing on Senate Bill 149 (1st Reprint).

**Senate Bill 149 (1st Reprint): Revises provisions governing regional transportation commissions. (BDR 22-318)**

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

I am here on behalf of Brian McAnallen who helped staff the Southern Nevada Forum—Transportation and Infrastructure Committee. The City of Las Vegas worked with both of the Senators [Scott Hammond and Mark Manendo] seated to my right. I would like briefly to talk about the bipartisan effort that was made during the last two years as we worked on the bill you will hear today. The Southern Nevada Forum is a collaborative effort of business leaders, elected officials, city leaders, and interested stakeholders in the community in southern Nevada. It has six subcommittees. The subcommittee that Senators Hammond and Manendo chaired, along with Assemblyman Chris Edwards and Assemblywoman Heidi Swank, met numerous times. It came up with a variety of priorities; one is the bill before this Committee today. We would like to thank Senators Hammond and Manendo, Assemblywoman Swank, and Assemblyman Edwards for their efforts. They were helpful to work with. Most attended every single meeting. We cannot thank them enough for taking time out of their busy schedules. We always had all four chairs and their input. We had them available when we needed them, which we did not see in other committees of the Southern Nevada Forum.

**Senator Scott Hammond, Senate District No. 18:**

I will talk about how the Southern Nevada Forum arrived at this bill and others as well. To find out the priorities for transportation in southern Nevada, we had around 12 separate meetings. In all those meetings, either all four of us—representing the Senate and the Assembly, Democrats and Republicans—or at least half of us were there, a large representation of the Legislature. In addition, there were several stakeholders at these meetings. We discussed and determined what our transportation needs are. Those who attended gave presentations, commentary, and engaged in discussions. The presentations ran a broad gamut of the different things going on in the Las Vegas Valley and elsewhere in southern Nevada.

Among those attending were representatives of the Regional Transportation Commission (RTC) of Southern Nevada, the Department of Transportation (NDOT), Las Vegas Paving Corp., Clark County, the Cities of Las Vegas and Henderson, Las Vegas Convention and Visitors Authority (LVCVA), Las Vegas Metro Chamber of Commerce, Cox Communications, Las Vegas Global Economic Alliance, Las Vegas Valley Water District, CenturyLink, JABarrett Company, Showtime Tours, Southwest Gas, and NAIOP (the Commercial Real Estate Development Association), as well as A.T. Environmental. Multiple lobbying firms and many members of the community also participated in these productive sessions.

In one of our initial meetings, we started by talking about all of the issues people wanted to present to us as priorities. Over the course of several months, we distilled those, co-opting some of the lesser ideas into major themes, and eliminating those we could not concentrate on right now. We had several votes on which ones were our priorities because our aim was to make sure everybody was participating and had a say. It was rewarding to me as a legislator because I was not only looking at the needs of the community I live in and serve, but I was working across the aisle and with other stakeholders to figure out which bills to bring to the Legislature. I worked with Senator Manendo as well as with Assemblywoman Swank and Assemblyman Edwards. As it turned out, we came up with four bills. What we are presenting today is one of those bills we determined was necessary. This did not happen overnight; it is the result a process we went through. These bills were vetted carefully by many stakeholders and legislators. They were voted on and discussed.

We went to Denver, Colorado, and looked at their infrastructure and what Denver did to arrive there. The stakeholders helped us out a lot. I will now turn my time over to Senator Manendo.

**Senator Mark A. Manendo, Senate District No. 21:**

I am very passionate about transportation. I have spent more than 22 years in public office. We had an opportunity to learn from other communities. As Senator Hammond mentioned, a large coalition of community leaders had a chance to go to Denver. It is frustrating when southern Nevada continues to lag behind when it comes to some of the transportation infrastructure. Listening to my constituents, riding on public transportation—RTC buses—gave me a chance to get out into the community. I was also able to knock on doors and listen to our seniors and my constituents. They are frustrated as well.

We can do better in enhancing mobility for our community. If we can lead in the travel and tourism industry, accommodating more than 42 million visitors a year, I find it hard to believe that our community cannot come together to help build a world class transportation system to accommodate the movement of our residents and visitors. Improved capacity and better connectivity between cities creates growth and prosperity. As we looked to our neighboring communities, such as Phoenix, Salt Lake City, and Denver, we learned that an investment in transportation directly correlates to billions in economic return. This means more jobs, enhanced connectivity for our constituents, and improved quality of life for our residents.

As a community, we need to start somewhere. We talked about enhanced transportation options preparing us for our future. Our residents deserve nothing less. Senate Bill 149 (1st Reprint) does just that. It modernizes the RTC's legislation, providing them with the ability to move our community forward in transportation enhancements through collaboration with our local government and industry partners. We are not unique. I am sure every person in this room wants to see the benefits that improved infrastructure can provide the local community and expanded economy that supports long-term economic development. When a state has a high-quality transportation infrastructure, the economy is

more productive because goods can more easily be moved to market, employees can get to work, families can do what they need to do, consumers can more easily reach vendors, and less money is wasted on overdue repairs.

We envision economic development, a healthier environment, and a stronger economy. We have community leaders who want to testify before you. Both Senator Hammond and I support these efforts and the process we used to get to this point. All the members of the Southern Nevada Forum were committed to working together, no matter the outcome of the November 2016 election. We wanted to make sure that we came forward with a piece of legislation that can move southern Nevada and the state in a new direction. All the people who worked with us are pleased to bring you S.B. 149 (R1). We did our due diligence and worked with some really good people. Tina Quigley and Scott Scherer will come up and go through the technicalities of the bill.

**Tina Quigley, General Manager, Regional Transportation Commission of Southern Nevada:**

The RTC was proud to participate in the Southern Nevada Forum—Transportation and Infrastructure Committee under the leadership of Senators Manendo and Hammond, Assemblyman Chris Edwards, Assemblywoman Heidi Swank, along with the Las Vegas Metro Chamber of Commerce, local governments, and our numerous community partners and stakeholders. In addition, the input from Chairman Carrillo and other Committee members early on was vital in creating this comprehensive legislation. We appreciate their direction, support, and insight reflected in this bill.

The bill represents compromise and collaboration that will best prepare and position Nevada to modernize and address our infrastructure needs today and in the future. I would like to emphasize that the bipartisanship and support from the public sector business community has elevated discussions. It has been fun to watch a community understand the importance of both infrastructure and multimodal approaches to mobility in the state. Scott Scherer will now go through the details of the bill. Lee Gibson, from RTC of Washoe County, and I will be here to answer any questions.

**Scott Scherer, representing Regional Transportation Commission of Southern Nevada:**

As you know, the urban areas of our state are growing more congested. The purpose of this bill is to try to give the RTCs the tools they need to address that congestion. Obviously, southern Nevada and parts of Washoe County have been facing that. With developments east of Washoe County, they will continue to face it to an even greater degree.

Generally, S.B. 149 (R1) will allow RTCs to fulfill their responsibilities by allowing them to plan and develop high-capacity transit, including innovative transportation projects such as autonomous vehicles. The future of the transportation field is uncertain. This bill will allow RTCs to be prepared for new developments in transportation. In particular, it gives them the express authority, rather than the vague authority which exists now, to construct and develop various forms of high-capacity transit. Current law is heavily oriented toward traditional bus transit or fixed-guideway transportation, such as the monorail. It allows RTCs to pursue

innovation technology like autonomous vehicles, and it gives RTCs authority to continue improving transit in Nevada by clarifying RTCs' ability to invest in transit-oriented developments and to work with local governments in developing transit projects. With that introduction, I will walk you through the sections of the bill.

Section 2 is the definition of "high-capacity transit," which provides for a higher level of passenger capacity to serve the most congested areas. The RTCs are trying to determine how to best serve those areas in order to reduce congestion. This definition provides more flexibility to keep up with changes in technology and to determine the appropriate technology for a particular area.

