MINUTES OF THE SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eightieth Session April 9, 2019

The Senate Committee on Growth and Infrastructure was called to order by Chair Yvanna D. Cancela at 1:36 p.m. on Tuesday, April 9, 2019, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Yvanna D. Cancela, Chair Senator Chris Brooks, Vice Chair Senator Moises Denis Senator Pat Spearman Senator Marcia Washington Senator Joseph P. Hardy Senator James A. Settelmeyer Senator Scott Hammond

GUEST LEGISLATORS PRESENT:

Senator Nicole J. Cannizzaro, Senatorial District No. 6 Senator Marilyn Dondero Loop, Senatorial District No. 8 Senator James Ohrenschall, Senatorial District No. 21 Assemblywoman Shannon Bilbray-Axelrod, Assembly District No. 34

STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Committee Policy Analyst Darcy Johnson, Committee Counsel Tammy Lubich, Committee Secretary

OTHERS PRESENT:

Michael D. Brown, Nevada Fire Chiefs Association

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Danny Thompson, International Brotherhood of Electrical Workers 396; Transportation Resource Advisory Committee of Southern Nevada

Ernie Adler, International Brotherhood of Electrical Workers 1245

Robert Johnston, Western Resource Advocates

Mark Regan, Fire Marshal, North Lake Tahoe Fire Protection District

Tom Dunn, Professional Fire Fighters of Nevada

Rusty McAllister, Nevada State AFL-CIO

Tony F. Sanchez, Executive Vice President, NV Energy

Tina Quigley, CEO, Regional Transportation Commission of Southern Nevada

Scott Scherer, Regional Transportation Commission of Southern Nevada

William Stanley, Southern Nevada Building Trades Unions

Greg Adler, Copart

Chelsea Capurro, Insurance Auto Auctions

Chase Whittemore, Nevada Franchised Auto Dealers Association

Warren B. Hardy II, Nevada Pick-A-Part

Paul Enos, CEO, Nevada Trucking Association

Tyson Falk, Tow Operators of Northern Nevada

Craig Stevens, Cox Corporate Services, Inc.

Samuel P. McMullen, Copart

Catalina Jelkh Pareja, LKQ Corporation

Jim Berchtold, Attorney, Legal Aid Center of Southern Nevada

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

Ted Imfeld, Program Officer, Management Services and Program Division, Department of Motor Vehicles

Andrew Bennett, Office of Traffic Safety, Department of Public Safety

Thomas Martin, Management Analyst III, Management Services and Programs Division, Department of Motor Vehicles

Erin Breen, Director, Vulnerable Road Users Project, Transportation Research Center, University of Nevada, Las Vegas

Victoria Hauan, Office of Traffic Safety, Department of Public Safety

April Sanborn, Services Manager III, Management Services and Programs Division, Department of Motor Vehicles

Jeffrey Thau

CHAIR CANCELA:

<u>Senate Bill (S.B.) 298</u> will not be considered in the work session today and <u>S.B. 399</u> will not be heard today. We will begin with the hearing on <u>S.B. 329</u>.

SENATE BILL 298: Revises provisions relating to partial tax abatements for certain renewable energy facilities. (BDR 58-908)

SENATE BILL 399: Revises provisions regarding licensed automobile wreckers. (BDR 43-253)

SENATE BILL 329: Revises provisions relating to the prevention of natural disasters. (BDR 58-1132)

SENATOR CHRIS BROOKS (Senatorial District No. 3):

I will read my written testimony (<u>Exhibit C</u>) and will present the bill as per a conceptual amendment (<u>Exhibit D</u>) from Michael D. Brown.

MICHAEL D. BROWN (Nevada Fire Chiefs Association): I will read my written testimony (Exhibit E).

DANNY THOMPSON (International Brotherhood of Electrical Workers 396; Transportation Resource Advisory Committee of Southern Nevada):

We are the qualified utility workers who work on the infrastructures and we support <u>S.B. 329</u>.

ERNIE ADLER (International Brotherhood of Electrical Workers 1245):

The amount of money spent on this bill to avert catastrophes needs to be emphasized and will be less than what California is paying. This is smart economics and smart fire suppression.

ROBERT JOHNSTON (Western Resource Advocates):

Western Resource Advocates supports <u>S.B. 329</u>. As a public utility, NV Energy has been charged with providing safe and reliable service. Why is this bill needed now? For Western Resource Advocates the answer is clear: climate change.

As I testified previously in support of <u>S.B. 254</u>, every four years the U.S. Global Change Research Program prepares a state-of-the-science synthesis of climate impacts and trends across the U.S. regions of sectors. This is known as the National Climate Assessment. The fourth National Climate Assessment released in 2018 had two alarming conclusions. First, over the next few decades, 2021 to 2050, the annual average temperatures are expected to rise approximately

2.5 degrees Fahrenheit for the United States. This is relative to the recent past average from 1976 to 2005 and under all plausible future climate scenarios.

Second, the incidents of large forest fires in the western United States and Alaska has increased since the early 1980s and is projected to further increase in those regions as the climate changes.

The future and changing climate requires us to take a formal look at the risk of fires starting from electrical infrastructures and how to mitigate the risk.

<u>SENATE BILL 254</u>: Revises provisions relating to carbon reduction. (BDR 40-907)

MARK REGAN (Fire Marshal, North Lake Tahoe Fire Protection District): We support S.B. 329.

Tom Dunn (Professional Fire Fighters of Nevada):

I am a firefighter for the City of Reno. I have served on incident management teams both locally and nationally and have seen first-hand the impact that wildland fires have on the electrical grid. As professional firefighters we have had a good working relationship with all of our infrastructure providers and are in support of S.B. 329.

RUSTY MCALLISTER (Nevada State ALF-CIO):

We are in support of $\underline{S.B.~329}$. This bill will help improve situations and avoid a major disaster.

TONY F. SANCHEZ (Executive Vice President, NV Energy):

We are in support of <u>S.B. 329</u> as amended. NV Energy takes its role seriously in supplying safe, secure and reliable energy to its customers. <u>Senate Bill 329</u> is an extension of the current integrated resource plan process, which is considered preplanning. NV Energy would have to file a thorough review with the Public Utilities Commission of Nevada (PUCN). The PUCN would have to approve the plan and decide what the best methods are to guard against catastrophes. A post prudency review would have to be done as well. NV Energy is proud to undertake such a plan and looks forward to working with all the parties involved.

CHAIR CANCELA:

We will close the hearing on S.B. 329. I will accept a motion.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 329.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:

We will now proceed with the work session for S.B. 154.

SENATE BILL 154: Requires the adoption of regulations authorizing certain renewable natural gas activities. (BDR 58-108)

Senate Bill 154 was unanimously passed out of the Committee on April 2, 2019. There has been a change and instead of a floor amendment, I will accept a motion to reconsider.

SENATOR SETTELMEYER MOVED TO RECONSIDER S.B. 154.

SENATOR BROOKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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SENATOR CANCELA:

There was a one-word change which is outlined in proposed amendment 3 of the work session document (<u>Exhibit F</u>). Instead of reading the PUCN "shall", the language will read that the PUCN "may" adopt regulations.

SENATOR CANCELA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 154.

SENATOR SETTELMEYER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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We will proceed with the work session for S.B. 428.

