MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eightieth Session March 7, 2019

The Committee on Growth and Infrastructure was called to order by Chair Daniele Monroe-Moreno at 1:35 p.m. on Thursday, March 7, 2019, 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/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair Assemblyman Steve Yeager, Vice Chair Assemblywoman Shea Backus Assemblywoman Shannon Bilbray-Axelrod Assemblyman Richard Carrillo Assemblyman Glen Leavitt Assemblywoman Rochelle T. Nguyen Assemblyman Tom Roberts Assemblyman Michael C. Sprinkle Assemblyman Howard Watts Assemblyman Jim Wheeler

COMMITTEE MEMBERS ABSENT:

Assemblyman John Ellison (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Michelle L. Van Geel, Committee Policy Analyst Jessica Dummer, Committee Counsel Lori McCleary, Committee Secretary Alejandra Medina, Committee Assistant



OTHERS PRESENT:

Tom Clark, representing California Nevada Cement Association

Thomas R. Tietz, Executive Director, California Nevada Cement Association

David Imse, Technical Sales Representative, Nevada Cement Company, Fernley, Nevada

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

Joseph (JD) Decker, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles

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

Bailey Bortolin, representing Coalition of Legal Service Providers

Charlene Albee, Division Director, Air Quality Management, Washoe County Health District

Chair Monroe-Moreno:

[Roll was called. Committee rules and protocol were explained.] Today we have one presentation and two bill hearings. We will start with the presentation for concrete infrastructure.

Tom Clark, representing California Nevada Cement Association:

I need to make one adjustment to the agenda. Rowdy Cordero could not make it today; however, we have David Imse from Nevada Cement Company who will talk through the presentation, along with Thomas Tietz from the California Nevada Cement Association. You will be happy to know we are not here to talk about any specific issue or bill. We are here to inform. We are going to bring you up to date on the industry of infrastructure as it relates to cement and concrete here in Nevada and throughout the West. I will turn it over to Mr. Tietz.

Thomas R. Tietz, Executive Director, California Nevada Cement Association:

We certainly appreciate this opportunity this afternoon. Cement is the fine, gray powder that mixes with water, rock, and sand to make concrete. Cement and concrete are two different things. Concrete is a vital part of the Nevada economy and has been for a long time.

As you look at this picture [page 1, (Exhibit C)], can you imagine what Las Vegas would be like without the water and power created by the Hoover Dam and what that does for the economy? Think about the life cycle of that particular project and what it means. Something we do not always think about, but even the structure of all of the phenomenal hotels that we have in northern Nevada and southern Nevada are largely built out of concrete frames, as you can see in the upper right-hand corner [page 2].

It is something we are proud of, and we feel like we are providing that backbone to the economy that is so vital [page 3]. I should also mention that there is a lot of local expertise that can help, even down to the district level where you may be. Even today, we are helping provide a very reliable and resilient material for the new Nevada economy, no matter how that looks.

Concrete as a material is uniquely local [page 4]. A few of the Committee members have been on one of the tours we have put together to show how the rocks are mined from quarries, the concrete is mixed, and then taken to specific project sites. These are some shots from one of those tours in southern Nevada. At the right-hand bottom of the picture is a concrete mixer, which is the kind of truck you see going down the road with a spinning drum. Those have about a 90-minute maximum life to get to a job site. It speaks to the fact that concrete is uniquely local, materials come primarily from Nevada and are important to your districts as well.

I will ask my colleague, Mr. Imse, to address the topic of what is coming next [page 5].

David Imse, Technical Sales Representative, Nevada Cement Company, Fernley, Nevada:

Nevada Cement Company is out of Fernley, Nevada. We would like to tell you briefly about a new cement called portland-limestone cement. We would add 10 percent limestone to the cement. This advancement has been around for many years in the world. In the United States, it has been around for a little over ten years. Some of our neighbors, including Colorado, Utah, and Oklahoma, have put down 900-plus lane-miles of road with this product.

What is in it for us? What is in it for Nevada? We get additional tonnage out of the plant, so there is more supply to the market as well as a significant reduction in carbon dioxide (CO₂). We are talking around 150,000 tons of CO₂ less per year. On this map [page 6], the green states show where the portland-limestone cement is approved and has been used. The yellow states show where it is not being used yet. Many states have accepted it and are using it, and hopefully Nevada will soon. Nevada Cement Company is ready to produce this product.