Section 3 allows for grants to research innovative technology and allows an RTC to enter into certain contracts relating to transit. Section 3.5 requires, before construction, an RTC to consult with and enter into agreements with the local governments having jurisdiction over the right-of-way. This was added in the Senate at the request of some of the local governments. Subsection 2 of that section, however, makes it clear that we are talking about major new development or redevelopment. Where there is an existing transit project we would not need to consult with the local government or enter into new agreements on operational issues, such as changing schedules or relocating bus stops.

Section 4 simply requires the establishment of project accounts where there is an agreement between RTCs and local governments to share costs on a project. Section 5 allows the RTC to recommend for consideration to the county commission possible ballot questions regarding a sales tax increase to fund particular projects. The recommendation would have to specify the amount of the increase, the duration of the increase, and the specific project or projects that would be funded by the increase.

As you know, the RTC board is made up of elected officials representing the participating local governments. A proposed increase would first have to be approved by the RTC board, and then forwarded to the county commission. The county commission may place a question on the ballot, asking the voters whether they want to approve the proposed increase to fund the specified projects. Placing the question on the ballot is within the discretion of the county commission, however, and the county commission may decide not to place a question on the ballot.

Sales tax is not the only funding source for these projects; it is only one potential tool in the toolbox. We mentioned federal transit grants as one possibility. There are also two other bills coming to the Assembly, at least one of which will be heard by this Committee regarding public-private partnerships and a state infrastructure bank. We have also heard a lot about a potential major infrastructure package, so that may be another source of revenue for some of these projects.

If we use the sales tax tool, it will be designated for specific projects. We will clearly delineate those projects for the public in the ballot question. Frankly, we believe that people

tend to vote "no" on taxes when there is any confusion about the possible use of those taxes. It is in our interest, if we want to get a clear answer from the public on whether they support a particular project, to give them a clear question.

Sections 6 and 7 provide for how any sales tax increase approved by the voters will be calculated and collected. These are standard provisions in our existing sales tax statutes. Sections 8 and 9 merely conform existing statutes to the language of this bill. Section 10 provides for this chapter of *Nevada Revised Statutes* (NRS) to be liberally construed. We believe this is needed to provide flexibility as the RTCs seek to develop the most innovative and efficient technology to meet the needs of their communities. Section 10.5 adds mayors to the possible members of RTC boards. Current law allows for members of the governing body of a city; but under some city charters, the mayor is not considered a member of the governing body. That is an oversight in past legislation. This bill would clarify that a mayor may be appointed to an RTC board by a city, regardless of whether the mayor is technically considered a member of the city's governing body under the charter.

Section 11 clarifies that an RTC is a continuing entity, at least until the Legislature decides otherwise. It does not have a limited or a sunset life. Section 12 allows an RTC to adopt rules and regulations for the use of various projects including fees and fares, and the ability to impose penalties for cars parked in violation of the rules and regulations. One of the concerns we have is the possibility that if we build a park and ride, people will park and not ride, contrary to the rules we have. One of the problems we face currently is that people park and block bus stops, making it difficult for transit to function correctly. If we have stations or bus stops, we need to make sure that those are not blocked by people parking illegally in those areas. This would give us some ability to address those kinds of issues.

Section 14 conforms the existing statutes to add high-capacity transit projects and the ability to finance those projects. I skipped over Section 13, for which I apologize. Section 13 requires the permission of the county or city that owns the right-of-way before constructing a transit system in that right-of-way. The RTCs cannot just decide they want to build a project and use the right-of-way of a particular local government—they must have an agreement with the local government before they can go forward.

Section 18 repeals the section of existing law relating to a regional rapid transit authority. This authority has never been used, appointed, or formed; it is unnecessary. Current RTCs are able to fulfill this mission, so this is the direction the Southern Nevada Forum decided to go. With that, I am happy to answer any questions about the bill.

**Assemblyman Watkins:**

I would like to go to the tax provisions of sections 5 and 6. I am wondering why we would limit the commission to only putting a sales tax on the ballot for voter approval. I have a question about that for two reasons. First, we know that sales taxes disproportionately affect lower income families. Secondly, if it is up to the voters to approve, why would we

not give the commission all the tools in the tool shed, all the options for county-based taxes to present to the voters? There may be a better tax that has a more closely-aligned nexus to the project that is at issue.

**Scott Scherer:**

We originally had a property tax provision in this bill as well. There was concern expressed about that in the Senate, so we removed it. Some local governments are at or near the property tax cap, so they raised concerns that additional property taxes would limit their ability to fund other necessary services in their communities. We went with the sales tax for that particular reason, removing the property tax provisions.

**Assemblyman Watkins:**

As I understand the bill, this is permissive language. The recommendation could be made, and the county commission could say yes or no. In addition to property tax, sales tax, live entertainment tax, and whatever other taxes exist on a county-only level, I would think we would want to give the county commission all the tools it needs to make a decision about what to put in front of the voters as a tax that most closely assimilates the project that the commission is looking to approve.

**Scott Scherer:**

While I understand your point, I think the primary sources of revenue for most local governments will either be sales taxes or property taxes. You have business licenses fees and other types of fees, but most of the other taxes are decided and collected at the state level. Sales tax would just be one potential component. Obviously, if we have light rail there would be fares paid, which would be a source of revenue. We are looking at potential federal transit grants and other federal infrastructure spending. There are a number of different ways these projects could be funded. Sales tax is one that was acceptable to the local governments that we included in this bill.

**Tina Quigley:**

One of the things Transportation Resource Advisory Committee (TRAC), which is made up of stakeholders in southern Nevada, asked us to do was to explore what other cities and regions had done to fund their major transportation and transit initiatives. We worked with Guy Hobbs of Hobbs Ong & Associates, Inc. to go through a litany of what San Diego, Denver, and other cities have done. We presented those to the committee. In the end, the finding that the committee supported most was sales tax, but there is a menu of other items that could be implemented as well to support those investments. We can provide you with a summary of the research that we did.



**Assemblyman Watkins:**

Were there any other taxes explored as part of that? Have other cities used taxes other than sales taxes to support these kinds of projects?

**Tina Quigley:**

They have. We will supply the Committee with the findings.

**Assemblywoman Spiegel:**

Mr. Scherer, in your testimony on section 5, you spoke about giving specifics, so that the people would know what they are voting on. I agree with that wholeheartedly. It actually is one of the concerns that I have with the bill—section 5, subsection 1, paragraph (a) does not seem to be asking for that. It says, "The recommendations must specify the proposed rate for the recommended tax, the period during which the recommended tax will be imposed and the type of transportation project . . . ." I read that to be whether it is light rail, bus rapid transit, fixed guideway, or something else. I do not see anything in the bill that speaks to having a level of specificity, so the voters know exactly what they are voting on.

**Scott Scherer:**

I certainly see how you could read it that way. It is our commitment to you that we will specify to the county commission. We could look at language that would make that clearer, if that is what you would like to do.

**Assemblyman Sprinkle:**

Assemblyman Watkins already asked my first question, so I will just say that I have the same question, and I do not fully understand the answer. I think there could be more options in the bill than just the sales tax. Would you confirm for me that the tax is for proposed projects rather than for money going back to the grants in section 3? Am I getting myself confused here?

**Scott Scherer:**

That is correct. These would not be for grants; these would be for projects. We would specify the projects that the money would be spent on.

**Assemblywoman Bilbray-Axelrod:**

I appreciate the hard work that was done on this bill. Having the opportunity to attend the Denver trip was eye-opening for me as someone who had not been in that world. I believe that access to transportation, just like education, is a great equalizer. I am not familiar with "liberally construed," in reference to section 10. That is obviously giving broader power, but if you could explain that for me, I would appreciate it.