SENATE BILL 428: Revises provisions relating to transportation. (BDR 43-725)

MARJORIE PASLOV THOMAS (Committee Policy Analyst):

I will read the summary of the bill and the amendments from the work session document (Exhibit G).

CHAIR CANCELA:

I will entertain a motion on S.B. 428 with the amendments.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 428.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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I will now open the hearing on S.B. 426.

SENATE BILL 426: Revises provisions related to transportation. (BDR 22-686)

TINA QUIGLEY (CEO, Regional Transportation Commission of Southern Nevada): Senate Bill 426 will extend the time the Regional Transportation Commission of Southern Nevada (RTCSN) has to seek the ballot question initially authorized in S.B. No. 149 of the 79th Session. This extension will provide flexibility to extend its ballot question and to complete the RTCSN mobility plan, "On Board." The extension will also give the flexibility to address any other unforeseen issues.

SCOTT SCHERER (Regional Transportation Commission of Southern Nevada): Existing law gives the RTCSN the right to make recommendations to the County Commission for a ballot question to fund high-capacity transit and the

recommendation must be completed by December 31, 2020. <u>Senate Bill 426</u> will change the date to December 31, 2024. This will give the RTCSN time and flexibility to complete the mobility plan, "On Board." This will still require a vote of the people and there can only be one vote of the people.

MR. MCALLISTER:

We support <u>S.B. 426</u>. The additional time provided by <u>S.B. 426</u> will help the RTCSN evaluate all technologies available for future transportation in southern Nevada.

WILLIAM STANLEY (Southern Nevada Building Trades Unions): We support S.B. 426.

Mr. Thompson:

As a member of the Transportation Resource Advisory Committee in Southern Nevada, I support <u>S.B. 426</u>. It is critical that the RTCSN has the ability to adequately plan for the future.

CHAIR CANCELA:

I will close the hearing on S.B. 426 and open the hearing on S.B. 491.

SENATE BILL 491: Revises provisions concerning salvage vehicles. (BDR 43-135)

SENATOR MARCIA WASHINGTON (Senatorial District No. 4): I will read my written testimony (Exhibit H).

GREG ADLER (Copart):

The most important part of this bill is the interplay between state and federal law. The Anti Car Theft Act of 1992 by Congress, was passed to create a repository for vehicle identification numbers (VINs) for vehicles that have reached the end of their lives. This way thieves cannot steal cars, clone those VINs and put a legitimate VIN on a stolen vehicle.

In 2009, the United States Department of Justice (USDOJ) issued the implementing regulations for the Anti Car Theft Act of 1992. It added a third category, "Total Loss", for vehicles which had to be reported by junk salvage and insurance companies. Junk vehicles are just scrap parts and salvage vehicles are cars damaged to the extent they are not worthy of being put back

on the road and are considered total loss insurance vehicles. This program was to be administered by the American Association of Motor Vehicle Administrators (AAMVA).

This created the problem of total loss vehicles showing up in National Motor Vehicle Title Information System (NMVTIS) reports, pulled by the Department of Motor Vehicles (DMV) as salvage, even though they do not meet the definition of salvage vehicles under State law.

As an example, a car originally purchased in 2010 is stolen in 2012. The owner makes a claim to their insurance company and the insurance company totals the car. The following day the car is recovered with no damage a quarter of a mile away. The car still had to be reported into the federal database even though there was no damage, because the insurance company totaled the car.

The insurance company then auctions the vehicle to a used car dealer, who sells the car to a consumer. The consumer registers the vehicle with a clean title and drives the vehicle for four years, sells the vehicle to someone who in turn sells the vehicle to someone else, both with clean titles. In 2018, the policy at the DMV changed, and vehicles in the database listed as salvage and a new owner can only get a salvage title even if the vehicle was not damaged.

The NMVTIS report shows vehicles branded from Nevada and other states that were previously junked. The Junk, Salvage and Insurance (JSI) database is the portion <u>S.B. 491</u> is addressing. From the previous example, even though the vehicle was never damaged, the salvage notation would be on this report from 2012. Vehicles with little or no damage ending up in the JSI database could be unrecovered thefts that are later recovered and subject to litigation.

The vehicles subject to litigation could involve a fender bender. If a person was injured and their attorney believes it was due to faulty brakes or seatbelts, they may want to file a claim against the manufacturer. The insurance company would then list the vehicle in the JSI database as a total loss, even if repairable, to get it off their books. The vehicle would then go to the plaintiff's attorney to use as evidence in the litigation.

Texas and several other states will not give a salvage title for a vehicle damaged by hail or an insurance company may also list a vehicle as totaled if the owner rejects the repairs. Another example would be caused by the opioid epidemic. If

a person was to pass away in their vehicle from an overdose the family may not want the vehicle back. The family could go to the insurance company and request the vehicle be totaled. If the insurance company totals the vehicle, it will end up in the JSI database as a total loss, even though the vehicle was never damaged in an accident. If this vehicle is sold to a consumer, that consumer would have trouble getting a clean title from the DMV due to it being listed as a total loss in the database.

Forty-seven states do not use the JSI database to determine title branding. Minnesota and Wyoming are the only states whose statutes specifically allow JSI database use. Nevada law does not allow or disallow the use of the JSI database.

Texas is probably the best model. An excerpt from the Texas NMVTIS guide (Exhibit I contains copyrighted material. Original is available upon request of the Research Library) explains why Texas does not use the JSI database and why it is harmful and misleading to consumers. This information can still be used by DMV and consumers for investigations. We fully support the information being used for that purpose, but do not want it used for making branding decisions that could be based on an inaccurate database.

The USDOJ website states the NMVTIS requirements do not alter state laws when it comes to titling vehicles and states are not required to use the information in the JSI database.

The AAMVA, the advisory body to all DMV administrators in the United States, drafted a best practices guide last year and recommended that jurisdictions use the JSI database for branding purposes. They removed the recommendation after we explained the harm this was causing consumers. The intentions were good when the DMV adopted this policy last year, but the cure is worse than the disease.

Another example is a 2007 minivan with minor damages, which is not a salvage or a junk vehicle. This vehicle was easily repaired and sold through one of our yards in Michigan. Michigan law has a damage threshold of 75 percent. If it is over 75 percent, the title has to be branded. If the damage is less than 75 percent it does not need to be branded. This vehicle was sold with a clean title and was reported to the database as a total loss, as required, and the

salvage notation ended up in the JSI database. The dealer who bought that car fixed it up, put it on their lot and a consumer bought it.

If the person who purchased the vehicle relocated to Nevada and tried to title their vehicle, the DMV would reject the title application due to the salvage history on the vehicle in the JSI database. This is where the confusion comes in and is what we are trying to correct.

There could also be consequences that this policy has on consumers. If a person has a loan on a vehicle for \$20,000 and that vehicle does not have a clean title, the vehicle is now worth \$4,000 or \$5,000 at best. Now the collateral for the loan has been substantially diminished in value and they are upside down on their loan.