Thomas Tietz:

I would like to mention we have been working with the Department of Transportation (NDOT) toward advancing implementation of that new technology. I would like to give you an example of a building [page 7]. This building is not in Nevada, but this is a recent project at the University of California, San Diego that uses this type of cement throughout its building structure.

Most of what we have talked about in the past when we have visited this Committee has focused on pavement [page 8, (Exhibit C)]. We feel a lot of progress has been made in this state, and we are grateful to this Committee for it. If we look across the state to see what has

happened in the last few years, we see long-life paving solutions that reduce maintenance costs and delays in projects like Project Neon [page 9]. The picture on the right is of a workshop on how that concrete was produced, designed, and placed on Interstate 580 (I-580), Interstate 80 (I-80), Interstate 11 (I-11), and bus lanes in North Las Vegas.

I do not like to read my slides, but I feel this quote from NDOT is especially helpful [page 10]. It says, "We opted to use concrete pavement due to its longevity, which federally funded studies show costs 13% to 28% less in the long run than asphalt. It also reduces rutting and potholes . . . cutting maintenance expenses by up to 75%."

We urge you to continue considering these policies and ideas that have been working, and look at life cycle costs, not just initial costs, which reduce the amount of rehabilitation and reconstruction needed for roadways [page 11]. We also consider a policy called alternate design, or alternate bid, to be a vital solution which actually provides the ability for the state to compare concrete and asphalt products at first cost as well as life cycle cost. That typically causes both industries to cut their costs.

We feel good about these stories and the fact that the state is gaining more value over the long run by using these materials [pages 12-13]. We hope you can take that message home. Including topics like life cycle costs and looking at some of the inherent advantages of having pavements that are lighter in color, can be cooler, do not cause tracking of oil, and can create better pedestrian safety at night because it is lighter in color, are some of the things that can be offered and taken advantage of at the local level as well. We urge you to explore options locally and consider the long-term performance.

In summary, I would like to hit on some of our key points [page 14]. We feel great about how concrete has performed and has become the backbone of Nevada's economy. Its local aspects are important to every district within the state. We urge the state to explore what Mr. Imse mentioned about portland-limestone cement and its benefits. We feel NDOT is creating a legacy of success that we hope continues. Please bring this message home.

Tom Clark:

That concludes the large part of our presentation. I would simply add that I have had the pleasure of working with this organization for a number of months. When you start thinking about the concept of cement and concrete and what it really does go into, and then you see the aggregate plants and the trucks moving down the roads, the evolution of the technology is something I have learned about and it is really quite phenomenal. The technology is improving at a rate that is helping NDOT, the Regional Transportation Commissions (RTC) of Southern Nevada and Washoe County. I understand this Committee had a good presentation from both of the RTCs and from NDOT. We are starting to see them look toward these new technologies, so not only are we getting a longer life cycle, but it is stronger, less material, and a better product for the economic development that is coming down the road.

Chair Monroe-Moreno:

Thank you for the presentation. We do have a few questions.

Assemblywoman Bilbray-Axelrod:

I did have the opportunity to take one of your concrete tours. I am smiling right now because it was so cool. I encourage the other members to take one as well. I remember we did talk about the limestone on that tour, so I did some research afterward. I discovered it has less of a carbon footprint. As far as I can tell, there is really no downside. It seems like something we should be moving forward with very quickly. How can we, as legislators, help you facilitate that with NDOT? Is there any way we can push this forward? I think it is important for Committee members to understand it is environmentally friendly. What percentage of limestone are you using?

Thomas Tietz:

Portland-limestone cement allows the cement production, which is the largest component of CO₂ impacts for concrete, to reduce its emissions by up to 10 percent. That is how it works. In terms of implementation, some of the western states were delayed due to some concerns about the soils we have here. That is why it has taken longer for California, Nevada, and a few other states to adopt it. It can currently be used in vertical structures as you saw in that one slide [page 7, (Exhibit C)]. We encourage you to learn about it, talk about it, and help move it forward. It can be done through pilot projects or things like that.

Tom Clark:

This is a building product, so it is part of the request-for-proposal process and part of the bidding process that takes place. As was mentioned previously, the state has been good about allowing for those bids to reflect on life cycle and other means to bring competitive pieces, including new technologies with concrete, into the mix. Reduced emissions and things like that are not necessarily a part of that bid process. As we have stated, if you see opportunities where that might be a part of the process, where these types of technologies could have an upper hand, that would be a benefit as well.