**Scott Scherer:**

The way the United States Supreme Court looks at statutes, they are construed as to either their plain meaning, or when they are ambiguous at all, either they are strictly construed—penal and criminal statutes, for example, are strictly construed if the legislature has not been clear enough or specific enough—or liberally construed—usually statutes designed to

ameliorate a particular condition. The idea here is that as new technologies come along, there may be things that fit into a gray area—we have the authority to do something, but there is some ambiguity about it. The point of this bill is to be able to adapt to the innovations that come along, making sure we have the right transportation projects for the particular areas of the community that will most meet their needs, giving people the freedom to travel within their community—to get to school, to work, or to the grocery store—to do the things they need to do. The thought was that if this chapter could be liberally construed, that would give us more flexibility, where there may exist some ambiguity, to be able to do the things we need to do with innovative technology.

**Chairman Carrillo:**

Are there any other questions from Committee members? [There were none.] My question regards section 10.5. Are you adding two members? Or will members be chosen, but not include mayors?

**Scott Scherer:**

We are not adding any members. We are simply making it clear that the mayor can be a member. This became an issue with the City of Sparks. Their mayor, under their charter, is not considered a member of their governing body but instead is viewed as an executive. Because the statute said "governing body," there was a question raised as to whether the mayor of Sparks could serve as a member of the Washoe County RTC Board. This clarifies that, regardless of whether your city charter says you are or are not a member of the governing body. If you are the mayor, you are eligible to serve on the RTC Board, if your city appoints you.

**Assemblyman Ellison:**

I have some questions on section 5. To me, it looks as if you will, at the beginning, put it to the vote of the people to increase the tax on businesses. Is that correct? Will that be the first step? The voters will either say yea or nay on this tax. Is that correct?

**Scott Scherer:**

There may not be any increased taxes. This is a tool, so if there is a particular project and we have not been able to get enough federal funds, other funds, or we do not think there is enough farebox revenue under the business plan for the project, we have the option of going to the voters. We would tell them: what we wanted to build, what we wanted to do, how much money we needed, and that we would need to increase the sales tax by this amount for this period of time in order to pay for it. We would then ask if they were in favor of it. Only if the county commission agreed to put it on the ballot, and then only if the voters approved it, would the tax be increased.

**Assemblyman Ellison:**

It cannot be increased until the voters approve it.

**Scott Scherer:**

That is correct.

**Assemblyman Ellison:**

When I started reading it, the wording moved from "shall." I want it on the record that the voters have to make the decision to allow the tax increase.

**Assemblyman Wheeler:**

Does it take a two-thirds vote of the commission to put a tax increase on the ballot? Is it in existing regulations and law? Or, does it take a simple majority to put a tax increase on the ballot?

**Scott Scherer:**

It only takes a majority vote of the commission to put the tax increase on the ballot. Because it is going to a vote of the people, it does not require a two-thirds majority under the constitutional provision. There have been some bills in the past that required a two-thirds vote of the commission to do that, but it is not actually constitutionally required.

**Chairman Carrillo:**

Section 12 talks about unauthorized parking of vehicles at a transportation facility. What is the purpose of the language there? It seems out of place.

**Scott Scherer:**

We have had a number of incidents where people parked illegally, blocking bus stops or blocking transit stations. If we increase the number of transit stations, have park and ride facilities, and have other types of facilities, there is concern that people may park illegally. If the park and ride parking lot is full and people who are actually riding some kind of high-capacity transit cannot actually park there, then it defeats the purpose of the park and ride. This gives us tools to deal with the misuse of the facilities provided.

**Chairman Carrillo:**

Does this have to do with anything involving RTC? I know you have a park and ride at Westcliff and by the airport. Would those be affected by this?

**Scott Scherer:**

Yes. This chapter of NRS is generally RTC-enabling law, so the amendments to that chapter would apply to other RTC facilities as well.

**Chairman Carrillo:**

There are no further questions from the Committee. We will take testimony in support of S.B. 149 (R1) in northern Nevada first.

**Kelly Crompton, Government Affairs Officer, Office of Administrative Services, City of Las Vegas; and representing City of Henderson:**

Now I am representing the City of Las Vegas. We are in support of this bill. We feel that this is a necessary tool for connectivity to the downtown area—specifically along the Maryland Parkway corridor where Sunrise Hospital is located to the medical district that is in downtown Las Vegas, as well as where the University of Nevada, Las Vegas (UNLV) Medical School will eventually be. I am also here on behalf of the City of Henderson. They are also in support of this bill. Some of the elected members and their government affairs staff were a part of the Southern Nevada Forum process. They would like their support to be on the record.

**Nathan R. Ring, representing Operating Engineers, Local 12; and Laborers International Union, Local 872, AFL-CIO, Las Vegas, Nevada:**

We stand in strong support of this bill. We look forward to working with the RTCs in the state to continue to build our transportation infrastructure.

**Danny L. Thompson, Member, Transportation Resource Advisory Committee, Regional Transportation Commission of Southern Nevada:**

I started serving on the Transportation Resource Advisory Committee (TRAC) in January 2016. The Committee studied the \$6.7 billion worth of unfunded projects in southern Nevada. I want to thank Senators Manendo and Hammond for bringing this bill forward. I would also like to thank Tina Quigley because she works tirelessly for the citizens of southern Nevada, many of whom do not even know her name. She does a yeoman's job.

The problems we have in Clark County are immense. Just look at the issues TRAC talked about in arriving at that \$6.7 billion number. By way of example, consider the seven miles of the Las Vegas Strip. You have to move 100,000 or more employees in and out of there three times a day. The land is locked there. The only opportunity for expansion for those businesses is in the parking they provide. The first parking that will be eliminated is employee parking. That will be a huge problem. It is critical, not just for Clark County's budget, but for the state's budget. Those seven miles of the Strip generate the money we all use here. Being able to respond to these needs is critical, not just for Clark County, but for all of Nevada.

The Transportation Resource Advisory Committee was made up of 36 individuals from every walk of life in southern Nevada. They worked diligently at the hearings to make the recommendations they made. We are in support of this bill.

**Gary Milliken, representing Nevada Contractors Association:**

I would like to thank Senators Hammond and Manendo for their hard work on this piece of legislation. I was a member of the Southern Nevada Forum—Infrastructure and Transportation Committee. Senate Bill 149 (R1) is very important in giving the RTC another means of looking at financing some of these projects, which are large-scale projects in the billions of dollars. We are in favor of S.B. 149 (R1).

**Sara Cholhagian, representing Sunrise Hospital and Medical Center:**

Our hospital is the largest in the state. It is located on Maryland Parkway, the second most important thoroughfare in Las Vegas, behind Las Vegas Boulevard. Chief Executive Officer Todd Sklamberg traveled to Carson City to testify when this bill was heard in the Senate, but due to an inflexible work conflict, he was unable to come to testify today. He submitted his testimony in support ([Exhibit C](#)), not only as chief executive officer of Sunrise Hospital and Sunrise Children's Hospital, but also as a member of the Maryland Parkway business coalition. I encourage you to read it in its entirety.

Last year, Sunrise Hospital provided care for over 300,000 patients, including 167,000 in their emergency room, which places them in the top 10 in our country. Sunrise Hospital employs a team of over 3,200. But I am not here today to talk about health care, but to talk about how we can build a better and stronger infrastructure in southern Nevada and continue to transform the region. Sunrise Hospital and Medical Center is committed to the entire state of Nevada in enhancing care and access. It fully supports this legislation.

The legislation in front of you today will develop necessary infrastructure, enabling the RTC to expand transit options in southern Nevada, and develop the Maryland Parkway corridor. This will directly improve access to health care and help attract the talent and expertise of further development, not only necessary infrastructure, but health care in southern Nevada too. Thank you for your time. We encourage you to also support S.B. 149 (R1).