Trade-in values from dealers are going to be diminished as well because the dealers will not be sure if they can get a clean titled vehicle and be able to resell it on a clean title. This could hurt consumers in terms of trade-in values. Consumers may also not be able to insure their vehicle because some insurance carriers will not insure salvage vehicles. They may have to pay a higher premium from another carrier who will cover salvage vehicles. This could potentially take more vehicles out of circulation, reducing the market and driving prices up. Most people do not want to drive vehicles that are salvaged; they want clean titled vehicles.

This came to our attention at a national salvage auction that sells clean titled vehicles to dealers, who in turn sells those vehicles to consumers. The consumer then goes to the DMV and when they cannot get the vehicle titled on a clean title, it comes back to us. The dealers have to buy the vehicles back even though they did not do anything wrong and in turn, we have to buy the cars back from the dealers. I estimate our Las Vegas yard gets one or two calls a day on this. This is also happening to the consumers transferring their vehicles from one to another and ending up in litigation.

We are recommending DMV follow the State titling and branding laws and have come up with language that everyone agrees with.

This bill was initially going to add salvage pools to the list of businesses that could process abandoned vehicles and storage liens. It was decided to create a

new section in the amended version that the vehicle is left in the salvage pool should an insurance company deny a claim.

The vehicle does not have to be left in the salvage pool forever and the title could actually pass with the DMV issuing a title to the salvage pool after attempting to reach the owner. If the attempts are unsuccessful, the title would pass to the salvage pool. This would be the same for vehicles left by charitable organizations. Senate Bill 491 allows the salvage pool or the dealer to find a way to get the vehicle titled in their name so the vehicle can be sold and removed from their property.

Senate Bill 491 also has a provision concerning the bond amount on vehicles. The bonds on the vehicles are less than the manufacturer suggested retail price (MSRP). The DMV has taken the position the bond has to be one and a half times the worth of the vehicles. This is current MSRP law. The amount you have to pay to get the bond directly correlates to how much the vehicle is worth. Most of the time these vehicles are not worth one and a half times the MSRP. In this bill, it has been reduced to 25 percent, which we believe is an accurate portrayal of what these vehicles are worth.

CHAIR CANCELA:

I hope we will hear from people who have been affected by this policy change. I struggle when people present under the guise of hurting consumers, but really are presenting on behalf of their business interests. I appreciate the narrative and the consumer protection necessities.

CHELSEA CAPURRO (Insurance Auto Auctions):

We are in support of S.B. 491. I will go over a few points of the amendment (Exhibit J).

We removed sections 1 through 4 concerning salvage pool vehicles in reference to towing. This was reworded and put in subsection 1 of *Nevada Revised Statutes* (NRS) 487.800, 487.810 and 487.820 to clarify insurance and charity issues.

Section 5, subsection 10 was worked on with the DMV and reworded so the DMV can use the JSI database for scrapped or crushed vehicles. Section 6, subsection 7 ties back to the JSI database.

Our fourth amendment was an error in drafting where 49 USC Section 30504 was used instead of 49 USC Section 30502. Amendments 5, 6 and 7 were worked on in coordination with the Nevada Truckers Association and the Tow Car Council. Section 8 was removed because it was no longer needed.

We are still working on an amendment with DMV to add the word "solely" in front of "based on information" on page 7, section 5, subsection 10. The word "solely" would be added before "based on information obtained" to section 6, subsection 7, paragraph (b). This still has to be cleared with the DMV and would be another tool for the DMV.

CHAIR CANCELA:

I want to put on the record the gratitude for all the work done to get to this point and thank the DMV and everyone involved in the discussions that lead to this amendment.

Ms. Capurro:

To clarify, the Insurance Auto Auctions are in support of <u>S.B. 491</u>.

CHASE WHITTEMORE (Nevada Franchised Auto Dealers Association):

The importance of this bill is from a consumer protection standpoint and is a very important issue for car dealers. We surveyed our car dealers to find out how much of an issue and how much this is costing the dealerships to take a vehicle back. The response was a couple of hundred thousand dollars a year between all of the car dealers. When talking about all of the Nevadans dealing with this issue, it is probably in the millions of dollars. This is why it is a consumer issue. There is harm when a consumer finds a vehicle has been titled "salvage" by the DMV and they cannot get a clean title.

WARREN B. HARDY II (Nevada Pick-A-Part):

Nevada Pick-A-Part is in a different business and occasionally buys cars from members of the public or at an auction. The NMVTIS issue came to my attention when my client purchased a vehicle at an auction on a clean Nevada title.

The vehicle had been reported stolen and the insurance company paid it off, causing the vehicle to be put into the system as a total loss vehicle since it was a total loss vehicle on the insurance company books. The vehicle was recovered some months later with no damage, problems or issues. My client purchased

the vehicle at an auction with a clean Nevada title. The vehicle was then processed on a clean Nevada title and sold to a customer on a clean Nevada title. The customer went down and registered the vehicle on a clean Nevada title. The customer drove the vehicle for seven years, then sold it to a gentleman who registered the vehicle on a clean Nevada title. We are now at five clean Nevada titles.

The gentleman drove it for a short time and decided to take out an equity loan against the vehicle with his credit union. When the title was being processed through the credit union, it came back as being a salvaged vehicle. Somewhere during the process, the DMV started relying on NMVTIS triggering the fact the vehicle had been reported as a total loss vehicle. The gentleman came back to the person who sold him the vehicle wanting to know why he was sold a salvaged vehicle. The person had no idea it was a salvage vehicle because it had been registered five times on a clean Nevada title. This person had to give the money back to the individual and a vehicle is now sitting registered, licensed and insured in the driveway for six months. As we checked further into this on behalf of this customer, we discovered this is a bigger problem than just this one situation. We have found several others with the same situation.

We are in support of the legislation concerning NMVTIS, as well as the bill with the amendment. To clarify one point in section 5 as it relates to donated vehicles in the amendment, the drafters need to include not just salvage pools, but also auto wreckers and tow companies relative to donated vehicles. This is becoming a major issue where the normal lien process does not work.

We want to make sure when this amendment is drafted, the process for getting a title on a donated vehicle also applies to the auto wreckers, tow companies and others that receive donated vehicles.

PAUL ENOS, CEO (Nevada Trucking Association):

The Nevada Tow Car Council is a subcommittee of the Nevada Trucking Association. We are in support of <u>S.B. 491</u>, as amended and the amendment dealing with charitable vehicles.

TYSON FALK (Tow Operators of Northern Nevada):

We are in support of <u>S.B. 491</u>, as amended, and ditto all the remarks from Mr. Enos and Mr. Hardy.

I represent the Self Storage Association and after initial discussions with the sponsor propose a friendly amendment to add "trailers" to the definition within NRS 108.4743. This statute deals with liens relative to personal property left at a storage facility in the case of nonpayment. Within this statute it defines personal property including boats and watercraft; however, the definition does not include trailers. This has become a problem for our client when they have these vehicles removed. The letter of the law does not specify that trailers can be included with the vehicles eligible to be removed.

CHAIR CANCELA:

Please put your amendment in writing and get it to the Committee.

SENATOR HARDY:

Are you talking about big truck trailers or just a car trailer?

Mr. Falk:

We are talking about trailers for boats and personal watercraft. We are not talking about 18-wheelers or anything like that.

CRAIG STEVENS (Cox Corporate Services, Inc.):

Cox Manheim is one of the largest car auctions in the United States and has an office located in North Las Vegas.