Assemblyman Sprinkle:

I have a question about the 90-minute time frame the truck has to get from the factory to the job site. About four or five years ago, I kept hearing rumors that we do not have enough cement for all the growth going on. We are seeing incredible amounts of growth now throughout the entire state. If that concrete has to be delivered within a 90-minute time frame, what kinds of demands are you seeing in Nevada within the industry as a whole? Consequently, how is that demand affecting the cost for construction jobs now?

Thomas Tietz:

The second half of your question is about the demand for our material and cost, is that correct?

Assemblyman Sprinkle:

That, compared with the kind of construction growth we are seeing as a whole throughout the state. That is tied to the limited time frame in mixing and getting the product to the job sites.

Thomas Tietz:

If we look at actual consumption going back to 2005 and 2006, even with several years of recovery, we are still at about 70 percent of where we were at that point in time. There is still room for more growth, which is a key aspect to recognize. In terms of time frames, the reason I mentioned that is to emphasize the local component of the material. However, we see it being used all over the state, even in remote areas such as the mining applications in northern Nevada. There are mobile concrete mixers that can occasionally be used in remote areas as well. We find ways around it. We can also mix in superplasticizers, which can sometimes extend that time as well.

Assemblyman Leavitt:

We are talking about replacing roadways with concrete versus asphalt. What is the cost differential between those two products, if there is one? Could you also elaborate on the life of the product and how that ties into the cost differential over time, potentially saving money?

Thomas Tietz:

Relating to costs, we usually rely on the contractors, which gets to the previous question as well for specific projects and markets. What I can speak to in more general terms is, if you look at comparing those pavement materials, historically an asphalt pavement will be cheaper up front but require more maintenance over time, which is an important dynamic when looking at the asset management system throughout the life of a whole network. We are now finding that, oftentimes, concrete is coming in at equal or closer to cost. A lot of that also depends on the traffic loads, because the thickness and demands can change from project to project.

Assemblyman Leavitt:

If there were a roadway 8 inches thick, 4 total lanes, and a mile long, which would be cheaper: concrete or asphalt?

Tom Clark:

The life cycle of the concrete has shown to be tremendously longer, regardless of the thickness, the length, and those other variables. The product itself has proven that the maintenance cycles are not as varied and as necessary as they are with the asphalt product. Typically, the roadway will be built with a guarantee for a certain amount of time. What they are saying is that concrete is lasting considerably longer than what was actually expected. However, just like anything, there is a warranty on the product stating it will last a certain amount of time before it needs necessary maintenance based on a certain load, the amount of traffic, and the amount of the use. It is outliving that life cycle and living up to its performance, whereas with asphalt, it would have to be maintained much more often.

Assemblyman Leavitt:

Am I going to pay more money to build a road with concrete or asphalt?

Thomas Tietz:

Typically, yes. However, oftentimes it depends on so many other factors. I would urge you to think about the other factors and the life cycle.

Assemblywoman Backus:

I would like to get on the next concrete tour, but I do have some questions to clarify your presentation. Following up on Assemblywoman Bilbray-Axelrod's question about looking at ways to promote this with respect to bidding public projects, it is my understanding we should be looking at an alternative design bid as opposed to the lowest bid. Is that correct?

Thomas Tietz:

Yes. We would encourage looking not only at first cost but also life cycle cost and potentially looking at alternative designs to choose the best one for that given project.

Assemblywoman Backus:

I believe you said there would be 10 percent limestone added to cement mixtures. Did I hear someone say it works for horizontal construction but not vertical construction? I am not sure if I heard that correctly. I also want to know the negative impacts with respect to the soils in Nevada.

David Imse:

We have done testing with our portland-limestone cement and have shown it is as good or performs better than the traditional portland cement. We talk about the sulphate attacks on soil. Incidentally, I worked in Colorado for many years and they have the same issues we have in Nevada. Our testing has shown it has performed as good as the cements we use today.

Regarding the vertical or horizontal construction, it makes no difference in infrastructure. As I said, there has been a lot of testing done and it is a standard in the American Society for Testing and Materials International, which is an agency organization. It is a type of cement that is allowed. It has gone through a rigorous process and it is now for NDOT to accept that type of cement.