**Gail Tuzzolo, Transportation Resource Advisory Committee, Regional Transportation Commission of Southern Nevada:**

Mayor John Lee sits on the RTC board. The mayor and the city officials are 100 percent behind this bill and hope you will support it.

**Susan L. Fisher, representing Southern Nevada Home Builders Association; and Nevada State Apartment Association:**

Southern Nevada Home Builders Association was proud to be able to serve as a stakeholder on both the high-capacity planning committee and on the RTC and TRAC. The key to ensuring that the transit project serves the residents as well as the tourists of southern Nevada is that the project is part of a larger masterplan, taking into account mixed-use and various housing types. This plan will help create thousands of new workforce housing units and make the dream of home ownership more obtainable for working Nevadans.

Transit-oriented development serving all age demographics will enable local planning that embraces innovation and access—which is key to attracting a younger workforce—while planning facilities and mobility and connectivity to services is key to attracting the more mature workforce and retirees. As someone who has been receiving materials from AARP for quite a few years, I appreciate that this will help allow seniors and disabled residents to live healthier, more connected, and independent lives.

Smarter growth through regional planning, which includes transit for more efficient use of natural resources, is critical for our state. Reducing sprawl, conserving water, and eliminating carbon emissions are some of the tangible benefits of transit-oriented developments that benefit all of Nevada.

**Tom Morley, representing Laborers International Union, Local 872, AFL-CIO, Las Vegas, Nevada:**

I am also a TRAC member and a Clark County planning commissioner. I had an opportunity to tour the Denver project. I saw what they did with the \$1.5 billion they received in leveraged funds from the federal government and was amazed. I was there when Senator Hammond and Senator Manendo agreed to sponsor this bill. I appreciate your support on this.

**Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce:**

I will make my comments brief. I will not restate all the benefits that can be gained by passing S.B. 149 (R1) that those who testified before me have mentioned. I will just reiterate the support of the business community in southern Nevada, and thank the sponsors for bringing the bill forward. I would also like to thank those who have worked for the past year-and-a-half with the Southern Nevada Forum. To close, I will mention that our colleagues from the Urban Chamber of Commerce could not be here today, but they are also in support and asked that we put that on the record.

**Chairman Carrillo:**

Is there anyone else in support in northern Nevada? [There was no one.] We will move to southern Nevada for testimony in support of S.B. 149 (R1).

**Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada:**

I have had the opportunity to be on TRAC. Before I make any other comments, I want to commend Senators Hammond and Manendo for showing true bipartisan leadership as they worked together. They were a real example of what should be happening a lot more often. We are in full support of this bill. Over the past year, TRAC had numerous in-depth discussions about transportation infrastructure, public transit, and emerging technologies. I was on the trip to Denver as well, and witnessed first-hand how important this is, and will be for our future. On behalf of the Latin Chamber of Commerce, we support this bill that would enable the RTC to pursue opportunities like high-capacity transit, innovative technology, and transit-oriented development that not only benefits our members, but our entire community that we all love.

**Francis Julien, General Manager, Keolis Transit America:**

Keolis is an international transit company operating over 29,000 vehicles in 16 different countries. Most importantly, we operate here in Las Vegas. We support S.B. 149 (R1). Senate Bill 149 (R1) would allow the RTC to elevate the region's public transportation system to the next level by affording them the ability to construct and develop a high-capacity transit system and to work on innovative transportation projects.

Transportation and mobility are issues that affect every facet of our daily lives. The passage of S.B. 149 (R1) would contribute to ensuring an economically prosperous future for southern Nevada, and I urge your support.

**Anthony Ruiz, representing Las Vegas Global Economic Alliance:**

I will not restate the comments that have been made, other than to say that S.B. 149 (R1) is a great way to fully connect our regional assets, and it has a strong significance to economic development here in our state. We must, as Nevadans, continue to make innovation a priority and strive to move people and goods more efficiently, effectively, and safely. We are witnessing changing technology every day in all aspects of both personal and business life—from the way we get around to the way we communicate. We cannot deny that technology is changing how we live, work, play, and engage in our community. In that respect, we must also take a good look at legislation such as S.B. 149 (R1) that governs transportation and transportation agencies. We ask what it will take to bring us to the next level of safety and efficiency. With that in mind, we encourage you to support S.B. 149 (R1) because we cannot afford to stand idle and let these new transportation opportunities and innovation pass us by.

**Patrick Smith, representing Nevada Economic Development Coalition:**

We support S.B. 149 (R1) because now is the time to prepare for the road ahead. It is critical that southern Nevada's transit agency is able to recognize the same or similar authority as our neighboring western transit agencies, particularly when it comes to high-capacity transit and other emerging transit and transportation technologies. In order to remain competitive with other western cities and cities around the country, we must take the step to update enabling legislation that will allow the RTC of Southern Nevada, among other things, the clear ability to construct, develop, and operate a high-capacity transit system. You have the opportunity to make the difference now to ensure that Nevada is poised for the future as it relates to transit and transportation. I encourage you to take that opportunity by supporting S.B. 149 (R1).

**David Frommer, Executive Director, Planning and Construction, University of Nevada, Las Vegas:**

I am the university architect for UNLV. We at UNLV are grateful for the hard work and consideration of S.B. 149 (R1) by the bill's sponsors, the Committee, all the stakeholders, and the community partners. Speaking as a UNLV campus architect and a long-time participant in the Maryland Parkway Coalition, S.B. 149 (R1) is critically important legislation that supports and enables the implementation of high-capacity transit and the research and development of innovative technologies like autonomous vehicles.

The University of Nevada, Las Vegas, currently enrolls 30,000 students—a number that never ceases to amaze me—and employs nearly 4,000 faculty, researchers, and staff. As UNLV continues on its path to becoming an internationally recognized top tier institution, the positive meaning and impact of the planning, development, and implementation of

high-quality, high-capacity transit systems, innovative transportation, research and development for systems like autonomous vehicles and other transportation advances supported by S.B. 149 (R1) cannot be understated.

Study, research, and development of high-capacity transportation systems such as those studied and pursued by the RTC for the Maryland Parkway corridor, among others, will connect the airport, UNLV, important centers of commerce and employment such as Boulevard Mall, downtown government, community and hospitality centers, and health centers such as University Medical Center, the Las Vegas medical district, and Sunrise Hospital. It is important to connect the university and the broader community for education, health care, workforce, culture, recreation, and other day-to-day community activities in meaningful, efficient, sustainable, and productive ways.

The University believes S.B. 149 (R1) will benefit UNLV's campus community, our educational and research activities and access, and our ability to connect with and serve our broader community and the Nevada community as a whole. We encourage your support of S.B. 149 (R1).

**Chairman Carrillo:**

Is there opposition in the north? [There was none.] Is there opposition in Las Vegas? [There was none.] Is there neutral testimony in Las Vegas? [There was none.] Is there neutral testimony in Carson City? [There was none.] Senators, do you have closing statements?

**Senator Manendo:**

I told you we would bring a star-studded, community-powered presentation; I think we did. I hope you will consider our efforts. There was some mention of the Maryland Parkway Coalition, which is a wonderful group of businesses and community leaders that have a vision for the Maryland Parkway. I am proud to be part of that. I am not on TRAC, the Transportation Resource Advisory Committee mentioned earlier, but I attend all their meetings, which usually last two or three hours. They are always very informative. Watching these community leaders in action and seeing their vision allows me to breathe a sigh of relief that there are people that really have a vision of where we need to go.