The public must have faith in car buying. We are the intermediary between a dealership and a dealership buying a car. Senate Bill 491 is important to Cox Manheim because we sell thousands of cars and many of them come from out of state. After receiving a car from out of state with a clean title, we do additional research and when the title comes back clean we can sell the car. When the person buying the car from that dealership tries to title the car and the title does not come back clean, it deteriorates the buyer's confidence. It is important that we get this right.

SAMUEL P. McMullen (Copart)

We have been part of a 20-member committee working on <u>S.B. 491</u>, not counting DMV, the truckers and tow car council. We have no objection to the amendments just heard.

DARCY JOHNSON (Committee Counsel):

Ms. Capurro, you stated you were adding the word "solely" at the bottom of page 7, subsection 10. Your main amendment removes that and replaces it with different language. Is it your intention that the existing language plus the amendment language get morphed?

Ms. Capurro:

We may have to take this amendment back. The word "solely" was requested by Legal Aid Center and we are still working with them. The DMV stated that they do not need it. We will need to meet with the Legal Aid Center and DMV to work this out and will get you a clear answer.

Ms. Johnson:

The main amendment on this bill removes the section concerning trailers from the bill. I cannot amend a section if it is removed.

Mr. Falk:

I defer to your opinion whether or not the proposed verbal amendment would be germane with the bill as amended.

MR. McMullen:

The intention is for DMV to use the information on the website as one input. It is not the sole determinant. We have no problem with the Legislative Counsel Bureau or the Legal Division working with DMV to make sure the language is clear. We were trying to honor the interest that it is clearly allowed as an information source for consumers.

CHAIR CANCELA:

If you are going to submit clarifying language you need to run it by the sponsor and get it back to the Legal Division so this bill can be moved.

CATALINA JELKH PAREJA (LKQ Corporation):

LKQ Corporation is an auto recycler and parts provider operating in Nevada and is opposed to <u>S.B. 491</u>. We are opposed to the section removing the authority from the DMV to process vehicles that have been subject to a total loss settlement and properly branded based on the electronic NMVTIS database. Every vehicle that has been subject to total loss claims should be properly branded as salvaged. All jurisdictions should follow that designation, especially those that follow the NMVTIS junk and salvage information.

We oppose the amendment that would create an exemption for titling designations to be removed. Anything reported to NMVTIS and branded as junk or salvage information should retain that branding moving from one jurisdiction to another. These vehicles should not be placed back on Nevada roads. Unsuspecting buyers are getting access to vehicles that were damaged and subject to a total loss claim because bad actors are purchasing, rebuilding and putting these vehicles back on the road. There should be a public safety measure that protects consumers from total loss vehicles being put back on the roads.

The NMVTIS database is federally mandated and requires reporting entities to provide accurate information. There is a penalty for over or under reporting. In the case where a stolen vehicle is recovered, the reporting entity needs to make corrections or rectify the information in the NMVTIS database. It is the responsibility of the reporting entity to rectify that information in the NMVTIS database.

The DMV should use the NMVTIS database and the JSI database to properly title vehicles. LKQ Corporation provided written comments and pictures showing clean titles here in the State that are badly damaged vehicles (Exhibit K). There are vehicles from geographical areas around the State that were declared total losses because of flood damage. These vehicles look pristine on the outside, but the electronic components are destroyed and these vehicles should be declared a total loss and receive a salvage title. These vehicles should not be allowed back on the roads.

We respectfully ask the Committee to reject the section in <u>S.B. 491</u> that prevents the DMV from using the electronic capabilities they currently have in place.

CHAIR CANCELA:

Has LKQ Corporation participated in any of the conversations with the other stakeholders?

Ms. Pareja:

We were not invited to be part of the conversations.

CHAIR CANCELA:

After hearing S.B. 22, there was a clear mandate from the Committee for stakeholders to work together. Did you reach out to DMV?

SENATE BILL 22: Enacts the Insurance Data Security Law. (BDR 57-221)

Ms. Pareja:

Yes, we reached out to DMV and had conversations supporting their original measure. The DMV is moving in the right direction trying to receive authority from the State Legislature to designate those vehicles and we support the DMV. Unfortunately, we were not part of the conversations with the section of the industry that worked to draft the proposed amendment.

JIM BERCHTOLD (Attorney, Legal Aid Center of Southern Nevada):

The Legal Aid Center of Southern Nevada opposes <u>S.B. 491</u>. The Legal Aid Center of Southern Nevada provides free legal services to low-income individuals in Clark County. Last year, we served over 130,000 individuals, 5,000 of those individuals were served by our consumer rights department dealing with titling and automobile issues. We were brought into this process fairly late and have worked with the supporters of the bill.

The Legal Aid Center has no idea if this is an issue and we have not been provided with hard numbers or data. Of the thousands of people who walk into our office seeking assistance, we have never seen this issue. Not one person has come into our office saying they are a Nevada consumer who has an issue because the Nevada DMV has inappropriately issued them a salvaged title. We are not saying this is not a problem. If it is a problem, it is a very small slice of a very big pie.

According to the NMVTIS website, there are currently 20 million cars that have a salvage or total loss designation in the system. If a very small portion of those are inaccurately branded and have value, the solution would not be to ignore all the records in NMVTIS. This is what <u>S.B. 491</u> is seeking to do. The solution is to implement a mechanism to address those specific situations and the DMV already has a mechanism to address those situations. We believe the mechanism to address this issue is to do an independent appraisal, take it back to the DMV and get a clear title issued.

The proponents of this bill frame this as a consumer protection bill. The Legal Aid Center of Southern Nevada is the last organization that would ever advocate for a bill that would harm consumers. This bill could potentially help a handful of consumers, but it would do so by taking away the consumer protections for all others.

SEAN McDonald, MBA (Administrator, Central Services and Records Division, Department of Motor Vehicles):

The DMV has had numerous discussions with both sides and have prepared draft legislation for amendments in connection with Ms. Capurro. The DMV's part gives us a position to work from as far as recognizing scrapped and crushed vehicles reported in the JSI database, but not looking at vehicles reported as salvage within the JSI database. This was the result of conversations after I testified on <u>S.B. 22</u>. The discussions we had with both sides was very beneficial.

The proposed mandatory language pertaining to the DMV is meeting in the middle between the stakeholders. The determination will be made in statute as to how the DMV utilizes the information compiled in the JSI database but keeping the NMVTIS database intact. The NMVTIS database is an important tool for DMV to use in the titling of vehicles. We would still use the JSI database for informational purposes for scrapped and crushed vehicles. Those vehicles are non-repairable and cannot be issued a title. The DMV would use that information to ensure we were not unintentionally VIN cloning or doing something from the standpoint of the federal Anti Car Theft Act of 1992.

CHAIR CANCELA:

Would having access to the information in a database allow you to know if a vehicle has had water damage before titling a vehicle?

Mr. McDonald:

The system that the DMV uses does not have the full history of what led to a particular reporting on a vehicle.

CHAIR CANCELA:

The JSI database would not necessarily capture an anomaly and we cannot necessarily solve that, correct?

Mr. McDonald:

That is correct.

SENATOR SPEARMAN:

The issue is how a vehicle is properly categorized. Is there an electronic system where the VIN of a vehicle is tracked, if it was a stolen vehicle, and then recovered at a later date and changed from the classification of salvaged?

