

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

**Seventy-Ninth Session  
February 21, 2017**

The Committee on Transportation was called to order by Chairman Richard Carrillo at 3:21 p.m. on Tuesday, February 21, 2017, 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/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  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

None

**STAFF MEMBERS PRESENT:**

Jann Stinnesbeck, Committee Policy Analyst  
Marsheilah Lyons, Committee Policy Analyst  
Darcy Johnson, Committee Counsel  
Joan Waldock, Committee Secretary  
Trinity Thom, Committee Assistant



**OTHERS PRESENT:**

Regan J. Comis, representing the California Nevada Cement Association  
Matt Gotta, Regional Sales Manager, Nevada Cement Company  
Charles Stuart, Executive Director, Southwest Concrete Pavement Association  
Thomas Tietz, Executive Director, California Nevada Cement Association  
Terri L. Albertson, C.P.M., Director, Department of Motor Vehicles  
Donnie Perry, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles  
James Mulkey, Supervisor, Occupational and Business Licensing Section, Division of Compliance Enforcement, Department of Motor Vehicles  
Jude Hurin, Administrator, Division of Management Services and Programs, Department of Motor Vehicles  
Catalina Jelkh Pareja, representing LKQ Corporation, Chicago, Illinois

**Chairman Carrillo:**

[Roll was called. Committee protocols and rules were explained.] I would like to let you know that we will be taking things out of the order presented on the agenda.

**Regan J. Comis, representing the California Nevada Cement Association:**

With your permission, Mr. Chairman, I would like to introduce the two gentlemen who are beside me. Mr. Matt Gotta is the Regional Sales Manager for the Nevada Cement Company. Next to him is Charles Stuart, the Executive Director of the Southwest Concrete Pavement Association. Mr. Tom Tietz of the California Nevada Cement Association will finish the bill presentation.

**Matt Gotta, Regional Sales Manager, Nevada Cement Company:**

First are some pictures of the Boulder City Bypass [pages 2 and 3, ([Exhibit C](#))] and Interstate 580 and Greg Street. These projects utilized alternative design/alternate bid (AD/AB) and life cycle cost analysis (LCCA). These methods create more competition and help save costs.

I would like to clarify the difference between cement and concrete [page 4, ([Exhibit C](#))]. Cement is an additive in concrete. It is made with limestone, clay, alumina, and silica that is heated and made into clinker. That clinker is ground to a fine powder into which gypsum is introduced. The resulting product is sent off to concrete companies, where they will add water to it to create a paste that binds aggregates made of sand and gravel.

Looking at the economic footprint, cement consumption in Nevada in 2015 was 1.2 million metric tons, the equivalent of about 4.8 million cubic yards of concrete [page 5, ([Exhibit C](#))]. Between those working in the cement and concrete industries, there are approximately 5,700 employees, with a payroll of \$242 million. The cement and concrete-related contribution to state revenue is \$433.9 million.

Looking at the foundation of Nevada's economy regarding cement consumption, you can see that we are still nowhere near our peak levels from 2005 and 2006 [page 6, ([Exhibit C](#))]. We are about 1.4 million metric tons below that mark. Cement is made in neighboring states and also made locally in Nevada.

Life cycle roads are making it better for Nevada [page 7, ([Exhibit C](#))]. We have 5,300 miles of state highways to maintain. According to a recent report by TRIP, a nonprofit national transportation research group, we have a \$285 million per year shortfall for the next decade on the current backlog of highway maintenance. We ask that you start looking at AD/AB and LCCA to help with some of these issues as we move forward.

**Charles Stuart, Executive Director, Southwest Concrete Pavement Association:**

I will continue the presentation. Today I want to focus your attention on doing the right thing for our roads and to ensure that the public receives full value for their highway dollars. There has been a lot of discussion in the media and among our transportation leaders regarding the deterioration of our roads and the lack of funding available to make repairs. We need to look for every opportunity to do the right thing. Looking at the numbers that Mr. Gotta just highlighted shows that we have a daunting task ahead of us. We would like to focus on competition and cost savings that are available to Nevada [page 8, ([Exhibit C](#))]. The problems that we see are not exclusive to Nevada. In response, many other states and the Federal Highway Administration are developing and implementing tools to determine the most sustainable and cost-effective project choices. The Department of Transportation (NDOT) has also made great strides in using these economic tools.

We are currently working with NDOT to advance cost-effective alternatives through LCCA and AD/AB for pavement type selection [page 9, ([Exhibit C](#))]. These tools offer the greatest opportunity to provide economic benefit to Nevada through competition. Life cycle cost analysis is used to compare two or more different project options. Since we are talking about pavements, we are interested in looking at pavement types—concrete and asphalt. We use LCCA to compare these pavement types over the lifespan of the pavement, which is often as long as 40 years. It is important to capture all the costs when doing LCCA. Those costs, in addition to the initial construction, include maintenance, repair, and the use phase of the pavement—the cost to the highway users. The Federal Highway Administration has provided useful guidance on LCCA, allowing some interpretation at the state level [pages 10-11, ([Exhibit C](#))]. We want to look at a highway design process that will bring more competition between paving industries. This is important because it assures the highest return on investment of the taxpayers' dollars by driving down costs. This competition also fosters innovation, which further increases the value to the state. Alternative bid policies have been successfully used by NDOT on the Boulder City Bypass (Phase 1) and also on Interstate 80. We encourage the expanded use of these tools to fully realize the cost savings.

A number of states across the country have implemented AD/AB [page 13, ([Exhibit C](#))]. One early implementer was West Virginia, saving \$20 million in the first four years. Missouri's costs have come down 10 percent for both concrete and asphalt. Louisiana, in an eight-year period, saved \$120 million on 47 AD/AB projects.

Regarding the Boulder City Bypass, Mary Martini, NDOT Engineer said, "We opted to use concrete pavement due to its longevity, which federally funded studies show costs 13 percent to 28 percent less in the long run than asphalt. It also reduces rutting and potholes . . . cutting maintenance expenses by up to 75 percent." [Page 12, ([Exhibit C](#))]. The Boulder City Bypass (Phase 1) is a perfect example of how NDOT successfully used the tools we are talking about—LCCA and AD/AB. Unfortunately, on Phase 2, AD/AB was not implemented, and the state missed a big opportunity. How many more valuable AD/AB opportunities have gone unrealized and will continue to go unrealized?

**Thomas Tietz, Executive Director, California Nevada Cement Association:**

One point we thought would be worth mentioning has been a contention among people from our industry. It regards a policy NDOT and other state departments of transportation follow in terms of what we consider an accommodation for the asphalt industry [page 14, ([Exhibit C](#))]. The policy effectively subsidizes cost hikes in fluctuating asphalt oil costs. The state covers the risk for those contractors, although Nevada receives a rebate if the costs go down. When it comes to an accommodation for our industry, we simply want what the previous testifiers talked about—more competition, more opportunity, and for the state to not always go to the default of assuming that asphalt will be cheaper or faster, but to look at alternatives to bring better value to the state of Nevada.

There are a few more reasons we think it is important to consider our pavement material [page 15, ([Exhibit C](#))]. One is concrete's long-term performance over time, meaning the state will save money. We would also like you to recognize that concrete is not only appropriate for urban freeways. We see it being used in parking areas and in other applications, such as serving the mining industry. We hope that we can make more of an impact with regional transportation commissions (RTCs) and cities.

Concrete retains a light color over its lifetime. It is more rigid than the alternative materials so that it can provide better fuel efficiency, which is an environmental benefit [page 16, ([Exhibit C](#))].

We hope that you take this message home with you [page 17, ([Exhibit C](#))]. When you are back in your districts, ask questions. Are the local governments in your district just doing things the way they always have? Do you see the same potholes over and over again? There might be another way of looking at things to provide long-term value.

We enjoy a good relationship with NDOT. We will continue to work with them and with the RTCs to push this message. We hope that results in gaining more value for the state's entire pavement system as we move forward.

**Assemblyman Wheeler:**

In northern Nevada, we have wild temperature swings. In summer it may be 100 degrees; in winter it may be -20 degrees. Is the process of laying concrete, and the concrete itself, amenable to these wild temperature swings? Is there as much risk of cracking and potholes?

**Charles Stuart:**

This is definitely a challenging environment, but it is not much different than what we see across the country. Freezing and thawing reduces performance. Its effect on concrete is no worse than its effect on the alternative. The downside of the other pavement type is that it is much less durable in this environment. When you talk about the effect of heat or moisture, you see the number of potholes that develop in asphalt pavement. Concrete pavement is much more durable than asphalt pavement in this type of environment.

**Chairman Carrillo:**

Back East, asphalt is used a lot. As I understand it, water can get into cracks in the asphalt. When it freezes, it expands, creating potholes. I know that there are different blends of concrete for different environments. I went on a tour this summer and was fascinated by the types of mixtures of concrete for different tensile strengths and pounds per square inch, depending on whether you are building vertically or horizontally. I saw pervious concrete that allows water to seep through it. I was impressed with that, although when the water gets through, it still has to go somewhere.

Relating to your PowerPoint presentation, I have a question for you. What percentage of Nevada's current roads is made with concrete?

**Charles Stuart:**

I am sure NDOT could give you a more accurate answer. I would estimate that it would be less than 5 percent of the roads.

**Chairman Carrillo:**

As you stated in your presentation, LCCA would benefit the state and the taxpayers of Nevada, allowing us to have highways that last three times as long as those paved with asphalt.

The Department of Motor Vehicles (DMV) will begin its presentation. We will need to interrupt it at some point, as we will need to break for our work session while we have all of our members present.

**Terri L. Albertson, C.P.M., Director, Department of Motor Vehicles:**

With me are my deputy director, Amy McKinney, and Alex Smith, my public information officer. In acknowledgement of the number of new members on this Committee, I would like to introduce the DMV.

The DMV consists of eight divisions [page 2, ([Exhibit D](#))]. We also have eight counties serving as agents. We have 1,269 authorized positions, with 18 offices statewide.

The funding is through State Highway Fund appropriations, fees, transfers from internal budget accounts, cost allocations, and reimbursements [page 3, ([Exhibit D](#))]. We receive a small State General Fund appropriation each year to fund the voter registration program. The Department collects in excess of \$1.3 billion in revenue each fiscal year. Our Highway Fund appropriations must stay under the 22 percent cap of the funds collected and distributed to the Highway Fund, excluding fuel tax revenue. The cap was increased to 27 percent for fiscal year (FY) 2016 and FY 2017 to fund system modernization.

You can see that the majority of the funds we collect are distributed to the counties and school districts, with a portion going to the Highway Fund [page 4, ([Exhibit D](#))]. There is a portion we retain. Some goes to the State General Fund. Everybody gets a piece of our pie.

Coming before your Committee this year are several Department cleanup bills [page 5, ([Exhibit D](#))]. Assembly Bill 60 will be heard here today. We also have Assembly Bill 68, which addresses cleanup language for driver's licensing and permitting. When we implemented the driver's authorization card and made the changes for the eight-year driver's license, we overlooked the fact that current statute does not allow for an individual 65 years of age or older to obtain an eight-year card. Since some cards are for identification purposes only, we would like to be able to offer that advantage to older people as well.

Senate Bill 15 is a housekeeping bill for registrations and license plates [page 6, ([Exhibit D](#))]. We want to clarify the terms "duplicate" and "replacement." They are confusing to some people. An important piece of that bill is that our blue license plates that people are so attached to will be excluded from the eight-year reissuance process. Senate Bill 31 is our motor carrier bill. This bill would bring us into compliance with some United States Department of Transportation requirements to have their numbers placed on all commercial vehicles. Senate Bill 64 would bring us into compliance with the federal mandate that funds be distributed to airports instead of to the counties. Our only major initiative in the department's budget this year is for authorization for system modernization. It will provide for a 10 percent holdback for payments on implementation of three phases.

One of the major initiatives you will see this session is the proposal for a new DMV facility in Reno [page 8, ([Exhibit D](#))]. This is in the *Executive Budget* proposal for this year. About 300 customers line up around the current DMV building nearly every morning [page 9, ([Exhibit D](#))]. The population of Washoe County has more than doubled since the Galletti Way office was opened in 1979—the population back then was around 178,000. Today's population is nearly 400,000. Parking is frustrating for both customers and employees. We have 159 employees on location; there are 152 parking spaces in the lot. We do not even have enough parking spaces for our employees, let alone our customers. Since September 2015, 1,572 parking citations have been issued to our customers while they conducted business with DMV, and 694 customers' cars have been towed. It is bad enough that people do not want to be at the DMV to begin with, but when they are issued citations or have their vehicles towed, it makes the situation worse. The average customer wait time at this office is 57 minutes. On average, we serve 893 customers a day. It is time to provide



more efficient and responsive state government, to reduce customer and employee frustration, and to meet the growing demands of the Washoe County population [page 10, ([Exhibit D](#))].

The new, combined DMV service center would offer a DMV office, an emissions station, and a commercial driver's license (CDL) facility [page 11, ([Exhibit D](#))]. It would provide a one-stop service center for all customers. It would expand parking to nearly 450 spaces, and increase facilities, improving Americans with Disabilities Act (ADA) features. There would be additional service windows, restrooms, and more. It will be close to the Veterans Parkway expansion, providing easy access for customers who would now travel from northern Reno to this location in southern Reno. We are cognizant of the fact that we do not want to inconvenience our customers any more than is necessary. We would be giving consideration to alternative service projects, such as express locations, service partnerships, or kiosks for outlying areas of Reno and Sparks, to meet those customers' needs.

Going back to the DMV's divisions, the Office of the Director establishes policies; directs and controls operations; handles media inquiries, personnel issues, and information security; runs administrative hearings; and oversees employee development [page 12, ([Exhibit D](#))]. The Administrator of our Administrative Services Division is Cyndie Munoz [page 13, ([Exhibit D](#))]. She oversees budget, accounts payable, purchasing, warehousing, facility management, internal controls, contract management, and payroll.

The administrator of the Division of Management Services and Programs is Jude Hurin [page 14, ([Exhibit D](#))]. This is better known as our research and development division. Many of you will notice that, when a fiscal note comes forth from DMV, it is generated by this division. Mark Froese is the administrator of our Division of Information Technology [page 15, ([Exhibit D](#))]. Dawn Lietz is the administrator over the Motor Carrier Division [page 16, ([Exhibit D](#))]. Sean McDonald oversees the Division of Central Services and Records [page 17, ([Exhibit D](#))]. His division is responsible for the call center and title production and research. It also oversees license plate production, off-highway vehicle registration and title processing, and records sales.

Donnie Perry is administrator of our Division of Compliance Enforcement, which is the regulatory part of the automotive business [page 18, ([Exhibit D](#))]. He is responsible for licenses that we issue and our driving under the influence (DUI) and traffic safety classes. His division also oversees fraud detection, prevention, and investigation. He oversees the self-funded vehicle emissions program. The administrator of the Division of Field Services is Tonya Laney [page 19, ([Exhibit D](#))]. She oversees the front-line staff that take care of the needs of our customers daily. They do the testing and licensing of noncommercial drivers. They also manage commercial driver testing, licensing, and certifier programs. They are in charge of registering and titling vehicles, voter registration, verification of identity, and customer service.

I like to take the opportunity, whenever I can, to promote our alternate services [page 20, ([Exhibit D](#))]. Additional funding was provided by the previous Legislature that allowed us to market alternative services. We had an 8 percent increase in usage in FY 2015, and a 5 percent increase in FY 2016. Our alternative services are our self-service kiosks, our website, our ever-popular "MyDMV" online portal, the Electronic Dealer Report of Sale Program, and the Las Vegas Justice Court pilot program that I will touch on in more detail later in my presentation. We have 44 self-service kiosks throughout the state; 17 of those are located in 11 DMV offices [page 21, ([Exhibit D](#))]. We have 27 kiosks in partner locations—grocery stores, convenience stores, at the universities, and in AAA offices. We are trying to drive customers into places that are convenient to them, so that they do not have to come into a DMV office. The kiosk transactions became fee-based as of March 2012—there is no cost to the state for this service. In FY 2016, there were 648,100 transactions conducted on these kiosks. More than 5.3 million transactions have been completed since 2005. To us, that represents 5.3 million people who did not have to make a trip to a DMV office. We have a pilot program with one of our partners using cash-accepting kiosks. So far, that is proving to be very successful. This test is running in the southern part of the state, in an area where about 30 percent of our customers use cash to pay for services. It is becoming very popular.

The first accounts in the MyDMV portal were set up in April 2013 [page 22, ([Exhibit D](#))]. We have almost 650,000 accounts as of December 31, 2016. Over 2 million transactions have been completed as of January 16 of this year. The services available include address change (our most popular transaction, as it is the only way to make a change of address with the DMV without mailing it in or coming into an office), registration renewal, insurance update, temporary movement permit, vehicle resale notification, and vehicle taxes paid. The MyDMV portal is basically a one-stop shop for you, as a customer. We can authenticate who you are, allow you to have access to your record, let you see when your registration is due, and learn when your driver's license renewal is due—all in one place.

**Chairman Carrillo:**

We will now take a break from the DMV presentation and move into our work session. Before we do that, I would like to make some general points regarding work sessions. Anyone having concerns with a bill should work with the bill's sponsor prior to the bill hearing. Please note that I plan to hold work sessions on a weekly basis; therefore, it is important to complete an amendment within 24 hours of a bill hearing so that it can be considered during the work session.

**[Assembly Bill 96](#): Revises provisions governing motor carriers. (BDR 58-118)**

**Jann Stinnesbeck, Committee Policy Analyst:**

For Committee members, the work session document serves as a summary of the bill and its proposed amendments ([Exhibit E](#)). You can find the actual language of the proposed amendment attached to the work session document.



Assembly Bill 96 was heard in this Committee on February 14, 2017. Assembly Bill 96 exempts owners or operators of a motor vehicle that is used for the transportation of passengers or property from full regulation by the Nevada Transportation Authority if that person directly or indirectly controls, is controlled by, or is under common control with the owner or operator that is exempt from full regulation due to certain criteria such as holding a non-restricted license and being a resort hotel. The bill also requires such a person to inspect the motor vehicle regularly, maintain a record of the inspections for at least three years, and make the records available for inspection or audit by the Nevada Transportation Authority.

We have one amendment. We received an email this morning that said the amendment was proposed by both the Livery Operators Association of Las Vegas and the Nevada Resort Association. The amendment clarifies that the exemption and other provisions specified in the measure apply to an "affiliate" of the owner or operator.

**Chairman Carrillo:**

Is there any discussion by the Committee?

**Assemblyman Sprinkle:**

I want to confirm that this amendment is known to the sponsors of the bill.

**Chairman Carrillo:**

Yes. They assisted in bringing the amendment forward. Is there any other discussion? [There was none.] I will accept a motion to amend and do pass A.B. 96.

ASSEMBLYMAN SPRINKLE MOVED TO AMEND AND DO PASS  
ASSEMBLY BILL 96.

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Araujo.

**Terri L. Albertson, C.P.M., Director, Department of Motor Vehicles:**

To continue with our alternative services, we have stand-alone web transactions [page 23, ([Exhibit D](#))]. Over 8.5 million transactions have been completed on the website since 2000. Alternative services continue to grow. You will see where our web transactions have started to decrease, while the MyDMV and kiosk transactions have increased. The chart on alternate services represents that our alternative services are trending upward [page 24, ([Exhibit D](#))]. This is what we like to see. It shows that our customers are open to using alternative services rather than coming into a Department of Motor Vehicles (DMV) office to conduct their business with us. At the same time, you can see that we are trending downward in our customer count [page 25, ([Exhibit D](#))]. It makes sense to us that as people are utilizing our online and alternative services more and more, fewer are coming into our offices. We still

served 1.8 million people in fiscal year 2016. I would like to stress that our effort to promote alternative services appears to be working.

Also trending downward are our customer wait times [page 26, ([Exhibit D](#))]. A few years ago, the average customer wait time was out of control. The graph shows that there was a 95-minute wait in 2015. We know that in some of our offices in the southern part of the state, actual wait times were between three and four hours. We are now averaging about an hour's wait time. The 2015 Legislature approved 78 new positions for us, which allowed 100 percent window coverage, helping to drive down the customer wait times. Our popular appointment system has also served to do the same. We are working with our vendor to double the capacity of our appointment system. We encourage all of our customers to use the appointment system rather than coming in on a walk-in basis. Those who use the appointment system get to move to the front of the line and be seen, in most cases, even before their scheduled appointments.

Earlier, I mentioned that we are in a pilot program with the Las Vegas Justice Court [page 27, ([Exhibit D](#))]. We have an employee provided by the court in our office on West Flamingo Road. This places the court's representative on duty Monday through Friday in our office, allowing customers to conduct business directly on-site, without the extra trip to the Justice Center downtown. So far, estimates indicate that approximately 20 customers per day are served. If a clearance letter from the court is needed, a customer can go right over to the appropriate court representative's window at the DMV office, take care of the legal matter, then come back to get in the appropriate DMV line. The customer is not inconvenienced by our turning them away, their having to drive to the court to take care of the matter, then coming back to DMV to wait again. This program is becoming very popular.

**Chairman Carrillo:**

Are there any questions?

**Assemblywoman Bilbray-Axelrod:**

I am a big fan of scheduling appointments online and of the kiosks. I have tried making an appointment in Las Vegas several times, only to discover that the system is not working. Is it a fluke that each time I tried, it did not work?

**Terri Albertson:**

There are times when the system is down. We are working with our current vendor on that. Sometimes it is out of our control. Typically, when the system is down, it is not down for long periods of time. If you would try again in an hour or on the following day, it should be easier to make your appointment. We notify our vendor immediately when the appointment system becomes unavailable to our customers. When the system is working correctly, you can often get a same-day appointment.

**Assemblyman Fumo:**

I have worked with the DMV for 20 years with warrants, tickets, sealing of records, and DMV hearings for clients' license loss. I have found you to be very efficient, returning phone calls and emails right away. I have a question about the justice court. Can the justice court quash warrants, or is it there only to receive payment on fines and to issue clearance letters? What does the justice court handle for you?

**Terri Albertson:**

We have a full justice court clerk there in the office. We do not limit what can be done. I would like to think the clerk could process anything that could be processed at the Justice Center counter. There is a court computer set up in our facility. Revenue collection occurs. I could get more details for you, if you would like.

**Assemblyman Ellison:**

Is this an unfunded mandate back to counties, or would it be something counties could implement on their own?

**Terri Albertson:**

The justice court provides the employee to us, resulting in no cost to the DMV. The court reached out to us, wanting to partner with us on this pilot program. They want to see if this would be beneficial—for both the court's and DMV's time. So far, it appears to be working well for the customers.

**Chairman Carrillo:**

You recently hosted a grand opening for the new DMV office on East Sahara Avenue in Las Vegas. Is this the last renovation you have planned, other than the one on Galletti Way in Reno that is going to be replaced or brought into the twenty-first century?

**Terri Albertson:**

At this point in time, the only proposed budget funding is for the new Reno facility.

**Chairman Carrillo:**

I will now open the hearing on Assembly Bill 60.

**Assembly Bill 60: Revises provisions governing the initial issuance and reinstatement of certain licenses relating to vehicles. (BDR 43-221)**

**Donnie Perry, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles:**

With me is Jim Mulkey, supervisor with our Occupational and Business Licensing Section. Assembly Bill 60 is presented before the Committee as a Department cleanup bill. The bill will address three areas: late fees, fingerprint submission, and temporary vehicle placards.

First, A.B. 60 establishes a \$25 late fee for the reinstatement of licenses and registrations if the license or registration is allowed to expire before renewal. Second, A.B. 60 requires

a person applying for an initial license to operate as an automobile wrecker, salvage pool, or body shop to submit a complete set of fingerprints for submission to the Federal Bureau of Investigation (FBI) for its report. It also requires that person to pay a fee established by the Department of Motor Vehicles (DMV) for processing the fingerprints. This process is being implemented to maintain consistency with the regulatory requirements for other businesses throughout the state. Finally, existing law requires the Department to collect a fee for each temporary placard issued to a seller or long-term lessor of vehicles. Assembly Bill 60 repeals the requirement for the collection of the fee. This will allow the vendor to work directly with the respective dealership.

**Chairman Carrillo:**

I will open to questions from the Committee.

**Assemblyman Sprinkle:**

What, if anything, occurred that prompted you to require these background checks? Or is this simply fingerprinting to be in the system?

**Donnie Perry:**

As I mentioned, this is part of a cleanup bill. We have learned through the process that licensees of salvage yards, body shops, and wrecking yards were not subject to that requirement. In order to maintain consistency in the way we regulate business, as with dealerships and body shops throughout the state, we requested this change.

**Assemblyman Wheeler:**

Do we currently have no late fees on license renewals?

**James Mulkey, Supervisor, Occupational and Business Licensing Section, Division of Compliance Enforcement, Department of Motor Vehicles:**

Currently, there are no late fees for any occupational or business license that Nevada issues.

**Assemblyman Wheeler:**

According the fiscal note, you will be making approximately \$213,000 in late fees per biennium. Are there that many of them?

**James Mulkey:**

In order to get businesses to renew on time, rather than letting their licenses lapse, we are adding this fee. This gives operators an incentive to renew their licenses.

**Assemblyman Wheeler:**

Your answer has confused me. When I look at the fiscal note, I see that you are bringing in about \$213,000. If A.B. 60 gets businesses to renew their licenses on time, how do you bring in that kind of revenue?

**Chairman Carrillo:**

Keep in mind that the Assembly Committee on Ways and Means considers the fiscal side of this. We are specifically working on the policy involved.

**Jude Hurin, Administrator, Division of Management Services and Programs,  
Department of Motor Vehicles:**

This was a policy decision based on the understanding of the intent of the bill. We wanted to make sure that we provided some assumptions regarding the possible revenue that would be based on the policy decision.

**Chairman Carrillo:**

Are there any other questions from Committee members?

**Assemblyman Sprinkle:**

Did you say that this will be the first of any licenses issued by DMV that will have a late fee?

**James Mulkey:**

Yes, sir. Right now, we do not have any late fees. Once a business or occupational license expires, there is no late fee at all.

**Assemblyman Sprinkle:**

Is it the intent of DMV to start looking at late fees for other licensing as well?

**Jude Hurin:**

At this point in time, we are only adding late fees here. There is no intent to go any further than what has been proposed in this bill.

**Chairman Carrillo:**

Has this been an ongoing problem? Have people been allowing their licenses to expire and then renewing them later? What is the process they go through to renew an expired license? What are we attempting to achieve?

**Jude Hurin:**

That is the intent. The problem has been decreasing over the years. We wanted to make sure there was a policy in place. If the problem escalated, we wanted to make sure we had the authority to take action.

The same is true with the fingerprint requirement. This cleans up the language in order to make sure that there is a separate fee for fingerprinting.

**Chairman Carrillo:**

Are businesses not aware that their licenses are going to expire? Or do they just know that there are no consequences? If you run a business, it seems to me that you would make sure your licensing is in effect and that you carry the required insurance.

Are there any further questions from the Committee? [There were none.] We will now hear testimony in favor of A.B. 60. [There was none.] Is there testimony in opposition to A.B. 60? [There was none.] Is there any neutral testimony? [There was none.] Are there any closing remarks? [There were none.]

There is an amendment to A.B. 60 that still needs to be worked out. The proponent of the amendment is here to walk us through it.

**Catalina Jelkh Pareja, representing LKQ Corporation, Chicago, Illinois:**

We are one of the largest auto recycling businesses in the United States and around the world, with locations here in Nevada. We are respectfully requesting a friendly amendment to the new fingerprinting requirement for auto wrecking businesses. We spoke with the DMV and with the Chairman's office, explaining our concerns. Because our business is structured as a corporation, it would be challenging to comply with the fingerprint requirement. We have about 630 locations throughout the nation. We are a pro-business corporation. We would like to see this fingerprint requirement exempt corporations and businesses with multiple facilities. We believe this requirement is feasible for a person applying for a license for one place of business. We have submitted our recommended language. We are open to discussion on details.

**Chairman Carrillo:**

Are there questions from Committee members? We will provide all of you with a copy of the amendment.

**Assemblywoman Monroe-Moreno:**

How many of your employees actually work in Nevada?

**Catalina Jelkh Pareja:**

We employ 46 people at three locations in Nevada—two locations in Las Vegas and one in Reno. We are constantly expanding, so it would be quite burdensome for our executives to comply with this requirement.

**Assemblywoman Monroe-Moreno:**

Do any of your other 600 employees come into Las Vegas to work temporarily?

**Catalina Jelkh Pareja:**

We have approximately 40,000 employees in 630 locations throughout the United States.



**Chairman Carrillo:**

Please attempt to work this out with the bill's sponsor. Is there any further comment on A.B. 60? [There was none.] We will close the hearing on A.B. 60.

I will open the meeting to public comment. [There was none.] This meeting is adjourned [at 4:21 p.m.].

RESPECTFULLY SUBMITTED:

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Joan Waldock  
Committee Secretary

APPROVED BY:

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Assemblyman Richard Carrillo, Chairman

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

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a copy of a PowerPoint presentation titled "Competition and Cost Savings for Nevada's Roads and Highways," dated February 21, 2017, prepared by the California Nevada Cement Association, and presented by Matt Gotta, Regional Sales Manager, Nevada Cement Company; Charles Stuart, Executive Director, Southwest Concrete Pavement Association; and Thomas Tietz, Executive Director, California Nevada Cement Association.

[Exhibit D](#) is a copy of a PowerPoint presentation titled "Department of Motor Vehicles, NRS 481, Department Overview," dated February 21, 2017, presented by Terri L. Albertson, C.P.M., Director, Department of Motor Vehicles.

[Exhibit E](#) is a Work Session Document, dated February 21, 2017, presented by Jann Stinnesbeck, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.