One thing I would like to mention is that—in my dream of dreams—I hope to see, in my lifetime, the light rail system that some day will come, and should come, to southern Nevada. I see a rail system along Maryland Parkway serving UNLV, running by the Public Education Foundation, to the Boulevard Mall, to Sunrise Hospital, down to the Convention Center, the Arts District, connecting in with our local governments—the City of Las Vegas and the Clark County government buildings, going on to Zappos, to Cashman Field, maybe even down to the College of Southern Nevada and Apex Industrial Park. I see spurs going the other way into Henderson, maybe even to Lake Las Vegas. Imagine people living out in Lake Las Vegas that go to work at Apex Industrial park getting on light rail, reading or working, checking their emails, taking a nap. We are so far behind, and we should not be. I appreciate everyone who testified today in support of this legislation.



**Senator Hammond:**

I appreciated Senator Manendo's earlier comments. He mentioned that we had discussed the importance of this legislation and decided that no matter the outcome of the election, this was what we wanted to present together—regardless of who might be in what position, chair or committee member—because we made the commitment. We took a trip to Denver, but we looked at all the western regional areas. We were asking what was going on there that we should be doing here. We knew we were behind, but we did not know how far behind we were.

What you have before you is a collaboration of all the entities involved. I did not need to tell you in my opening statement who the stakeholders were. You saw them as they gave testimony regarding how this bill will impact different portions of what they do in southern and northern Nevada. For those of you who think this is only a southern Nevada thing, you saw that Mr. Lee Gibson from the Washoe RTC was here. These are tools that we are putting in the toolbox for the RTCs to use in order to have a regional vision for what we are doing, not only in the south, but in the north as well.

We referred to the idea of multi-modal. Ms. Quigley mentioned it. If you go to Denver, Phoenix, or Seattle, you will see there are different ways to move around their areas. That is what we envision—moving people in the Las Vegas Valley or in Washoe County from one place to another in different ways. We saw that with the hospital region in Aurora, Colorado. There were multiple ways for people to get to those facilities. Those who do not have transportation readily accessible to them have different ways to get to their doctors' appointments or to school. That is the vision we are talking about. We want to bring that to Las Vegas. It will take time to get it there, but we have to start somewhere. This bill is the start we need.

**Chairman Carrillo:**

We will close the hearing on S.B. 149 (R1) and open the hearing on Senate Bill 226 (1st Reprint).

**Senate Bill 226 (1st Reprint): Revises provisions relating to transportation network companies. (BDR 58-486)**

**Senator Kelvin Atkinson, Senate District No. 4:**

It feels good to be back in this room. I spent quite some time here. I used to sit in the very chair you are in, Mr. Chairman, when I chaired this Committee. I know you are doing yeoman's work, making sure that the state is moving forward. I am here to present Senate Bill 226 (1st Reprint) which revises provisions relating to transportation network companies (TNCs) in our state.

Why is S.B. 226 (R1) important? Transportation network companies such as Uber and Lyft provide app-based ridesharing services in our state. Last session, the Legislature passed several bills relating to TNCs, which authorize and regulate a TNC's operations in Nevada. The TNCs are flourishing and thriving throughout our state. I am sponsoring S.B. 226 (R1)

in an ongoing effort to review and improve operation of TNCs in our state. The measure we took on last session promised everyone, including the TNCs, this would be an ongoing process, and we would continue to look at how they operate and make changes as necessary.

Foremost, we need to get an accurate number of TNC drivers in our state. This bill makes an effort to do that. This is especially important as we consider dynamic transportation issues facing our state that my colleagues just before me talked about. As many of you are aware, TNCs like Uber and Lyft classify their drivers as independent contractors, not as employees. Uber and Lyft drivers use their own cars, do not wear uniforms, and work whatever hours they please. In Nevada, independent contractors engaging in business within the state must register their businesses with the Office of the Secretary of State. I believe this business registration requirement should be fairly implemented throughout.

As many of you may recall, we passed Assembly Bill 175 of the 78th Session and Assembly Bill 176 of the 78th Session. These required a TNC driver to obtain a state business license similar to any other independent contractor in Nevada. A TNC must notify each of its drivers of this requirement. Further, the TNCs agreed with this provision in the 2015 Legislative Session. This is not a new "ask." This is not anything far-fetched. This was asked for in the bill. If you were here last session, you will remember Assemblywoman Kirkpatrick made a big deal about the drivers having state business licenses. The TNCs themselves will admit to you that they remind their drivers to get their business licenses; they tell them they need to have them, but there is no enforcement to make sure that they do. I believe there are a projected 57,000 TNC drivers, although some of those are driving for both Uber and Lyft, so the number may be a little less. At 57,000 drivers, we are talking about \$11.5 million in business license revenue.

What does S.B. 226 (R1) do? I have worked with representatives from the TNCs to address their concerns with the bill, as they will attest to you when they testify. Today, I would like to highlight the key provisions of S.B. 226 (R1) as amended. Section 2.4 of the bill requires a new TNC driver to submit verification of a business license within six months of entering into an agreement with a TNC. The driver must annually submit verification that he or she has a valid license or provide his or her identification number as assigned by the Office of the Secretary of State upon issuance of a state business registration. A driver who fails to comply with the requirements would have his or her agreement terminated. This is not new for the TNCs either. They do this with other things they have to verify on their app—proof of insurance, background check, and a few other things. If drivers do not obtain those business licenses, the TNC companies will turn off the drivers' apps. All that we are asking them to do in this case is to make sure that they comply with the state's requirements.

Section 2.3 of the bill requires that the Nevada Transportation Authority (NTA) provide the names of the TNC drivers to the Secretary of State's office in order to enforce existing law requiring state business registration. The information must be kept confidential by the Secretary of State's office and employees of the Secretary of State's office. Section 2.7

of the bill requires a driver who has entered into an agreement with a TNC on or before October 1, 2017, to submit verification of his business license on or before the anniversary date of his agreement. Finally, this bill becomes effective October 1, 2017.

That concludes my remarks on S.B. 226 (R1). I believe that our "ask" in this bill is pretty cut and dried. We want TNCs to abide by what we agreed to last session, and we want some type of enforcement to make sure that these drivers are abiding by this. Some will say that drivers need time to get their business licenses. I think we have addressed that in this bill, but it also is not fair to the drivers who have obtained their licenses, and will make sure that they renew on an annual basis. It is not only fair to the state, but also fair to the drivers who are following the law. This is just an effort to get all drivers to follow the law. I believe we have come a long way in making sure that this was worked on between the TNCs and myself. I believe we are at a comfortable place. I will stand for questions from Committee members.

**Assemblyman Fumo:**

My question relates to the time period drivers have to comply. When drivers apply to go to work for a TNC, they must show proof of driver's license, insurance, and registration. Why not make them show proof of a business license before they can even get the app? Why give them the 6-months' grace period?

**Senator Atkinson:**

That is exactly the way the bill was initially. There was compromise language for a couple of reasons. One is that some of the folks who sign up do not have the money for a business license, so we are trying to give them a little bit of time to build up. Some may want to test out driving a little bit before they have to be turned off. This gives them a little bit of time. Also, some of their drivers may only take one or two trips before deciding that this is not something they want to do. Those are some of the considerations that we gave.

**Assemblyman Fumo:**

What if the TNC does not make the drivers get their business licenses? What if 6 months goes by, and drivers still have not gotten licenses? The records are given to the Secretary of State; can the Secretary of State do anything at that point? Where are the teeth in this bill?

**Senator Atkinson:**

That is it. That is why we are asking that the list of drivers be given to the Secretary of State's office, so that office can go after the individual drivers who are not in compliance. I would hope that is not the case. This is something we will continue to monitor. If we find that the TNCs are not following through, we may do something a lot stricter next session.

**Assemblyman Wheeler:**

Since A.B. 175 of the 78th Session was actually my bill that was amended to include the TNCs, I am familiar with this. You are absolutely correct. One of the things we said was that drivers would get not only a state business license, but also a local business license. I realize this bill does not really affect the local license, but we looked at the medical center

at University of Nevada, Las Vegas (UNLV) being paid for by part of the revenue from these licenses. A lot of that money has not materialized. I believe it is time to make that money materialize. Thank you for this.