Mr. McDonald:

CARFAX can pull reports from NMVTIS, but they do not have access to the records in the JSI database or the federal database. I can get you the information on the database.

As required by the U.S. Department of Transportation, the people taking these vehicles into inventory are required to report the vehicles in the JSI database. As a State governmental agency, we look at the JSI database for the status of those vehicles. The industry's point is whether or not we are to act on those vehicles that have not been defined by AAMVA or in federal law.

SENATOR SPEARMAN:

When I was in law enforcement, we had the National Crime Information Center and we were able to get accurate information no matter where you were. Why do we not have an electronic database that combines all the systems together to give information on vehicles?

Mr. McDonald:

We should look closer at something that would be uniform that all states could participate in and would be federally approved.

SENATOR SETTELMEYER:

Is it the intent of the DMV to use the JSI and the NMVTIS systems when it comes to title branding issues?

Mr. McDonald:

Per the amendment, the JSI database is only to be used for those vehicles that are crushed or scrapped. The main purpose would be to prevent anything having to do with VIN cloning. The JSI database is a good informational tool, but would not be utilized for titling.

SENATOR DENIS:

Does the NMVTIS system have any information to tell you why a vehicle was salvaged and has a salvaged title?

TED IMFELD (Program Officer, Management Services and Program Division, Department of Motor Vehicles):

The JSI database only states whether it is a junk, salvage or total loss vehicle. It does not tell the cause. The NMVTIS database tells which state branded the vehicle a total loss, but does not tell why.

SENATOR DENIS:

Does the DMV track any issues reported concerning titles that were clean and are now salvaged?

Mr. McDonald:

We do not keep any documentation of conversations behind the scenes.

SENATOR DENIS:

How many states use this system?

Mr. McDonald:

There are three states that use this system.

SENATOR DENIS:

Do all states have access to this system?

Mr. McDonald:

Yes, it is a free system and any state agency would have access.

SENATOR DENIS:

Are there only three states using this system the way that DMV uses it here?

MR. McDonald:

Yes, that is correct.

CHAIR CANCELA:

We will close the hearing on S.B. 491.

Ms. Johnson:

To clarify the change in the proposed amendment for <u>S.B. 154</u> in section 8, subsection 2, is the word "shall" to be changed to "may"?

SENATOR SETTELMEYER:

Yes, that is correct.

CHAIR CANCELA:

There was no opposition on S.B. 426, may I have a motion?

SENATOR SPEARMAN MOVED TO DO PASS S.B. 426.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANINMOUSLY.

* * * * *

We will now proceed with the hearing on S.B. 474.

SENATE BILL 474: Revises provisions relating to drivers' licenses. (BDR 43-1139)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

During the Interim, I had conversations with people concerning driver education. I was able to attend a class, "Driver's Edge" in Las Vegas, that trains young drivers to handle unexpected situations and keep control of a car. It was brought to my attention that young drivers need more behind the wheel driver education.

Who is a riskier driver, a 16- or 17-year-old who just received their license or someone between the ages of 18 and 21 who just received their license? It is unexpected, but the answer is people who wait until they are older are more likely to receive traffic citations and be involved in a fatal wreck.

Statistics show that around the Country teens are choosing to wait longer to obtain their driver's license. A recent report prepared by the University of Michigan noted 28 percent of 16-year-olds received their driver's license in 2010, compared to 46 percent of 16-year-olds licensed in 1983. These

numbers go up as teens get older, but today's older teens are less likely to be driving than the teens of the 1980s. Seventy percent of 19-year-olds had their license in 2010 compared to 87 percent of 19-year-olds in 1983.

Young drivers need time to develop driving skills and behind the wheel experience in low-risk settings. No one becomes a good driver by studying a book; they need behind the wheel experience with a suitable licensed driver. Nevada has graduated driver's licensing, which is a three-stage approach to grant young drivers their full driver privileges. A person who is 16- or 17-years-old must go through a supervised learning period. After passing a qualifying test, the youth is granted a learning permit and allowed to only drive with a supervising adult for a given period of time or minimum number of hours. Before earning an intermediate license, the young driver must complete a driver education class. When a young driver has earned a license and no longer needs supervision to drive, they are subject to restrictions such as the number of passengers allowed in the vehicle and curfews.

At the age of 18, a person may earn an unrestricted driver's license without any prerequisites. In my opinion, an 18-year-old who has had no training or practice is less prepared to drive. A person driving at 16, 18 or sometime at a later age needs sensible limits and experience that comes through hours of training.

ASSEMBLYWOMAN SHANNON BILBRAY-AXELROD (Assembly District No. 34): Senate Bill 474 revises the requirements to obtain a driver's license by a person who is between the ages of 18 and 20.

For a person under the age of 20, section 6 of the bill increases the hours of supervised experience from 50 hours to 75 hours. Section 6 also increases the number of driving during darkness from 10 hours to 15 hours to be completed.

In section 2 of the bill, a person 18 or 19 years of age may not obtain a driver's license unless they provide an evidence log showing the completion of 75 hours of supervised experience and 15 hours of driving during darkness. They must have an instruction permit for not less than six months before applying for a driver's license and not be convicted of a certain offense or moving violation during the six months before applying for a license.

The DMV is authorized to issue a restricted license to an applicant between 14 and 18 years of age. This entitles the applicant to drive a motor vehicle if a

member of his or her household has a medical condition that renders that person unable to drive a motor vehicle and a hardship exists requiring the applicant to drive. Section 7 of the bill revises the age limit of such a permit to a person who is between the ages of 14 and 20 years.

Additionally, section 3 the bill authorizes the DMV to issue a restricted license to an applicant between the ages of 18 and 20 years that would bypass the required behind the wheel instruction should a hardship exist. The hardship would include a young driver needing to drive back and forth to work or to drive for the care of their children.

This bill has been structured to make sure that young drivers get more behind the wheel experience to become safer drivers and to have the hardship licenses for young people who need to drive for work or take care of their children.

SENATOR SETTELMEYER:

Do you have any information from surrounding states as to how many hours are required for supervised driving and if the additional hours cause these drivers to be safer?

SENATOR OHRENSCHALL:

I do not have the information for the surrounding states. I was able to find from the Zero Teen Fatalities, Office of Traffic Safety, that Maine has the highest driving time requirement at 70 hours. If <u>S.B. 474</u> was to pass, Nevada would have the highest time requirement in the Country. There is a report stating that with the graduated driver's licenses requiring more hours, there are less fatalities and accidents among teens.

SENATOR BROOKS:

The hours for 18- and 19-year-olds would be 75 hours. Will the hours for the under 18-year-olds still be 50 hours?

SENATOR OHRENSCHALL:

The intent of <u>S.B. 474</u> is for all young drivers in training to be 75 hours. The 18-year-olds to 20-year-olds would need to have a 6 month period with an instructional permit and 75 hours of behind the wheel experience prior to obtaining a driver's license. There are kids foregoing getting an instructional permit and the license prior to turning 18. After their 18th birthday, they take the test, are successful and pass without having the behind the wheel

experience. <u>Senate Bill 474</u> is meant to make sure that young drivers get the behind the wheel experience. The exception is for an 18-year-old or 19-year-old who needs to have a license for work or to take care of their children.