Assemblyman Carrillo:

I would like to touch on the life cycle again. A few sessions ago, NDOT explored the life cycle analysis. You mentioned it was used on the I-11 and I-580 projects. Obviously, you will not have the full result until the end of the cycle. Because of the heat in Las Vegas, there are a lot of ruts. Anyone who has ridden a motorcycle in Las Vegas understands there are two dangerous spots: either one rut or two ruts. Do you have any indication of how much money has been saved so far on projects, or do you have to wait until the end of the life cycle

to compare it with what it would cost to repave? Repaving asphalt may need to be done after ten years, but concrete would not have to be repaved in that time frame. Repaving asphalt could surpass the cost of the concrete to begin with. Can you give us some background on how this is used, because it is being used now? Please explain how it has been beneficial to the state.

Thomas Tietz:

To answer that question, I would like to emphasize the fact that every time a life cycle cost analysis is done on any specific project, it does demand real analysis. It takes historic data and national standards into account and places different maintenance and rehab schedules into that plan. Typically, we see it being used in larger-type projects, not smaller ones. That is where we have been seeing the success in the projects that have been mentioned. I have not seen a specific number that calculates the total savings over time.

Chair Monroe-Moreno:

Are there any further questions from the Committee? [There were none.] Thank you for the presentation. I will open the hearing on <u>Assembly Bill 24</u>.

Assembly Bill 24: Revises provisions governing the requirements for posting of security bonds by motor vehicle-related industries and activities. (BDR 43-229)

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

With me today is Sean McDonald and, in Las Vegas, Joseph Decker. Before you today we have <u>Assembly Bill 24</u>. The Department of Motor Vehicles (DMV) has submitted this cleanup bill to amend language in *Nevada Revised Statutes* (NRS) [NRS 100.065] to disallow the usage of antiquated bonds issued by the U.S. government or the State of Nevada for the requirement of posting security by motor vehicle-related industries and activities (<u>Exhibit D</u>).

In short, that is our opening overview of the bill, and we would be happy to take any questions. Mr. McDonald and Mr. Decker are the true experts, so I will happily defer the questions to them. We have been working with California Nevada Cement Association to cement this deal.

Assemblyman Yeager:

Could you define "lawful money" in section 3, subsection 4, paragraph (a)?

Joseph (JD) Decker, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles:

Lawful money includes cash, certificates of deposit, or surety bonds. There is a list of lawful money, which includes floating rate notes, Treasury Inflation-Protected Securities, et cetera. Basically, it is anything that is liquid which a consumer claim can be executed upon. One of the reasons for this bill is, the government savings bonds are not liquid. Sometimes their

value is dependent on a maturity date. The Division of Compliance Enforcement, Department of Motor Vehicles, has never actually had anyone use one. This is simply a cleanup bill to make the statute conform with our experience in current instruments of bonds today.

Assemblyman Carrillo:

Last session there was <u>Senate Bill 452 of the 79th Session</u>, which had to do with the bonds for titling. I had a short discussion with Mr. McDonald, but would you provide the information for the rest of the Committee regarding that particular issue and if there will be no effect whatsoever?

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

No, this would have nothing to do with the bonded titling piece passed with <u>Senate Bill 452</u> of the 79th <u>Session</u>. This is more specific to the bonding of automotive businesses conducting business in Nevada.

Assemblyman Carrillo:

You said this bill was to clean up language. Was there a particular incident that caused this bill? I am sure there is plenty of legislation in NRS that needs some cleanup, but was there a specific incident or incidents that took place to put this on your radar?

Sean McDonald:

No, there have not been any instances where this has come into play. This is a more preemptive approach to make sure these investment bonds are not used in place of a surety bond for the purposes of security. We want to make sure the statute is tightened up where that is concerned.

JD Decker:

It is my understanding that this bill was a result of the system technology application redesign project. It was one of the items identified through that process as needing to be cleaned up.

Chair Monroe-Moreno:

There was an amendment submitted to the Committee (<u>Exhibit E</u>). Have you been able to review that amendment? Is it a friendly amendment? And have you talked to the submitter?

Jude Hurin:

The Coalition of Legal Service Providers provided that proposed amendment. The DMV is in agreement and has no problem with incorporating that as an amendment.

Chair Monroe-Moreno:

Are there any further questions from the Committee? [There were none.] Is there anyone present who would like to testify in support of the bill?

Bailey Bortolin, representing Coalition of Legal Service Providers:

We would like to thank the DMV for working with us in the interim. We support this bill and appreciate them including a small cleanup that we think will be important for consumers.

Chair Monroe-Moreno:

Is there anyone else present who would like to testify in support of the bill? [There was no one.] Is there anyone present who would like to testify in opposition to the bill? [There was no one.] Is there anyone present who would like to testify as neutral to the bill? [There was no one.] Are there any closing remarks from the bill sponsors? [There were none.] I will close the hearing on <u>Assembly Bill 24</u>. I will open the hearing for <u>Assembly Bill 63</u>.

Assembly Bill 63: Revises provisions governing vehicles. (BDR 43-226)

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

Before you today we have <u>Assembly Bill 63</u>. The Department of Motor Vehicles (DMV) has submitted this cleanup bill for several housekeeping changes to *Nevada Revised Statutes* (NRS) Chapter 482. These changes include elimination of redundant language in section 1 concerning the appointment of agents for the Department, and creating requirements regarding the usage of the Department's name, service marks, trademarks, or logo (<u>Exhibit F</u>).

Section 2 relates to moped inspections. The Department is proposing to allow licensed Nevada dealers to perform inspections on mopeds that are part of their sales or rental inventory for the convenience of their customers.

Section 3 relates to the license plate factory and would allow the Department to explore newer technologies that are being developed and cannot be replicated by the license plate factory.

Sections 4, 5, 6, and 11 clarify the distribution of fees for the first issuance of license plates exempt from emissions testing.

Section 8 will include "qualifying service-connected disability" under NRS 482.0962 with the current definition of a "person with a permanent disability" under NRS 482.3837.

Section 9 will allow the Department to accept a certificate of service-connected disability from the U.S. Department of Veterans Affairs or the U.S. Department of Defense for the purpose of issuing special license plate placards and stickers.

Section 12 will allow the Department to eliminate physical paper retention for one year in favor of imaged digital records.

That concludes my opening statement. We will be happy to address any questions you may have.

Assemblyman Sprinkle:

Could you go into more detail as to why the ability to use a county assessor has been removed?

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

The county's assessors are redundant with the first part of that statute. It talks about public entities. The Department has the ability to enter into arrangements with a public entity, and county assessors being a public entity, it was redundant language so we are doing the cleanup.

Assemblyman Sprinkle:

In section 1, subsection 3 you changed "must" to "may" as far as charging a fee for services. What is the rationale behind that change?

Sean McDonald:

As existing language, it is more or less mandating the \$2 transactional fee to be assessed. However, there are situations where the Department would not assess a fee or pay a transactional fee. It allows permissive versus mandatory because some entities will perform that particular transaction for no fee.

Assemblyman Sprinkle:

My last question has to do with section 11. Subsection 6, paragraphs (a) and (b) talk about the money that is placed into the Pollution Control Account and describe a certain overage as excessive. Why is it described as an "excess" in the amount of dollars? What then happens with that money? Are the funds supposed to be used or are they reverted back?

Joseph (JD) Decker, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles:

The statute lists an order of priority for the fees collected and deposited in the Pollution Control Account. That order of priority varies, but generally DMV operations come first, then there is a reserve set at \$1 million. Once that \$1 million reserve has been hit, anything in excess over that reserve would then be distributed to the counties as excess over their regularly scheduled quarterly payments, which is their portion of entitlement to the fund. When it says "excess," it means any excess over the first two priorities, the second priority being the reserve.

Assemblyman Sprinkle:

Once it gets beyond those two priorities, the money is reverted back to the counties. Am I understanding that correctly?

JD Decker:

That is correct. The first priority is DMV operations and the second priority would be a certain amount of reserve, and then any excess over that reserve that is collected would then be reverted back to the counties. I will note, however, that is excess over their regularly scheduled payments. They do receive priority money out of the fund. This would essentially be anything in excess over the reserve.

Assemblyman Sprinkle:

That does help clarify. I want to make sure that is the change we are trying to do with this bill and it is not current statute.

JD Decker:

That is current statute.

Assemblyman Sprinkle:

Thank you. I was just reading through that.

Assemblywoman Backus:

My question is regarding section 3, subsection 2. I am curious why you are looking to consider an outside vendor if it has already come up that license plates are including certain technology that can be accommodated by those facilities at the Department of Corrections (NDOC), and if so, has anyone looked at considering acquiring the equipment so the work can still be done at NDOC with respect to license plate manufacturing?

Sean McDonald:

At the license plate factory, what we were looking for in this particular section is the ability to have discussions about electronic license plates. Not to oversimplify it, but they resemble a Kindle E-reader. There is a computer information technology component that goes with these electronic license plates. If there has been an abduction or something and there are notices that have to be sent out or something over and above, those could be communicated across these license plates.

The first purpose of this change is to at least be able to engage in those discussions to see if there are other technologies for electronic digital license plates. The second purpose is for the purpose of redundancy. Currently, if something should happen at the factory and we were unable to produce license plates, this would give us the ability to continue production.

Assemblywoman Backus:

With respect to this new technology, is this going to give the DMV access to people's vehicles through their license plates? Are the messages going to be displayed? Is there going to be some sort of monitoring device showing where these vehicles are located?

Jude Hurin:

We are in the very early stages of working with the vendor on the pilot program. We will actually have a discussion at the Office of the Governor tomorrow. The company has created a digital license plate system. There is a pilot program in California, and I believe Arizona actually has a much grander implementation of this program. In a general sense, the license plate would display as a normal license plate, and it would be up to the individual who actually has an account with the vendor as to what can be displayed. If it were your plate, Assemblywoman Backus, there is a feature for an Amber alert. If you did not want that, it is totally up to you to determine whether or not that is displayed. Otherwise, it is just a normal-looking license plate number that is displayed.

We are looking at a pilot program, and this language allows us that flexibility to look into those electronic technology opportunities.

Assemblyman Watts:

I have a clarifying question around section 12. I see the text of the repealed section on page 16. I noted in your testimony that the intent is to move away from physical record retention to digital retention. I do not see where that is laid out. Could you provide some clarification as to where the policy on digital retention is located?

Sean McDonald:

Presently, when we receive any titling documents or anything associated with titling, we automatically image all of those documents as part of the process. That is something required by statute. We retain those records for 20 years. However, those paper documents we do hold on file for a full year. There is a lot of paper. From the standpoint of now having those physical documents retained versus those that are imaged, now that we have the imaged documents, it is really redundant at this stage. If anything, it is to make sure we do not have these paper documents stored when we have the imaged documents being safely kept.

Assemblyman Carrillo:

My question is regarding section 2, subsection 4, paragraph (b) where it states, "Did not purchase the moped from a new vehicle dealer or a used vehicle dealer." What happens when there is a private sale? Would it still go through DMV for inspection?

Sean McDonald:

Yes. If there is a private-party sale, we would still need to do a vehicle identification number (VIN) inspection at the Department. In those counties where there is not a Department office, then law enforcement could do the inspection. The idea with this cleanup language was ultimately to give the dealers a little more flexibility and also help the customer get that VIN inspection performed.

Assemblyman Carrillo:

My next question is on section 1, subsections 4 and 5, regarding DMV logos. I know there are groups that provide DMV services with logos that look very close to the DMV logo. How is this enforced? What steps will be taken to ensure some type of enforcement? Will they get a notice from DMV telling them not to use a similar logo? If so, will you pull their business license?

JD Decker:

The Division of Compliance Enforcement, Department of Motor Vehicles, has administrative authority over licensees in the sense that we can send letters requesting a licensee to cease and desist. We also have authority to impose fines. If those licensees do not comply, we can revoke a business license that is subject to the jurisdiction of the Division.

Assemblywoman Bilbray-Axelrod:

I think last session we either had a bill on the digital license plates or there was a presentation.

Unidentified:

Not that I am aware of.

Assemblywoman Bilbray-Axelrod:

Either I have the most amazing imagination and know exactly what they look like, or we had a presentation. Perhaps someone came to my office. I thought maybe we could send one around, but not if it does not exist.

My question goes back to Assemblyman Sprinkle's question regarding the excess money mentioned in section 11, subsection 6, paragraphs (a) and (b). Who has oversight over that money?

JD Decker:

The Compliance Enforcement Division has authority over the money and distributes it in accordance with statute. Of course, we are subject to Legislative Branch audit and Executive Branch audit. In addition, there is a committee that has limited oversight in the sense that the Department reports to the committee disbursement of those funds.

Assemblywoman Bilbray-Axelrod:

I understand giving the money priority, but what is the \$1 million typically used for, and who makes that determination?

JD Decker:

The \$1 million is a statutory requirement for reserve funds in case there is a change in the revenue. It would allow the Department some flexibility in making sure the counties receive their scheduled payments.

Assemblyman Yeager:

I am really interested in this electronic license plate, and I do have a request. It would be helpful if you could share with this Committee any information you have about what they are doing in other states or what the vendor is doing that is nonproprietary. Please keep this Committee updated during the course of the session on where the Department might be going and, when we finish session, if you would please keep me updated. I think this is an interesting emerging issue that has a lot of potential, but also potentially a lot of issues. I want to make sure, as a Legislature, we try to stay on top of it.

Jude Hurin:

We do have some information from the vendor. I would be happy to share that with you and keep you updated. We have asked the vendor to put this on hold at this time because of the legislative session. Our desire at this point is, sometime in October, to actually start having those discussions again. Several months ago we did have a kickoff meeting with a variety of stakeholders, including NDOT; Department of Public Safety; Enterprise Rent-A-Car; Andrew MacKay, Executive Director of Nevada Franchised Automobile Dealers Association; and Paul Enos, Chief Executive Officer of Nevada Trucking Association. There were a variety of stakeholders because we want to create a pilot that actually utilizes a variety of state government agencies, as well as the private sector, to pilot this license plate. We do understand there are some concerns with the plate as well, but we want to take at least a year pilot on this to figure out the gaps, issues, and concerns so we can bring it to the Legislature for review. I will be happy to provide that information to you.

Chair Monroe-Moreno:

If you could get that information to our committee manager, she can get it to every member of the Committee. Are there any further questions from the Committee? [There were none.] Is there anyone present who would like to testify in support of the bill?

Charlene Albee, Division Director, Air Quality Management, Washoe County Health District:

To address the questions on the excess reserve funds that are distributed to the air quality management agencies in both Washoe and Clark Counties, we receive dedicated funds of \$1 out of each of the smog check certificates. We typically use those funds to help cover personnel costs because we have some confidence in that money. The excess reserve funds are actually used for one-time projects and one-time expenses, because we know there is no guarantee that the money is going to be coming in. That money is usually for operational things.

Vehicles are the largest source of emissions in both counties, so that is really where we have to put our efforts to come up with additional control strategies and outreach efforts. As an example, in Washoe County we used those funds for the Burn Code program we have so we can get control strategies in place to offset the contribution of the vehicles. We really do depend on those funds.

The U.S. Environmental Protection Agency (EPA) grant funds are dropping. Level funding actually equates into reductions. The EPA Clean Air Act was set up so the federal grants would cover 60 percent of the programs and local funds would cover 40 percent. For fiscal year 2018, the EPA covered 21 percent of the Washoe County fund. We really do depend on these excess reserves to help us continue the ambient air quality standards so we can have healthy air for a healthy community.

I am in support of this bill. If there are any questions, I would be happy to answer them.

Chair Monroe-Moreno:

Is there anyone else present who would like to testify in support of the bill? [There was no one.] Is there anyone present who would like to testify in opposition to the bill? [There was no one.] Is there anyone present who would like to testify as neutral to the bill? [There was no one.] Are there any closing statements from the bill sponsors? [There were none.] I will close the hearing on Assembly Bill 63.

Is there anyone here in Carson City or in Las Vegas who wishes to make public comment? [There was no one.]

This meeting is adjourned [at 2:35 p.m.].	
	RESPECTFULLY SUBMITTED:
	Lori McCleary
	Committee Secretary
APPROVED BY:	
Assemblywoman Daniele Monroe-Moreno, Chair	
DATE:	<u> </u>

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a copy of a PowerPoint presentation, titled "Concrete Infrastructure: Next Steps for Continued Success," dated March 7, 2019, presented by Tom Clark, representing California Nevada Cement Association; Thomas R. Tietz, Executive Director, California Nevada Cement Association; and David Imse, Technical Sales Representative, Nevada Cement Company.

<u>Exhibit D</u> is written testimony, dated February 25, 2019, submitted by Jude Hurin, Administrator, Division of Management Services and Programs, Department of Motor Vehicles, in support of <u>Assembly Bill 24</u>.

<u>Exhibit E</u> is a proposed amendment to <u>Assembly Bill 24</u> submitted by Bailey Bortolin, representing Coalition of Legal Service Providers.

<u>Exhibit F</u> is written testimony, dated February 25, 2019, submitted by Jude Hurin, Administrator, Division of Management Services and Programs, Department of Motor Vehicles, in support of <u>Assembly Bill 63</u>.