**Assemblywoman Monroe-Moreno:**

I know you said that some people drive for Uber and Lyft. Do they have to have two business licenses, or can they just have one?

**Senator Atkinson:**

A business license is a business license. Once you obtain it, you could do anything under it you wanted. You can sign up for Uber, Lyft, and whatever company comes along.

**Chairman Carrillo:**

Senator, you may not be able to answer this question. Do you know how many drivers have gone through the steps of getting business licenses? You said there are 57,000 registered drivers. Did they register through the Secretary of State?

**Senator Atkinson:**

That is one reason for this bill. I do not think anyone besides the TNCs have an accurate count of how many drivers we have in the state. The 57,000 is an approximate number; it was projected from a different source earlier this session. I do not think that any of us know how many drivers they actually have signed up. That is why this is an effort to try to obtain that information. We need to figure out how many TNC drivers we actually have out on our roads.

**Chairman Carrillo:**

We will take testimony in support of S.B. 226 (R1) in northern or southern Nevada. [There was none.] Is there opposition in northern or southern Nevada? [There was none.] Is anyone neutral?

**Scott W. Anderson, Chief Deputy, Office of the Secretary of State:**

I am here on behalf of Secretary of State Barbara Cegavske. We come before you in a neutral position on this, but we do want to bring a few things to your attention. I will be going backwards in the bill. Section 2.3, subsection 3 allows the Authority to disclose to the Secretary of State the names of the drivers. Our understanding is this would be drivers who are not in compliance, so we can take steps to move them into compliance. Then, if they do not come into compliance, we will contact the Authority, and the Authority can terminate their agreement and potentially go after them for fines and penalties for doing business without proper registration in this state.

In section 2, subsection 4, we have a concern. Assemblyman Fumo brought up a good point. Having a 6-month grace period is quite a bit different than how other businesses in this state are treated. For most, before they are able to do business in the state, they are supposed to have a state business license under NRS 76.100. It is required before a person does business. That would be a policy decision for this Committee to determine if they should have this

grace period. The argument could be made that any number of businesses that are starting to get off the ground could use that extra 6 months to make sure they have the money to pay for their businesses. The statute, as it stands now, requires the state business license before doing business. We would consider it doing business the first time a driver picks somebody up for a ride.

As was stated, we do not have information regarding the number of Uber drivers that have gotten state business licenses with the Secretary of State's office. When a sole proprietor applies for a state business license, there is no requirement to state the type of business that will be conducted. A person could be a plumber by day, Uber driver by night, or dancer by night—anything that is a legal business in this state can be done under that single license—even driving for both Lyft and Uber. Granted, this would give the NTA records that would allow us to know how many TNC drivers there are in the state.

**Assemblyman Fumo:**

You answered the question I was going to ask—is the Secretary of State's office a new, kinder and gentler Secretary of State? If I wanted to open a restaurant, serve a couple of meals, but not get the required business license, is that going to be okay? Do we have the authority to actually do this? Are we setting ourselves up for lawsuits under the equal protection clause? Other businesses are going to claim they want the same grace period; they would want to know if their restaurants are going to fail or succeed before they have to get the required business and liquor licenses. The marijuana industry is strictly governed. I understand we want the business to come here, but it seems unfair to other businesses to have this. Are we setting ourselves up for lawsuits if we do this?

**Scott Anderson:**

Currently, we are not a kinder, gentler Secretary of State's office. We would interpret NRS 76.100 to say that before you open your doors for business, before you start collecting money and bringing clients in, you should have a state business license. If we are going to start these carve-outs, that would be a policy decision for this body; however, I can see your point in relation to possibly opening the state for problems relating to equal protections.

**Assemblyman Fumo:**

I can tell you, they are coming. Can you tell me, is there any other business in Nevada that is allowed to start the business, run it for 6 months, and then decide if they want to get a business license?

**Scott Anderson:**

There is not.

**Assemblyman Fumo:**

Where are the teeth in this? If you catch one of the TNCs not giving you the required information that they possessed, are they in trouble? Or, do you just go after the driver for not getting the license?

**Scott Anderson:**

We have a compliance process through which we will contact alleged violators and demand they come into compliance. If they do not come into compliance and continue to do business in this state, then we can refer them to the Office of the Attorney General to go after penalties for doing business in the state without a license.

**Assemblyman Fumo:**

Would they go after the person who runs the app, the TNC, or the actual driver?

**Scott Anderson:**

They would go after the actual driver because the driver is doing business in this state as a contractor.

**Assemblyman Fumo:**

What, then, is the incentive for the TNC to give you this information?

**Scott Anderson:**

I do not have an answer for that.

**Michael D. Hillerby, representing Lyft, Incorporated; and Regional Transportation Commission of Washoe County:**

I have an answer for Assemblyman Fumo. *Nevada Revised Statutes* 706A includes specific fines provisions. Lyft, Uber, and other TNCs are regulated by the Nevada Transportation Authority. With the bills that were passed last session, NRS 706A provided a specific penalty provision for any violations of NRS 706A by a TNC. That would include the prospective language in front of you. Monetary fines of up to \$100,000 or revocation of the company's certificate are provided for. That is quite serious. I want to clarify that under section 2.3, subsection 3, it is the Transportation Authority that is to provide the list of names to the Secretary of State, not the TNCs. Under law, TNCs have to notify the NTA every time a driver is successfully onboarded onto the app. We send an updated list of any new drivers to the NTA every two days, so they do have the names and the information on every driver that is registered with either of the companies.

**Assemblyman Fumo:**

Thank you very much for the answer; it was helpful. Who gives the names to the Transportation Authority?

**Michael Hillerby:**

The TNCs do. If you look at NRS 706A, you will see all the requirements a driver must meet—personally, the safety of the automobile, and the inspections. Once that is successfully done and the driver is ready to be onboarded, the TNCs upload that information directly to the NTA. That is audited by the NTA.

**Assemblyman Fumo:**

If I understand the flow, then, the TNC gives the information to the NTA; it is their responsibility to give that information to the Secretary of State. If your company chooses not to give them the right names, does the NTA then have the option to fine you for that?

**Michael Hillerby:**

Yes.

**Assemblyman Watkins:**

This question is for Mr. Anderson or the bill sponsor. The way I read section 2, subsection 4, which has been called the grace period—it is not stating that drivers do not have to obtain a business license when they start driving, but that there is a 6-month period before drivers have to provide that to the TNC. We might have some troubling statutory intent that is going on the record right now. When someone operates as a driver for a TNC, it would be the Secretary of State's position that a business license is needed on day one. Is that correct? I do not think subsection 4 changes that.

**Scott Anderson:**

We looked at that similarly—drivers could have their business licenses and provide them to the TNC within the six months. Before they have customers, they should have the state business license.

**Assemblyman Watkins:**

There is something about the expediency by which TNCs can get drivers onto their platform, which they want to encourage. Getting some documents may be more problematic. It is not that they are not required to get the document; it is just that we understand that it may take some time to get the document to the TNC. I would have a problem if this is intended to say drivers do not have to get a business license, but they still get to conduct business in the state. That is not how I read it; I hope your office does not read it that way.

**Scott Anderson:**

I appreciate that comment. My initial comments were based upon the sponsor's comments today—that there would be a grace period. It takes five minutes to get a state business license on Silver Flume, Nevada's business portal. You log on, put in all your information, pay the registration fee, and you can print out your state business license. As far as a delay in getting a license is concerned, that should not be a problem. Whether it is filed online or in paper form, it would take a few days at most. Online, it is immediate.