SENATOR DENIS:

How many other states have done this?

SENATOR OHRENSCHALL:

I do not have any information concerning other states.

SENATOR DENIS:

Could this cause the 18-year-olds to wait until they are 20 years old?

SENATOR OHRENSCHALL:

That is always a possibility. I hope this would encourage the younger drivers to get behind the wheel experience, complete the 75 hours log and make sure they are safer drivers. There is always a danger of that being a possibility.

SENATOR DENIS:

Am I correct that after the age of 18, we do not require any experience?

SENATOR OHRENSCHALL:

You are correct. There is no behind the wheel experience required after the age of 18. If a person is able to pass the written test, driving test and eye test, they qualify and are able to obtain a driver's license with no restrictions.

SENATOR HAMMOND:

Is there an exception for military personnel?

SENATOR OHRENSCHALL:

The exception for an 18-year-old or 19-year-old needing to drive for work would apply to someone serving in the armed forces. It is not specifically written for an 18-year-old or 19-year-old in the military.

SENATOR SPEARMAN:

Anyone in the military who does not have a civilian driver's license must go through a regimented process. This is not automatic and would be covered in basic training or advanced individual training not only here but overseas.

ANDREW BENNETT (Office of Traffic Safety, Nevada Department of Public Safety): To clarify a few points mentioned earlier, all 50 states and the District of Columbia have a 3-step graduated driver's licensing process. Behind the wheel experience ranges from 0 hours to 70 hours across the Country with Maine leading the Nation with the 70-hour mark.

As well as the Insurance Institute for Highway Safety study, a study was done specifically pointing to behind the wheel experience. If Nevada was to mandate a 75 hours increase, which is 5 hours less than the study, Nevada would expect to decrease crashes with teens 5 percent and teen fatalities would decrease 1 percent. We polled data for teens involved in fatal crashes, and there is a spike in related incidents after the age of 18. There is a noticeable increase with 18- to 20-year-olds that are involved in teen fatalities.

SENATOR BROOKS:

Is the noticeable spike in raw numbers or in percentages of drivers?

Mr. Bennett:

It is not percentage based; these are pure numbers showing more teens involved in fatal crashes.

SENATOR BROOKS:

Do you know if a lower percentage of drivers 18 and 19 years of age are involved in accidents or fatal accident, than drivers who are 16 and 17 years of age?

Mr. Bennett:

I do not have that information. I can pull that information easily by comparing licensed drivers with those numbers.

SENATOR HAMMOND:

Canada has a program where a tag is displayed in the car for students who are still learning to drive. Have you ever looked into other programs like this?

Mr. Bennett:

The only example we could find at a national level was in the state of New Jersey. They have implemented putting a placard on the vehicle. We have not done any research, but it has been brought up this Session.

SENATOR HAMMOND:

If you go north of the border you could get more information. They have been doing this for nine years or more.

SENATOR SETTELMEYER:

What are your thoughts on Driver's Edge and the course at the community college? Counting the classes at a different rate versus kids driving with mom, dad, grandma or grandpa? Not necessarily the number of hours but the quality of hours.

MR. BENNETT:

My information is specific to the data. When we talk about the level of hours, this bill does a great job making sure that any young driver is on the same footing when they get their license. Whether they are at the age of 17 and 364 days or 18 years and one day, they should be on equal footing. The graduated driver's license program across the Country has shown a significant reduction in incidents with driving experience. The quality of driving experience is important and our office is proud to fund Driver's Edge to reduce fatalities when it involves teens.

SENATOR SETTELMEYER:

Did your data show some courses are superior and should count at a higher rate versus the current system, or is an hour with mom and dad the same quality as Driver's Edge?

Mr. Bennett:

It has been brought up this Session to mandate a defensive drivers behind the wheel experience. I do not have the information to specifically answer your question on the data. Making sure there is quality instruction is important and is why we fund Driver's Edge, making it available to teen drivers. Driver's Edge has been studied and we are in the process of long-term tracking of students who have gone through Driver's Edge versus students who have not. We are hoping this will give us better information in the future.

SENATOR SETTELMEYER:

You should also look at the courses offered at the community college. I think those courses are easy to discern because insurance companies tell you what courses they will allow to reduce your insurance premiums.

SENATOR HARDY:

The graph (Exhibit L) shows the number of fatal accidents for 15-year-olds and 16-year-olds, but it does not show when they received their licenses. This is comparing apples to oranges. There are many unintended moving parts and I do not think it merits how things are done.

SENATOR SPEARMAN:

There is also an economic reason. If a teen or an older driver with the additional hours is on your insurance, the insurance spikes if they do not take drivers education.

The graduated license law as stated in the Wisconsin Education for Drivers site, http://www.education4drivers.com/Wisconsin/graduated-drivers-license.htm only affects teen drivers. Many of the youngsters think this is unfair and partially they are correct. For example, Maryland treats all new licensed drivers the same way by having them go through the same graduate license driving experience. This helps drivers correctly judge the situation and take action to prevent possible traffic accidents. Senator Ohrenschall already mentioned the fact that the fatality rate is greater.

There is precedence in this and when I was in the military in Germany, I was not allowed to drive and had to take additional driving courses. There is something to be said in making sure people have the right amount of driving experience for whatever situation that may arise.

THOMAS MARTIN (Management Analyst III, Management Services and Programs Division, Department of Motor Vehicles):

The DMV is neutral on <u>S.B. 474</u>. The implementation date of July 1, 2019 will prove to be a challenge for the DMV due to the programming requirements. We would like to request an implementation date of October 1, 2019. To answer Senator Hammond's question, <u>A.B. 338</u> was the bill concerning placing placards in the vehicles of new drivers.

ASSEMBLY BILL 338: Revises requirements for the operation of a motor vehicle by a young driver. (BDR 43-600)

SENATOR OHRENSCHALL:

I am not sure what the percentages are on the statistics from the Office of Traffic Safety, but I am interested in that information. Any teen fatality is too

high and behind the wheel experience can help to prevent fatalities. According to a study produced in January 2019 by the Advocates for Highway and Auto Safety, drivers 16 years to 19 years of age are 3 times more likely to get into a crash than drivers older than 20. Senate Bill 474 applies to our newest drivers and our most dangerous drivers.

CHAIR CANCELA:

Are you willing to change the effective date from July 1 to October 1, 2019?

SENATOR OHRENSCHALL:

Yes.

CHAIR CANCELA:

We will close the hearing on S.B. 474 and open the hearing on S.B. 408.

SENATE BILL 408: Revises provisions relating to public safety. (BDR 43-805)

SENATOR MARILYN DONDERO LOOP (Senatorial District No. 8):

I will read my testimony (<u>Exhibit M</u>) and include Proposed Amendment 5620 submitted today (<u>Exhibit N</u>).

ERIN BREEN (Director, Vulnerable Road Users Project, Transportation Research Center, University of Nevada, Las Vegas):

The State has a Strategic Highway Safety Plan (SHSP) which is broken into eight different areas. You have already heard, and will continue to hear, bills that have come from the task forces involved with the SHSP.

Section 8 requests moped and trimobile riders be required to wear Nevada Department of Transportation approved helmets while riding. We know helmets save lives. According to data compiled through the School of Medicine at the University of Nevada, Las Vegas, the University Medical Center and the four Nevada trauma centers, drivers who are helmeted have far less head and neck trauma. The trauma data show that 65 percent of moped riders were not wearing helmets when they crashed. We do not have any data for trimobiles because they are not specifically broken out in the trauma bank. Research shows that helmets mitigate crash severity for all people operating open-air transportation. Injuries and fatalities are higher for those who do not wear a helmet.

The pedestrian countdown timers need to be considered separately from traditional signal heads. This will allow a pedestrian to enter the crosswalk and have enough time to cross the street. It is breaking the law to enter the crosswalk when there is only 30, 20 or even 10 seconds left on the countdown timer. This encourages pedestrians to dart across the street, outside of the crosswalk, so they do not have to wait at the signal.

The signal timer tells you there is time to safely cross the street, and it is against human nature to wait for the next green signal. The countdown timer was an addition to pedestrian safety due to feedback it offered the pedestrian. In reality, entering a crosswalk with 35 seconds left on the countdown timer is illegal. A pedestrian caught entering a crosswalk with 35 seconds left will be cited. It is as illegal as crossing against the flashing red hand at the older pedestrian signal heads.

Having no countdown timer does not change a pedestrian's responsibility at intersections. Where the traditional flashing red hand alone is in place, those walking must wait for the next signal because they do not know how much time is left to cross the street. There are those who will try to cross with five seconds left on the countdown timer and they should be cited for an unsafe cross when they do not make it to the sidewalk in the required time.

The Ignition Interlock Device (IID) changes are being requested to better identify offender responsibilities and how long the IID is required to be installed in a vehicle. These changes allow the IID dealer to report directly to the court a breach of contract or any breach the offender may have made against the law. The breaches could be attempted starts with alcohol, missed or failed riding retests, missed or not rescheduled required maintenance of the device and tampering with the device. This request also aligns the language with the U.S. Department of Transportation and the National Highway Traffic Safety Administration (NHTSA) guidelines to qualify Nevada for incentive funding for having the IID law.

SENATOR SETTELMEYER:

I am familiar with the drug courts and how they work. I have never seen a court grant any exemption. Do you have any actual information that shows they have granted exemptions over the last couple of years and have those individuals gotten into an accident?

Ms. Breen:

The hardship portion in section 4 of this bill was removed because it is included in another area of the law allowing for hardship cases to have the ability to have the IID installed in their car. Ms. Victoria Hauan should be able to answer more on that question.

SENATOR SETTELMEYER:

I am looking for actual numbers. How many cases do we get each year where a judge uses this exemption to not have the IID utilized?

VICTORIA HAUAN (Office of Traffic Safety, Department of Public Safety):

I do not have any data on how many people are excluded. Usually, the DUI participants are ordered to have an IID installed. The courts do not exclude people for hardship. The exemption from hardship refers to other sentencing courts, not to the DUI program. Anyone who has received a DUI and been to DUI court or specialty court is required to get the IID.

SENATOR SETTELMEYER:

Is there any proof that anyone has ever been given an exemption?

Ms. Hauan:

In 2017, there were approximately 12,000 arrests for DUI and 11,700 in 2016. There were only 2,000 IID installed in the State. Having the exemption in the law has allowed every court across the State to order the IID. If the actual issue is affordability, S.B. No. 259 of the 79th Session allowed for affordability and requires all manufacturers to offer discounted rates if requested.

If a person is at 100 percent of the federal poverty level, manufacturers are required to charge you 50 percent of the monthly fee. This averages to approximately \$60 to \$80 a month. Manufacturers are required to give free installation and free removal for people struggling financially. For this reason, NHTSA has said that this is not an allowable extension. We were denied funding because the law specifically has an exemption that NHSTA does not allow.

SENATOR SETTELMEYER:

That answers my concern, but I disagree. Just because you are arrested does not mean you are guilty. The information stated there were 12,000 arrests made and only 2,000 convictions. This does not mean they were all guilty.

Ms. Hauan:

Our conviction rates in the State are approximately 55 percent depending on the year and when I ask for the data. The 2,000 figure is how many devices are currently installed in cars.

SENATOR SETTELMEYER:

Do you know how many convictions? If you had 12,000 arrests, how many convictions versus how many IIDs? Some people choose not to drive because they cannot afford the IID or the insurance.

Ms. HAUAN:

In 2017, there were 6,277 DUI convictions. I do not have the 2018 data at this time.

SENATOR SETTELMEYER:

For your information, IIDs do not work on electric vehicles. Electric vehicles do not have a starter or an interlock system. We need to look at how we are going to deal with that situation in the future.

Ms. HAUAN:

That may depend on the manufacturer. I have been told by two of our State approved manufacturers that they can be installed on push button start vehicles. I would be happy to get you that information if it would be helpful.

SENATOR DENIS:

You are changing NRS 486.370 to include mopeds. Are you redefining a moped as a motorcycle and requiring a motorcycle license, as well as motorcycle insurance?

Ms. Breen:

In section 1 and section 2 of <u>S.B. 408</u> we removed the requirement for both the \$6 fee and the required training for moped riders.

SENATOR DENIS:

I am trying to understand section 9. Can our Legal Counsel answer?

Ms. Johnson:

The definition in section 9 applies only to the program for motorcycle riders. It authorizes the person who wants to learn to ride a moped to take those courses. The trimobile was not included, because in another portion of the chapter, trimobile is already included as a motorcycle. This widens the universe of people who can take one of the motorcycle safety courses. Previously, a person had to have a motorcycle license in order to take the course. Mopeds and trimobiles do not require a motorcycle license and we made adjustments to allow those people to participate in the courses.

SENATOR DENIS:

Will the DMV have the capacity to be able to include trimobiles and mopeds?

APRIL SANBORN (Services Manager III, Management Services and Programs Division, Department of Motor Vehicles):

To get a motorcycle license a person has to take the test on a motorcycle. If the definition in section 9 stays as it is and includes a trimobile and moped, a person can come to the DMV with a moped and DMV would have to issue them a motorcycle license.

SENATOR DENIS:

Do you view this as changing the definition of a moped to a motorcycle, which would then require insurance?

Ms. Sanborn:

The DMV does not have their own definition of motorcycle. This could cross over and change the definition of a motorcycle to include a trimobile and a moped. The purpose of <u>S.B. 408</u> is for the motorcycle safety course. It will affect the way we license our drivers with a motorcycle license. The language could be changed to say it is only for the purpose of certain things. It could also provide regulatory authority to the DMV to create our own motorcycle definition for the purpose of licensing drivers and then motorcycle licenses would not be confused with trimobiles or mopeds.

SENATOR HARDY:

Is there a difference in age, where you are allowed to drive a moped versus a motorcycle?

Ms. Sanborn:

There is no age difference.

SENATOR HARDY:

Does the moped driver have to have a driver's license?

Ms. Sanborn:

You can operate a moped with a driver's license. A motorcycle license is not required to drive a moped. They are completely separate.

SENATOR HARDY:

Do you have to have a driver's license to drive a moped?

Ms. Sanborn:

Yes.

SENATOR HARDY:

Do you need insurance?

Ms. Sanborn:

Yes, you need insurance.

The DMV is neutral in regard to <u>S.B. 408</u>. We would like to work with the bill sponsor on cleanup language in the conceptual amendment. The conceptual amendment would remove unexpected revenue from the motorcycle safety course or the fee of \$6. We had a fiscal note and that would remove that portion.

CHAIR CANCELA:

We received a thorough neutral letter from the Nevada Attorneys for Criminal Justice (<u>Exhibit O</u>). It speaks directly to the points in section 4 of the bill brought up by members.

SENATOR DONDERO LOOP:

I am looking forward to working with the stakeholders to make sure that <u>S.B. 408</u> is right for the safety of our pedestrians and motorcycle, moped and trimobile riders.

CHAIR CANCELA:

We will close the hearing on S.B. 408 and open the hearing on S.B. 429.

SENATE BILL 429: Revises provisions relating to license plates for amateur radio license holders. (BDR 43-1138)

SENATOR NICOLE J. CANNIZZARO (Senatorial District No. 6):

<u>Senate Bill 429</u> was brought to me by Jeffrey Thau concerning his experience as it related to the Radio Amateur license plate.

Amateur radio licensing has existed since 1912 and came as the result of the United States Navy's concern of interference with its own stations and the ability to have access to stations in the event of a war. The Federal Communications Commission is the regulatory body that issues and regulates the ten-year amateur radio license or ham radio operator's license.

Nevada law allows for a special license plate to be issued to holders of amateur radio licenses. The DMV waives the \$10 fee for the renewal sticker if the individual with the amateur radio license submits a statement, signed under penalty of perjury, agreeing to assist in communications during local, State and federal emergencies. This statement is required to be submitted annually stating the license is still valid and they will still assist in the event of an emergency.

As long as the person has an unrevoked and unexpired official amateur radio station license, <u>S.B. 429</u> allows for the statement to be submitted only once. The bill as written requires the individual for each renewal to acknowledge that the statement was valid rather than providing a whole new statement.

Proposed Amendment 5631 (<u>Exhibit P</u>) would allow for that statement to be given once and if the amateur license becomes invalid, the license plates would be surrendered.

<u>Senate Bill 429</u> solves the issue of how and when those particular statements are required to be given to the DMV and allows the individuals to have the special license plates while continuing to operate and assist with emergencies and special events.

JEFFREY THAU:

In addition to paying an additional fee for the special radio amateur license plate, there is a \$10 additional fee charged each year when the vehicle is reregistered. If the person fills out a form stating they agree to assist in emergencies and stipulates they are still a licensed amateur radio operator, the DMV can waive the additional \$10 fee.

Unfortunately, the process to renew the radio amateur license plate is not available online or through any electronic means. The form has to be printed, filled out and signed, then a copy of your current amateur radio license has to be made and all forms have to be mailed or taken in person to the DMV office. Additionally, DMV staff time is required to review the forms and check a box on the screen to waive the \$10 fee and reduce the registration cost so a payment can be made.

Since there is no online mechanism to allow a person to waive the \$10 fee, they have to go to a DMV office and sit there for a half hour or sometimes three hours so a clerk can look at the paperwork, take the forms, click the box, and then charge the person \$10 less.

Additionally, amateur radio licenses are issued in ten-year increments. The plate is more of a vanity plate designating to the world that you are an amateur radio operator, but does not give you any kind of special access or permissions. I could have requested a personalized Nevada plate with my call sign on it and this \$10 fee would not apply.

We are looking to create a mechanism within the DMV that allows them to take the \$10 fee off permanently once the first form is filled out requesting the amateur radio plate and agreeing to be available in an emergency situation. Creating a process where the renewal can be done online would simplify the entire process when renewing the license plates. Providing community service, as well as emergency communications, is part of being an amateur radio operator.

There are approximately 7,000 radio amateur plates issued in the State and this would not be a huge financial impact one way or the other. I am sure the staff time equals more than the \$10 fee.

SENATOR BROOKS:

How many of these plates are there in the State?

MR. THAU:

The last number from DMV was approximately 7,000.

SENATOR CANNIZZARO:

There are approximately 7,000 radio licensed amateur operators in the State and the DMV has approximately 11,000 license plates.

SENATOR HARDY:

Does the \$10 fee waive the other license fees that exist?

SENATOR CANNIZZARO:

People are not paying the \$10 because they are agreeing to assist during times of emergencies. There is no fiscal impact to the State because these fees are already being waived.

SENATOR HARDY:

Does that mean I do not have to pay my license fees every year?

SENATOR CANNIZZARO:

No, this is an additional \$10 fee to the reregistration fee. The \$10 fee is over and above the license plate fees and is waived because they agree to be accessible in the event of an emergency.

SENATOR HAMMOND:

What kind of money are we looking at over a year or two years?

SENATOR CANNIZZARO:

The waiver is currently in statutes. The issue that has arisen is the requirement to bring in hard copies of the statement every year and sit at the DMV so clerks can check a box. Senate Bill 429 does not change the waiver of the fee that currently exists in statutes. It changes the documentation an individual has to provide to the DMV. The amateur radio licenses are in effect for a ten-year period and someone who has that license is going to have the same documentation for ten years. We are just making them come to the DMV every year and give the same documentation.

CHAIR CANCELA:

I have heard from people about the challenges with reissuing special plates through the online portal at the DMV. I appreciate this discussion and hope to have broader discussions concerning all of our specialty license plates.

We will close the hearing on <u>S.B. 429</u>. Seeing no public comment, this meeting is closed at 4:12 p.m.

	RESPECTFULLY SUBMITTED:	
	Tammy Lubich,	
	Committee Secretary	
APPROVED BY:		
Senator Yvanna D. Cancela, Chair	<u> </u>	
DATE:		

EXHIBIT SUMMARY					
Bill	Exhibit / # of pages		Witness / Entity	Description	
	Α	2		Agenda	
	В	5		Attendance Roster	
S.B. 329	С	3	Senator Chris Brooks	Written testimony	
S.B. 329	D	3	Michael D. Brown / Nevada State Fire Chiefs Association	Proposed Amendment	
S.B. 329	Е	1	Michael D. Brown / Nevada State Fire Chiefs Association	Written Testimony	
S.B. 154	F	7	Senator Yvanna D. Cancela	Work Session Document	
S.B. 428	G	1	Marjorie Paslov Thomas	Work Session Document	
S.B. 491	Н	2	Senator Marcia Washington	Written Testimony	
S.B. 491	I	1	Greg Adler / Copart	NMVTIS document	
S.B. 491	J	3	Chelsea Capurro / Insurance Auto Auctions	Proposed Amendment	
S.B. 491	К	2	Catalina Jelkh Pareja / LKQ Corporation	Opposition Letter	
S.B. 474	L	1	Senator Joseph P. Hardy	Fatal Crashes Graph	
S.B. 408	М	5	Senator Marilyn Dondero Loop	Written Testimony	
S.B. 408	N	9	Senator Marilyn Dondero Loop	Proposed Amendment 5620	
S.B. 408	0	2	Senator Yvanna D. Cancela	Neutral Testimony, Nevada Attorneys for Criminal Justice	
S.B. 429	Р	2	Senator Nicole J. Cannizzaro	Proposed Amendment 5631	