**Assemblyman Watkins:**

I am looking at the plain language of the bill, which does not go into the business license requirement statute, but is just talking about delivery of the paperwork to the TNC. I have a broader question for you. The business license fee we added and put in the purview of the Secretary of State—as I understand it, based on our conversations on other bills, there is not really a means for you to enforce the business license requirement against people who are already in the system. Is that a fair assessment? Does your office have an enforcement

means by which you go out into the field with investigators, looking at independent contractors? Or, from your Office's perspective, does it require that someone notify you of a potential problem?

**Scott Anderson:**

We do have a compliance process in our office. Currently, it is based upon complaints that come into our office. We do not have an investigator, although we have that position in our budget, to go out and proactively look. If a TNC driver tells us that another driver does not have a business license, we would notify the offending driver that we are aware of an alleged violation. Then, that driver would contact us and show proof of compliance, become compliant, or stop doing business in Nevada.

**Assemblyman Wheeler:**

You may have partially answered my question about obtaining a business license online. How many people paper file versus file online for business licenses? Before this session started, I looked to see how many new business licenses were issued; it was not very many. If, as Senator Atkinson testified, there may be 57,000 TNC drivers, can your office handle 57,000 applications if they cut that time period back?

**Scott Anderson:**

We are hoping the majority of these drivers have already filed with us. We do not know if they drive for Uber, Lyft, or another TNC just by virtue of having a state business license. Under a license, they can conduct any business. From an electronic standpoint, yes, we can handle that large a number of applications. If they were to come into our office to do paper filings, that would be problematic. Over 80 percent, probably closer to 85 percent, of the business conducted with the Secretary of State's office is done online, and that percentage is growing. With the new system we are putting in place, virtually all of our services will be available online.

**Assemblyman Fumo:**

Assemblyman Watkins' question made me think of another one. My first question is for the Secretary of State's representative. How many TNC drivers in the state have signed up and gotten business licenses so far?

**Scott Anderson:**

I could not tell you that. When a person registers for a state business license as a sole proprietor, the type of business is not identified. A sole proprietor might be a driver for Lyft, a plumber, or someone running any other legal business in the state. You would be authorized to do business under that license, as long as it is a legal business, for whatever type of business you desire.

**Assemblyman Fumo:**

If a driver wants to try out driving for a TNC, could you have it in your contract that if you are going to drive for us for two weeks or 30 days, you must provide the TNC with the business license or you will lose the app? That way we know that the state is getting



the benefit of our bargain—drivers are obtaining business licenses, TNCs are turning that information in to the NTA; and the NTA can provide that to the Secretary of State. Is that workable for you?

**Josh Griffin, representing Uber, San Francisco, California:**

I would like to answer that question and Assemblyman Watkins' question as well. In the current statutes, all of the independent contractor drivers have to have business licenses. This bill does not change that. I think we are one of the only industries that is required by statute to notify our drivers that they have to have business licenses. We have a process as drivers are being onboarded. We notify them of this legal requirement and send them links. When drivers sign up, come in, and get decals after having gone through all the checks and vehicle inspections, we notify them again during that process. We make multiple attempts to notify them as easily and as personally as possible that they have to obtain a business license. This bill does not change those requirements; it is about how we go forward and notice it. Assemblyman Fumo, are you asking us to go a step further and do the Secretary of State's job? Are you saying if they do not show us the business license we prevent them from being on the app?

**Assemblyman Fumo:**

That is exactly right. The benefit of the bargain you made with the Legislature in the 2015 Session was that you would make your drivers get business licenses. Now there are no teeth to it, in my opinion. So, yes, that is exactly what I am asking you to do—take that extra step that you said you would in the last session.

**Josh Griffin:**

We would have trouble with that. The deal we made in 2015 was that the independent contractors had to have business licenses. We went the extra mile and notified them. We are the only ones in statute that are required to notify our independent contractors of this. To act as the enforcement officer for that is troubling to me.

**Chairman Carrillo:**

Seeing no other questions, we will continue taking neutral testimony.

**Michael Hillerby:**

I want to thank Senator Atkinson for being willing to work with us. We are officially neutral on the bill. It is not something we necessarily like, but we appreciate that Senator Atkinson listened to the way the businesses operate and to a number of our issues. A lot of drivers will go through the onboarding process and never take a ride, meaning they never engaged in the business activity. Some will take a great deal of time before they put that toe in the water and decide they like it. As the sponsor and others said, at the 6-month mark this would put an additional layer of enforcement on that. As Mr. Griffin said, we believe we are the only industry that is required in statute to notify its independent contractors of the need to have a state business license. This would go a step further, having us verify that at the 6-month mark. It does not change the requirement that they get the license, but it puts us in the position of verifying that.

**Scott Anderson:**

There is one additional thing I want to add regarding section 2.3. We need to make sure that, in working with NTA, the information they provide is sufficient for us to be able to make compliance efforts. In talking with NTA staff, it would appear the information they have may limit our ability to identify drivers not in compliance. We would be happy to work with the NTA or the sponsor of the bill to ensure we are getting the necessary information to complete our compliance efforts.

**Chairman Carrillo:**

Senator Atkinson, do you have any closing remarks?

**Senator Atkinson:**

When you called on testimony in support of the bill, I thought the TNCs would come forward in support. I did not know they would be testifying as neutral, as most of this compromise was theirs. I am a little bit alarmed by that. I think Assemblymen Fumo and Watkins made some valid points. This bill was a compromise. The Committee certainly can look at things differently. My door is always open. I am willing to discuss any options you find appropriate. We have talked with legal counsel; I do not think there are any legal problems with the bill. The TNCs came to us and asked to be treated differently than the taxis, so they are already being treated differently. We are trying to find a mechanism that works for us, for them, and for the state. To make the record clear—we want TNCs here. I was one of their strongest proponents last session. I co-sponsored the bill. Sorry, Assemblyman Wheeler for gutting your bill and putting our stuff in there. Assemblyman Wheeler was here last session and will attest to the fact that I was very vocal in making sure TNCs came to our state. But, they need to abide by the rules, regulations, and laws that we set forth for them.

**Chairman Carrillo:**

We will close the hearing on S.B. 226 (R1) and open the hearing on Senate Bill 283.

**Senate Bill 283: Provides for the issuance of special license plates indicating support for the Vegas Golden Knights hockey team. (BDR 43-924)**

**Senator Kelvin Atkinson, Senate District No. 4:**

This bill should be a lot easier. I am here to present Senate Bill 283. As a bit of background, the National Hockey League (NHL) and Las Vegas have been interested in partnering together for quite some time. We had the minor league team, the Las Vegas Thunder, playing in the Thomas and Mack Center from 1993 to 1999. We annually host the Frozen Fury event, which is the pre-season game between the Los Angeles Kings and the Colorado Avalanche. Las Vegas has long been interested in having its own hockey team.

Discussions for a hockey team began in the summer of 2014. By February 2015, a season ticket drive began to gauge interest here in the state. In June of 2015, the NHL allowed prospective owners to bid on an expansion team. By June of 2016, Las Vegas won the

expansion bid, and it was announced that the new team would begin playing in the 2017-2018 season. In November of 2016, we learned that the team would be named the Las Vegas Golden Knights.

Senate Bill 283 will require the Department of Motor Vehicles (DMV) to design, prepare, and issue special license plates supporting the Las Vegas Golden Knights. These special plates may be combined with personal prestige plates—a person would pay the additional fee for the personalized prestige license plate. The bill makes this plate not subject to the usual rules for such plates, including being placed on the waiting list for or requiring an additional fee that goes to benefit a nonprofit organization.

Finally, S.B. 283 allows the DMV to accept any gifts, grants, donations, or other sources of money for the production and issuance of these special license plates. This last part is vital. If you look at the mechanism we already have in place for special license plates, there is bonding that needs to occur, and there is other money that needs to be raised.

Everyone in this building knows I am not a fan of special plates, so my caucus gave me a huge razzing about bringing this forward. The Golden Knights themselves reached out to me and asked if this was a possibility this session. I told them I would pursue it, so I have kept my promise. I know for a fact that there are a lot of people who want this plate. I told them that if we were going to do this, the Las Vegas Golden Knights would need to pay for the production and setting this up, so the taxpayers are not paying for it. They agreed to do that. Everyone will have to follow the regular rules such as if you have a special license plate, you will have to pay the \$35 fee as someone wanting that personalized prestige license plate. Individuals will have to pay the plate fee, but the design and production costs will be paid by the Las Vegas Golden Knights.

**Assemblyman Sprinkle:**

Section 1, subsection 4 says this does not have to adhere to the provision of *Nevada Revised Statutes* NRS 482.36705. In essence, we are not applying the rules. Last session and my freshman session, we had a lot of organizations wanting specialized license plates. I am not seeing any reason the team should be allowed to bypass all the other rules we put in place for so many other organizations, except this would be a nice thing to do for a new organization. Would you clarify why that is in this bill?

**Senator Atkinson:**

The only reason is that they are a team that is coming here, and this is a way we can show our support for them. This is not the first time we have waived the rules for an organization. We bypassed the rules in the past. This is just one of those cases. I do not have a huge reason why, other than they are a team coming to our state, and we wanted to show our support for them earlier rather than later.

**Assemblyman Sprinkle:**

I appreciate that answer. Relating to section 1, subsection 3, where are we not applying additional fees, or did I misread that?

**Senator Atkinson:**

I am not sure what you mean.

**Assemblyman Sprinkle:**

Section 1, subsection 3 says that "... no fee in addition to the applicable registration and license fees and governmental service taxes may be charged for the issuance or renewal of a set of license plates issued pursuant to this section." Why is that?

**Senator Atkinson:**

I am not sure how that is reading. Those who wanted the special plates would have to pay the \$35 for the license plate. I believe the DMV is going to clear that up.

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

We are here today as neutral. We worked with Senator Atkinson, Legislative Counsel Bureau staff, and legal counsel to put together some clarifying language. These plates would be subject to the \$35 initial specialty license plate fee. We brought forth an amendment, which is available to you on Nevada Electronic Legislative Information System (NELIS) ([Exhibit D](#)). It clarifies that the plate is also subject to the \$10 renewal fee. In addition, we clarified language regarding personalization and added language regarding replacing plates.

**Assemblyman Ellison:**

I had the same question on section 4. When I sat on the Commission on Special License Plates, we had a lot of requests for them. I thought we would have to bump one off to put this one on, so I am glad that question was answered.

**Chairman Carrillo:**

Are there questions from any other members of the Committee? [There were none.] Is there testimony in support of S.B. 283?

**Alfredo T. Alonso, representing Vegas Golden Knights and Black Knight Sports and  
Entertainment:**

I am here today on behalf of the Golden Knights and Black Knight Entertainment. We thank Senator Atkinson. This will be Nevada's first professional team, so it does have significance. We have had a lot of stops and starts over the past 20 years over which team might come to Nevada one day. Here we have a Las Vegas NHL team and will soon have a National Football League team. This license plate is different because it is being paid for

by the Golden Knights. Ultimately, we hope to have a foundation, so someday we may come back and ask you to help us fund that through license plates if sales take off. That is some time away. We think this is a start and a nice way for the whole state to support the team.

**Chairman Carrillo:**

Is there support in southern Nevada? [There was none.] Is there opposition in northern or southern Nevada? [There was none.] Is there anyone neutral?

**Sean McDonald:**

I want to go on record that DMV is neutral on S.B. 283. I want to thank Senator Atkinson and the Legislative Counsel Bureau staff for helping us work through the amendment we brought forth.

**Chairman Carrillo:**

There is no one neutral in Las Vegas. We will close the hearing on Senate Bill 283 and open the hearing on Senate Bill 141. Veterans in the audience, we thank you for service. We appreciate your patience as well.

**Senate Bill 141 (1st Reprint): Revises provisions relating to special license plates for veterans with a qualifying service-connected disability. (BDR 43-636)**

**Senator Joseph (Joe) P. Hardy, Senate District No. 12:**

There are people that we honor in this country. There are people who have given their lives and their bodies in the service of their country, thus this bill would close a gap. If a veteran has a 100 percent disability, he or she qualifies for a disabled veterans license plate. Under existing statute, the disabled veteran must have a single disability of 100 percent in order to qualify. The guts of Senate Bill 141 (1st Reprint) are in section 1. It allows the qualifying service-related disability to total 100 percent by combining multiple service-connected disabilities, instead of requiring it be a total disability.

This came about as a result of a veteran asking me why he could not get that plate when he had a disability that was 90 percent as well as other problems. It turns out that the qualification was intended to be additive when we put forward all the other bills relating to veterans, but it was inadvertently omitted. The bill mentions Purple Hearts and Pearl Harbor veterans that are in statute already. This allows a person who has a cumulative 100 percent disability to have a disabled veteran's license plate and the advantages that go with it. This honors veterans, not just for their service, but also for the disabilities incurred while they were in the service.

**Assemblywoman Spiegel:**

I have a constituent who is a 160 percent service-disabled veteran who is also a car collector. We spoke many times over the interim because he is upset that he can only have two license plates that say he is a service-disabled veteran. He supports this bill, but expressed some

frustration that the exemption from payment of parking fees applies to the vehicle and not to the driver. Has there been any discussion about that? Is there a possibility he could have more license plates for his multiple vehicles? He does not think his wife should get the benefit of having the parking fees abated. He thinks that should apply only to him, as he is the service-disabled veteran.

**Senator Hardy:**

The person who qualifies for the license plates or placards is the one who qualifies for parking in special places or for special exemption. It is the person who has qualified that should be associated with the car wherever it is parked.

**Assemblywoman Spiegel:**

The language in section 3, subsection 5 says, "A vehicle on which license plates issued by the Department pursuant to subsection 2 are displayed is exempt from the payment of any parking fees . . . ." If we could discuss that privately, I know my constituent would appreciate it.

**Senator Hardy:**

I am flexible.

**Chairman Carrillo:**

Are there questions from any other Committee members? [There were none.] We will now take testimony in support on S.B. 141 (R1).

**William Baumann, Chairman, Nevada Veterans Services Commission, Department of Veterans Services; and National Deputy Veterans Affairs Voluntary Service Representative, Disabled American Veterans:**

In the state of Nevada, I am the chairman of the volunteer service program for our veterans. I represent 6,200 veterans with disabilities in the state. A good share of them really do need these license plates. I support this bill.

**Kevin Burns, Chairman, United Veterans Legislative Council:**

We represent the major veterans' organizations in the state and a large portion of the 250,000 veterans in the state. We wholeheartedly support this bill. The individuals spoken about in the presentation are not ordinary Americans. They will all tell you they are, but they are extraordinary Americans. They have given a lot to this country. We think this is very little that we can give back to them.

**Chairman Carrillo:**

Is there anyone else in support? [There was no one.] I do not see anyone in southern Nevada. Is there anyone opposed in northern or southern Nevada? [There was no one.] Is there anyone neutral in southern Nevada or northern Nevada? [There was no one.]

Senator Hardy, do you have any closing remarks? [He had none.]

We will close the hearing on Senate Bill 141 (R1). Is there anyone here for public comment in northern or southern Nevada? [There was no one.] We are adjourned [at 5:14 p.m.].

RESPECTFULLY SUBMITTED:

---

Joan Waldock  
Committee Secretary

APPROVED BY:

---

Assemblyman Richard Carrillo, Chairman

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

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is written testimony submitted by Todd Sklamberg, Chief Executive Officer of Sunrise Hospital and Medical Center, Las Vegas, in support of Senate Bill 149 (1st Reprint).

[Exhibit D](#) is proposed amendments to Senate Bill 283 submitted by Sean P. McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles.