

**MINUTES OF THE
SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eightieth Session
April 11, 2019**

The Senate Committee on Growth and Infrastructure was called to order by Chair Yvanna D. Cancela at 1:18 p.m. on Thursday, April 11, 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. Settlemeyer
Senator Scott Hammond

GUEST LEGISLATORS PRESENT:

Senator Nicole J. Cannizzaro, Senatorial District No. 6
Senator James Ohrenschall, Senatorial District No. 21

STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Committee Policy Analyst
Darcy Johnson, Committee Counsel
Debbie Shope, Committee Secretary

OTHERS PRESENT:

Adam Cate, Nevada District Attorneys Association
Chuck Callaway, Las Vegas Metropolitan Police Department
Eric Spratley, Nevada Sheriffs' and Chiefs' Association
Corey Solferino, Lieutenant, Washoe County Sheriff's Office
Todd Hartline, Captain, Nevada Highway Patrol, Department of Public Safety

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Michael Brown, Director, Department of Business and Industry
Elisa Cafferata, Nevada Technology Association
Alfredo Alonso, Take-Two Interactive
Christopher Sewell, Legislative Liaison; Department of Employment, Training and Rehabilitation

CHAIR CANCELA:

We will begin with the work session on Senate Bill (S.B.) 298.

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

MAJORIE PASLOV THOMAS (Committee Policy Analyst):

The first bill is S.B. 298. It revises provisions relating to partial tax abatement for certain renewable energy facilities. It was sponsored by Senator Brooks and heard on April 2, 2019 ([Exhibit C](#)). There are seven proposed amendments.

I will read the amendments from [Exhibit C](#).

SENATOR BROOKS:

I want to clarify that number seven of the amendments is for those projects that are now in the bidding queue, being developed and have not had time to adopt the new regulations. It does not affect projects that are possibly in negotiating contracts. I urge the Committee to consider amendment number seven.

DARCY JOHNSON (Committee Counsel):

I need to clarify, is this going to expire by limitation in June 2049?

SENATOR BROOKS:

Yes.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 298.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTON CARRIED UNANIMOUSLY.

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CHAIR CANCELA:

We will now move to S.B. 300.

SENATE BILL 300: Requires electric utilities to share a portion of their earnings with customers under certain circumstances. (BDR 58-302)

MS. PASLOV THOMAS:

I will read the summary of the bill and the amendments from the work session document ([Exhibit D](#)).

SENATOR SETTELMAYER:

I want to ask the sponsor regarding people who have talked to me that they are worried about transmission, distribution costs and how it could affect individuals who have left the grid. If my recollection is correct, based on the 3rd quarter of 2000, transmission costs have to be consistent and distribution costs have to be constant in the entire State. No one can get a higher or lower rate in each of the two distribution areas within the State.

I do not think it really affects the transmission and distribution rates because nobody can change them. The State does not have the right to overpower the 3rd quarter 2000 distribution rates. I want to make sure I had that correct.

SENATOR BROOKS:

It is my understanding that the transmission rate is set federally by the Federal Energy Regulatory Commission (FERC) and the distribution rate for distribution only service customers who are not bundled customers of the utility is set by FERC as well. I feel this is strictly for the bundled customers. Unless anyone has information otherwise, I agree with you.

SENATOR DENIS:

My question is on the second amendment on the summary page. It states to allow the companies to request a longer rate case cycle from the Public Utilities Commission of Nevada (PUCN). Are we giving any guidance or are we letting the PUCN determine how long the rate case cycle should be?

SENATOR BROOKS:

With this bill and the amendment, it would permit the PUCN to come up with a plan to potentially implement alternative ratemaking and a longer rate cycle could be a part of that plan. There is nothing in this which orders the PUCN to

adopt or have to pick any particular plan. It is enabling language to the PUCN. This does one thing; it orders the PUCN to open an investigatory docket, come up with a plan and that plan could be to do nothing. The second thing it does, if they find it to be beneficial, is enable the PUCN to enact whatever that plan is, through that process.

SENATOR DENIS:

Does that give the PUCN flexibility to not have to follow any statutory deadlines that might be associated with the regular ratemaking case?

SENATOR BROOKS:

If that is what the PUCN comes up with in their plan, this does allow that.

CHAIR CANCELA MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 300.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:

We will move to S.B. 346.

SENATE BILL 346: Revises provisions related to marijuana. (BDR 43-1065)

Ms. PASLOV THOMAS:

I will read the summary of the bill and the amendments from the work session document ([Exhibit E](#)).

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS
AMENDED S.B. 346.

SENATOR BROOKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR WASHINGTON VOTED NO.)

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CHAIR CANCELA:
We will now move to S.B. 408.

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

MS. PASLOV THOMAS:
I will read the summary of the bill and the amendments from the work session document ([Exhibit F](#)).

SENATOR BROOKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 408.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:
We will continue to S.B. 429.

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

MS. PASLOV THOMAS:
I will read the summary of the bill and the amendment from the work session document ([Exhibit G](#)).

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 429.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:
We will now move to the work session on S.B. 474.

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

MS. PASLOV THOMAS:

I will read the summary of the bill and the amendments from the work session document ([Exhibit H](#)).

SENATOR HARDY:

I think I have a philosophic challenge with what we used to call "the invincibles" that due to their age, they take risks. I was not convinced that we need to do something special for people who take risks, drink alcohol and get stoned, among other things. I am not sure the age is as important, but to add 75 hours or any other hours, will not help. It is because we are looking at a group of people who take risks. I will not be supporting the bill.

SENATOR SETTELMAYER:

We are deleting sections 1 through 6, and section 9, but we are still leaving in the change to 75 hours? It would make us the highest in the Nation. I have an opposition to the fact that I think sometimes we are running into a generation who are "failure to launch," and are failing to move out. I am just afraid that those hours are a little too excessive.

SENATOR HAMMOND:

I appreciate what the Senator is trying to do, and I can vote for it here in Committee. That is saying something from a father who has three children who will go through this. All three of them are scared because their older brother did not want to drive at all. I applaud the effort. I would like to study this a little more, but I can support it now.

SENATOR BROOKS:

I believe this amendment gets rid of "the invincibles" and treats them the same as they have always been treated. It just extends the hours of training required for anyone under our current system from 50 to 75 hours. I support that as someone who is the father of three children and sometimes they scare me to death when they are driving. I think another 25 hours could save lives.

SENATOR SPEARMAN:

I can support this bill. It may not do everything that we want it to do, but with regard to my colleague's concern about "the invincibles," it perhaps does not

get rid of the invincible attitude for those under 21. I think anything we can do to make the roads safer for those who are over 21 will make sure the people on the road have as much training as they possibly can. In this case, I do not want perfect to be the enemy of good.

SENATOR DENIS:

Just so I am clear. It deletes everything but puts back in the 75 hours. Is that correct?

CHAIR CANCELA:

Correct. If you are over 18 years old, or 18 and applying for a license, it does not change anything from the status quo. This just states that instead of meeting 50 hours to qualify for a learner's permit or temporary permit, you now need 75 hours. Instead of having that permit for six months, you have to have it for nine months.

SENATOR SETTELMAYER:

I just read the part about the six to nine months on the permit. That means you cannot get your learner's permit until you are 15 years and 6 months old? With this bill, you will no longer be able to get your driver's license when you become 16 years of age. You would have to be 16 years plus 3 months old. I definitely cannot support this bill.

My daughter looked forward to being 16 for quite some time. She had some freedom and quite frankly, I appreciated that. I did not have to take her to every volleyball tournament, every soccer game and other places. I am a no on this bill.

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

My intent on the amendment is basically to delete the portion of the bill that deals with young adult drivers, ages 18 and 19. Like Nevada, states that have graduated driver's license programs, but have more hours with an adult licensed driver behind the wheel, have less teen fatalities. That is backed up by a study from Zero Teen Fatalities and was provided to the Committee from the Insurance Institute for Highway Safety (IIHS).

My intent is to basically move Nevada from 50 hours required behind the wheel with a licensed adult driver to 75 hours. It would go from 10 hours to 15 hours of night driving. The proposed period for having an instructional permit before a

16 or 17 year old could move on to the full driver's license would be to increase from 6 to 9 months. Based on all the data and the experts I have talked to, I believe this will reduce crashes and reduce fatalities among our teenagers.

SENATOR DENIS:

I have a teenager who desires not to drive and is 16. I am wondering if this will make it 16 years and 3 months; we are actually taking a longer time. If they are getting their 75 hours in, does it matter if they do it at 6 months or 9 months?

SENATOR OHRENSCHALL:

According to the data I have seen from the report, it does matter. When young drivers delay getting that full driver's license to an older age, there are less crashes and fatalities. It will change things by three months for many of us with teen drivers, not me, not yet, but someday soon.

SENATOR DENIS:

If you wait longer, they are going to be even safer. Why not just take it to 17 or 18 years old?

SENATOR OHRENSCHALL:

Some of the proponents of this legislation actually wanted an instructional permit for a 12 month period. There are pro and con arguments on both of those. Based on the data I have seen, I think that nine months will result in less crashes and less fatalities.

SENATOR HARDY:

I understand where this is going because the less you drive, the fewer accidents you are going to have. Part of the maturation process we call growing up is having that independence. Delaying independence, which is what our youth are challenged with, is "when should I start driving?" The independence factor I think is important as they grow up; it is part of the risk in life.

SENATOR OHRENSCHALL:

I certainly do not disagree with that. Again, the IIHS data show that the crash rate for teen drivers ages 16 to 19 is 3 times as high as that of drivers who are 20 years or older. There is a certain level of maturity that the data show is safer. I do believe that this bill will reduce teen crashes and fatalities.

SENATOR SPEARMAN:

I think it is not only a matter of safety but also an economic decision. I am looking at a website that states that teenage and other new drivers are subject to much higher insurance costs. That is because they are statistically found less safe on the road than drivers with a few more years of experience. Not only this website, but several others I have visited suggest that insurance costs go down when the driving age goes up simply because of the statistics. We could argue this back and forth but we will have to follow our own minds.

SENATOR BROOKS:

Can I make a suggestion for an amendment to raise the 50 hours to 75 hours of supervised experience in driving a motor vehicle with a restricted license, but keep the 6 month time frame? It would make sense for those ambitious drivers who want to be trained at a higher level and be safer but still want to get their license by 16 years of age.

SENATOR BROOKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 474.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY AND SETTELMAYER
VOTED NO.)

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CHAIR CANCELA:

The last bill for the work session is S.B. 491.

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

MS. PASLOV THOMAS:

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

MS. JOHNSON:

We will be deleting sections 1 through 4 and section 8 of the bill. In section 5, we will be deleting all the proposed changes in subsection 10. Two new

subsections will be added, which are subsections 11 and 12 as shown in [Exhibit I](#). Once subsection 10 is removed, those 2 new subsections will be subsections 10 and 11. They have to do with obtaining a title after a salvage pool receives a total loss vehicle. Those vehicles come from an insurance company or a charitable organization that receives a donated vehicle. It is a short-cut process to easily get a title for the vehicle so it can be scrapped.

The third amendment will amend section 6 of the bill by removing subsection 7 which is almost identical to the language in section 5. It is adding paragraphs (e) and (f) to section 6. It makes simple references to those two items we added to the previous section regarding total loss insurance vehicles and charitable organizations. The amendment to section 7 of the bill adds references to those 2 new subsections.

The fifth amendment of the bill adds trailers to the list of vehicles that a storage company can impose a lien against if the storage is not paid on those items. That amendment involves 2 sections in Chapter 108 as indicated.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 491.

SENATOR BROOKS SECONDED THE MOTION.

CHAIR CANCELA:

This issue became complicated at certain points and I am grateful for all the work the parties accomplished to reach a consensus and agreement. I know there is work that needs to continue to be done on this. I will commit to working on this as an ongoing issue.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:

We will open the hearing on S.B. 486.

SENATE BILL 486: Revises provisions relating to the issuance of citations.
(BDR 43-1149)

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

I am here to present today S.B. 486, which makes various changes relating to citations.

Nevada Revised Statutes (NRS) 484A.630 describes the process when someone is pulled over by a law enforcement officer and is issued a citation. The officer will write or have an electronic copy of the citation printed in order to give it to the person who has been stopped. That is the most common scenario in which S.B. 486 would apply. In those situations the officer will ask the person to sign the citation and gives them a copy.

Senate Bill 486 addresses issues that arise when someone refuses to sign a citation and how to effectively accomplish service on that individual. The citations include what they were stopped for, and what the underlying facts might be, if any. They include driver's license information, the date of the offense and why they were stopped.

The citation itself is not an admission of guilt. It is also not something that states if you take it or you sign it you have agreed to anything. It is to be aware that you have been charged with a particular infraction and given a court date to appear.

In certain circumstances if somebody refuses to sign it, they are still given a copy of the citation so they are still aware of whatever it is that they have been stopped. What we have seen is that sometimes courts will find that it was not proper service, merely because they refused to sign the citation.

Service means that you are aware of a particular court date. Adam Cate from the Washoe County District Attorney's Office is here on behalf of the Nevada District Attorneys Association. He will describe this in more detail. When citations are given to somebody, it is usually deemed personal service because the person is there and being given a copy of the citation.

ADAM CATE (Nevada District Attorneys Association):

I want to be clear, the goal of this bill is to take less people to jail when they are pulled over for a traffic violation. As it stands right now, there are people who refuse to sign a copy of the citation. We tell them you are not admitting guilt; this is just saying "Hey I have received this and I promise I will show up in

court." If they refuse to sign or refuse to accept a copy of the citation, then the officer issuing the traffic citation is required to take them to jail.

We have previously tried to clean up some of this language. However, we have run into some issues where judges have declared simply providing a copy of the citation to the person is not sufficient notice. If the person then fails to appear in court, the courts are refusing to issue a summons or a warrant for their arrest to make that person come to court.

The goal is, if the person receives a copy of the citation and the officer who is issuing the citation is willing to sign and state yes, I delivered a copy of the citation to this individual, then that is sufficient notice of their requirement to appear in court.

In speaking about some issues that came up yesterday evening, we have a proposed amendment to this bill ([Exhibit J](#)). Essentially, the proposed amendment clarifies that the officer issuing the citation must sign the citation under penalty of perjury, stating they have delivered a copy of that citation to the individual. That is the law. When I sign a criminal complaint as a deputy district attorney, I have to sign under penalty of perjury. A citation is essentially a criminal complaint.

They are doing that now. If you have ever been pulled over by a law enforcement officer for going too fast on the freeway and you receive a copy of the citation, it is being signed under penalty of perjury. This just makes it clear that it is a requirement in the law.

SENATOR HARDY:

Are there jurisdictions where you can just pay the fine and not have to go to court?

MR. CATE:

There are and Nevada is one of those jurisdictions. If you just want to pay the fine, you do not need to show up in court. What the ticket will tell you is if you wish to contest it, this is the day that you need to appear in court.

SENATOR HARDY:

It has to be paid before the court date?

MR. CATE:

I believe that is the case or at least get in contact with the court.

SENATOR HARDY:

How is it determined what the court date is?

MR. CATE:

The law requires that it is at least five days in advance. I am not particularly sure how they come up with the court date, but procedures are in place that when you receive the citation, the court date is on the citation. If you need to show up, it lists the address of the court and the date and time you have to be there.

SENATOR HARDY:

Is the law enforcement officer able to list on the citation all of the offenses the person committed?

MR. CATE:

The citation does provide each and every offense which the law enforcement officer believes has been committed by the driver. It is essentially the same as a criminal complaint that I would file. I have to list each and every charge; every allegation against the defendant.

SENATOR HARDY:

At what point do they know how much money to send to the court?

MR. CATE:

That information is on the copy of the citation. It is all predetermined. It states this violation is this much money and then there is a total on the citation. I have a couple of copies with me and will be happy to share them with you.

SENATOR SETTELMAYER:

With a lot of sheriff and police departments, if the person does not sign the citation, they do not have the time to take them to jail. Will this create a new process where we have seen individuals on YouTube saying, "No I am not signing that." Will this go to the next level, where they refuse to accept it? Are law enforcement officers then supposed to arrest them and take them to jail or will we be in the same position, just slightly different?

MR. CATE:

That is possibly true under this bill. If they refuse to accept a copy of the ticket and they roll up their window and refuse to participate in the traffic citation process, then there is the possibility they will be taken to jail. What we are trying to do is lower the number of people who are being taken to jail by simply just delivering them a copy. I think a lot of the arguments happen over the fact that they are being asked to sign something. They do not want to admit guilt; they do not want to admit they did anything wrong. Simply the fact that now they are in possession of the citation would be sufficient under this bill.

SENATOR SETTELMAYER:

I can support this bill. I can hear someone say, "That was not me; I was not there; they have no proof I was there. I did not sign it." Then we can say, "Well, here is the bodycam footage; it clearly was you."

If I leave the window down and I refuse to sign the citation, the officer then just throws it in the window. My lawyer and I are going to argue and say, "I never accepted it; he just threw it at me."

I am concerned. I support the concept because it is wrong to have people going to jail just because they refused to sign. Can you send me some data on the number of people who refuse to sign the citation and go to jail?

SENATOR CANNIZZARO:

I just want to make a brief comment because you make a good point in that regard. I think what S.B. 486 is focused on is when does something constitute service; when is it sufficient? The concept of whether or not someone is going to contest it, whether or not they will say it was not them or it was not given to them properly, are all issues we face now. We will probably face that in the future; none of that just goes away by saying, "Well, as long as we just give a copy of a citation to somebody that constitutes service."

Those are issues of cross-examination. Those are issues that surround whether or not somebody should be found guilty of the citation or whether or not the officer was doing their job. Those would continue to exist, regardless. What S.B. 486 states is if that officer gives a copy of that citation it constitutes service. If you know of anyone who has been served with divorce papers or who has been served with a civil suit, this is how service works in a lot of arenas. That is what this is looking to achieve, but you make a good point.

SENATOR BROOKS:

I have a question that kind of builds on what Senator Settlemeyer was asking. Is there a definition somewhere that this could point back to of physically receiving or physical receipt, such as in process serving?

SENATOR CANNIZZARO:

I am not aware of a specific definition of physical receipt. I would note that those words are given the plain and ordinary meaning and would defer to Legal Counsel as to whether or not there is something in the NRS that would define it.

SENATOR DENIS:

Because law enforcement is using the electronic hand-held citation writer, do they just have the citation on their device and you sign digitally? They are not going to hand them their computer if the person refuses to sign. Is it something that an officer would then state they refused to sign? How does that work?

SENATOR CANNIZZARO:

Usually, even when you get the electronic hand-held citation writer that you sign, it prints out a copy. It resembles a long receipt that has the information; it is not handwritten.

SENATOR DENIS:

We are not anticipating that somewhere in the future that paper copies may go away and it would all be electronic. We are assuming there is always going to be a paper printed document, correct?

SENATOR CANNIZZARO:

I cannot speculate as to what might happen in the future. I think this bill is clear about stating physically received. I am sure that someone would have to be able to receive a copy at some point in order to fall within the notice provisions. If it ever became a situation where it was completely electronic and we were somehow serving people by electronic means, there would be a process that could be done in that regard.

SENATOR HARDY:

What if this becomes a civil infraction? Does it then become a misdemeanor if they do not sign and it allows the officer to take them to jail, because we do not take people to jail for civil infractions anymore, do we?

SENATOR CANNIZZARO:

I do not think anything in this bill or in the statute would state this would be a misdemeanor that you would be subject to. It is a question that if it was to occur and it was to be civil in nature, you could have that discussion. I would venture to guess that notice provisions would still apply regardless of whether it is civil or criminal. Even in a civil case, you still have to provide service and notice for whatever the underlying issue is that will be addressed by the court.

SENATOR HARDY:

If you get a civil notice of divorce and you do not sign it, do you go to jail?

SENATOR CANNIZZARO:

No. If you do not appear for the court date and it could be proven that service had occurred, then the court would be at liberty to issue a decision against the party who refused to show up. The court could issue some sort of summary proceeding for failure to oppose.

CHUCK CALLAWAY (Las Vegas Metropolitan Police Department):

We are here in support of this bill. To answer some of the questions that have been asked, it was our practice even before the law was changed. If you had John Q. Citizen who disagreed with the officer on the stop and said, "I am not going to sign that," we would just write "refused to sign" on the bottom and give them a copy of the citation.

We chose to do this rather than bust the window out of the vehicle and drag them off to jail for a minor traffic infraction. In Clark County, officers do not put a specific fine amount on the citation because that is determined by the courts. As far as the court date, we have a calendar that officers carry with their citation book and the court tells us how far out to set the court date. It has been ten years since I wrote a ticket, but when I was on the street, it was normally three weeks out.

ERIC SPRATLEY (Nevada Sheriffs' and Chiefs' Association):

We are here in support of S.B. 486 and appreciate this bill being brought forward. To Senator Hardy's question on the court dates, when I worked for Washoe County a few years ago, we had hand-held citation writers that were electronic. We would write the citations on those, the court dates were preprogramed in them and the dates were three weeks out. You may be able to select a different date range, for instance if a holiday was coming, you could

push it out to a different date. If they had a vacation planned, you could pick a different court date for that reason.

That is the same with the number of charges and bail amount question. All of those are in the device and are totaled right on the citation when it is printed.

Addressing Senator Settelmeyer's question for refusal to receive the citation, as Director Callaway stated, we try to talk them into receiving the citation. I have had those stops where they open the window a little bit, you get the driver's license and the paperwork, write the citation, slide it back through and have them sign it.

In this circumstance, we would be able to slide it through; they would not even have to open the window enough to take the pen. They would not have to sign the citation; they could just accept it. If they do not accept it and they did not sign it, we are still not going to break windows and drag them off to jail. We will go through the warrant request process for the person based on the charges. In this day and age of law enforcement officers in that capacity having to wear body cameras, they have evidence for the entire event. It is going to be on the body camera that would be used in court.

COREY SOLFERINO (Lieutenant, Washoe County Sheriff's Office):

The Washoe County Sherriff's Office is here in support of S.B. 486. In an age where we hear about law enforcement attempting to de-escalate a situation, one of the most contentious parts of a traffic citation is the signature portion. This gives us an opportunity to alleviate it and not put the violator at risk for thinking that a signature is an admission of guilt. Although the officer explains that, it can be a rather contentious point.

We are hoping this measure will allow us to de-escalate some of those situations when the violator becomes agitated during the stop. To Lieutenant Spratley's point, that is the way we are still doing it in Washoe County. We have an electronic ticket device called Brazos. It auto-populates the court dates. If there is an issue with the court, our secretary sends an email out to our patrol division and they remove the dates from their citation devices. All of those dates are auto-populated based on the court's calendar.

CHAIR CANCELA:

One of the things that is important is not everyone who receives a traffic citation knows that it is attached to a court date. Can you explain how officers let an individual know that they are now liable for a court appearance?

LIEUTENANT SPRATLEY:

I worked as a motor officer for about seven years. It was my practice when I trained new officers, I would slow down explaining the citation to the violator. This is the charge for speeding, this is the charge for no seat belt, this is the court date; it is five weeks out and is April 2 and this is the total bail amount. If you agree, you can pay the bail amount and you are finished with the citation. But if you want to contest it, this is the date and time you need to show up for court.

I was slow and methodical explaining to make sure they understood. Sometimes when it is heated they say, "I was not speeding and I am on my way to whatever." You can tell they really do not understand what we are doing, but we are doing the best that we can to explain those details and let them know that the court date is on the citation.

TODD HARTLINE (Captain, Nevada Highway Patrol, Department of Public Safety):
The Nevada Highway Patrol is in support of this bill. I want to bring up two issues. There are citizens who do not understand that when they sign the citation, it is not an admission of guilt. They want to litigate the entire process right there at the roadside. That can take some time. We usually try to talk them out of that and let them know it is not an admission of guilt and that their court process is still available to them.

Often it becomes an argument and the officer is roadside for several minutes trying to explain this to them. We know that the officer's safety is compromised in those situations. This is a risk while you are roadside; there are speeding vehicles that are going by on a freeway system, or the danger that could happen when you are in a hazardous or inclement weather situation.

Second, which is mostly specific to the Highway Patrol, we have troopers who are in the rural districts; for instance Elko, Nevada. For the first three years of my career I worked in Wells, Nevada. The nearest booking facility is in Elko. There are times you may be 75 to 100 miles away from the booking facility. You have someone who decides they do not want to sign the citation. You need

to take them into custody and transport them the 100 miles just to get to the facility, then go through the booking process and drive all the way back to get to your area of responsibility.

While you are gone, you cannot respond to service calls. If there was an injury crash or severe situation to happen, someone else from a neighboring district has to respond to the call. Who knows how long it takes them to actually get there to respond to the crash scene, help the victims and the other things involved in a crash.

For your consideration, this will help alleviate those circumstances for the officers.

CHAIR CANCELA:

We will close the hearing on S.B. 486.

SENATOR SETTELMAYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 486.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR CANCELA:

We will open the hearing on S.B. 488.

SENATE BILL 488: Revises provisions relating to businesses engaged in the development of emerging technologies. (BDR 18-783)

SENATOR PAT SPEARMAN (Senatorial District No. 1):

I am here to present S.B. 488 for your consideration. Senate Bill 488 relates to blockchain technology and other emerging technologies. You should have the proposed amendment ([Exhibit K](#)) that includes several other emerging technologies that are a part of this legislation.

Do you remember when the hashtag was called the pound sign on a telephone? Does anyone remember when you had to wait for an email to come through

before you could leave the house? Does anyone remember how you had to make a phone call home when you got to your destination by making a person-to-person call to yourself, and you would ask for your middle name? They knew you had made it to your destination and you would not have to pay for a long distance call. Does anyone remember when you had to go to the American Automobile Association and get a trip ticket so you could get a free map with all of the designated stops and the changes to the road?

If you can remember all of these things, then you know we live in a different time. If you were driving with your father, brother or another person of the male gender, they would not ask for directions. They would frustrate you. They would stop and ask for directions anyway. Then halfway to where you were trying to drive, they could not remember if it was three rights and then a left, or three lefts and then a right. They then had to stop and ask someone else for directions. If you remember that, you know we have come a long way.

Over the last ten years, you may be familiar with banking, investing, crypto currency, advancements in robotics, automation, innovation, transportation and artificial intelligence (AI) to name a few. You may have been following the recordkeeping technology behind all of this automation. We have also seen accelerated innovation in the transportation sector and how AI is taking over many of the duties previously performed by receptionists, secretaries and information technology employees.

Massachusetts Institute of Technology (MIT) now offers blockchain technologies at the MIT Sloan School of Management, Business Innovation and Application, which offers the course online. At one time, if you were going to take a university course or any other course, it would have to be through a brick-and-mortar institution, but more and more people are going online.

This particular course is for business executives who want to learn more about the blockchain technology and long-term implications for business. They want to advance their knowledge of its relationship to other emerging technologies, such as AI and the internet of things. Small business startups are new to use analytics and AI to help them determine financial and demographic information in their business planning. Simply put, the future is now.

Many of you are already familiar with AI, analytics, internet of things and various aspects of automation. You may not be familiar with blockchain technology because it is a recent niche sector in the business industry.

Nevada Revised Statutes 719.045 defines "blockchain" as an electronic record of transactions or other data that is uniformly ordered, redundantly maintained or processed by one or more computers or machines to guarantee the consistency or nonrepudiation of recorded transactions or other data and is validated by the use of cryptology.

It sounds complex so let me break it down for you. Blockchain is a distributed ledger database that records and shares every transaction that occurs in the network of users. At its most basic level, blockchain is literally just a chain of blocks, but not in the traditional sense of those words.

The digital information, which is the block, is stored in a public database that is the chain. Blocks on the blockchain are made up of digital pieces of information. Blocks store information about the transaction such as the date, time and dollar amount of your most recent purchase. Blocks store information about who is participating in a transaction. For instance, a block for your purchase at store X would record your name and storeX.com. Instead of using your actual name, your purchase is recorded without any identifying information, using a unique digital signature much like a user name.

Blocks store information that distinguish them from other blocks, much like you and I have names that distinguish us from each other. That is just a short course in blockchain technology and I was not sure how many were familiar with this, but I did not want to lose you in the process.

The National Conference of State Legislators reports that evolving applications include online voting, medical records, insurance policies, property, real estate records, supply chain tracking and more. Individually or collaboratively all of these emerging technologies have the potential to be a game changer. This is how financial transactions, business markets, communications industries and even political strategies are being conducted.

We must begin to work now on how to collaboratively explore these technologies, identify opportunities and build a robust plan of action to exploit our State's prospects to expand business operations for Nevadans.

Senate Bill 488 addresses these complexities embedded in recruiting emerging technologies, training our workforce to use existing personnel and other resources as a strategy to anticipate options within the Department of Business and Industry in collaboration with the Department of Employment, Training and Rehabilitation, the Governor's Office of Economic Development and other agencies.

I can remember in 1995, I was stationed in Korea and was tasked with rewriting the enemy prisoner of war standard operating procedures (SOP). It had not been updated since the Korean War. We found a lot of flaws during Operation Desert Storm as people were just walking over to our side and giving up. We did not have the manpower or logistics to complete that task.

They gave me one due date for the SOP in typical military fashion, but it was cut by about ten days. I had to have the information to the Department of the Army (DA) in Washington, D.C. on a different due date. I panicked because I knew there was no way we could get the mail back to the continental U. S. in time. At that time, we did not have a secure means to send or transmit something; we did not even have a fax machine.

One of my colleagues who saw my distress said, "Spearman, come with me." He took me to a secure office and showed me a thing called secure email. I asked, "What does this mean?" He said, "Type in your information right here and press this button. It will go to the DA." I just stared at it like it was Christmas morning when I was two years old. I entered the information and I pushed the button. Then I picked up the phone on a secured line and I called the DA and said, "I just sent something to you in something called email. Did you get it?" About five to ten minutes later they received it.

We look at the Department of Defense and a lot of the advanced technologies used at that time to help prosecute armed conflicts overseas. Those things are now coming in vogue into the private sector. We in Nevada can remember when drones became more popular. I remember working with drones while working at the Pentagon in the early 2000s. It was top secret and you could not talk about it. Now it is a part of everyday life. Amazon is using it to deliver things and soon more retailers will be using it.

With this legislation, we have to prepare for what I call "what is next" as technologies evolve in less than a nanosecond.

This is what S.B. 488 does and keep in mind, wherever you see blockchain you will also see the insertion of other emerging technologies. The bill creates the Emerging Technologies Task Force within the Department of Business and Industry. Section 5, subsection 2, paragraphs (a) through (d) consists of the Task Force.

It will also authorize the Task Force Chair to collaborate with other entities to advance their mission. The Task Force must meet at least once each quarter.

Section 6 of the bill requires the Task Force to develop strategies and make recommendations with regard to attracting businesses to Nevada. They must be engaged in the development of emerging technologies, as well as encouraging the growth of such businesses. Section 6, subsection 1, paragraphs (a) through (g) specify what the Task Force shall do.

Some of you may remember in 2014 and 2016, we were in Special Sessions for Tesla and Faraday. Both of those companies contemplated coming to Nevada. The thing we heard over and over again was that we did not have the skilled workforce to support the type of industry that was relocating here. What S.B. 488 will do with this Task Force is identify these things and we will not need to hold special sessions.

The Task Force must, on or before February 1 of each year, prepare and submit a report of its findings and recommendations to the Governor, the Director of the Department of Business and Industry and the Director of the Legislative Counsel Bureau for transmittal to the Legislature.

The Office of Business, Finance and Planning within the Department of Business and Industry administers and coordinates programs to assist in the growth and retention of business and industry in our State. It will provide information to entities engaged in business and industry about such programs.

Section 9 of the bill creates the Opportunity Center for Emerging Technology Businesses as part of the Director's Office of Business, Finance and Planning. The purpose of the Opportunity Center for Emerging Technology Businesses is to advocate for, assist and support in the growth of businesses engaged in the development of blockchain technology and all of the other aforementioned emerging technologies.

SENATOR DENIS:
Is anyone else doing this?

SENATOR SPEARMAN:
Yes, there are other states that are doing some form of this, but I do not know of any that are doing this particular model.

SENATOR DENIS:
Sometimes when we talk blockchain, people assume it means financial. In actuality that is probably not going to work out. In the future, this will be used more for healthcare data and those types of things.

I serve on a few State technology boards and generally we have members from the industry. I do not see any tech people in this bill. Was there any consideration taken to having some people from the industry?

SENATOR SPEARMAN:
In section 6, one of the things that it would do is to solicit input from persons and organizations with expertise in all of these technologies. That person would be appointed by the Chair of the Task Force. I did not name them specifically by name, but that would be at the discretion of the Director of the Department of Business and Industry.

SENATOR DENIS:
I see it reads solicit input, but that is not the same as actually being on the Task Force.

SENATOR SPEARMAN:
We can make that adjustment.

SENATOR DENIS:
It just seems to make sense to put into the bill someone who represents these emerging industries or someone who could provide that input.

SENATOR SPEARMAN:
I have no problem adding that as part of the process.

MICHAEL BROWN (Director, Department of Business and Industry):

This is an area where I spent the last two years of my previous career working. Last year, I had the opportunity to host John Chambers, the retired Chief Executive Officer of Cisco Systems in Elko, Nevada. He has an almost religious passion of trying to convince companies and governments to get ready for the digital transformation that is underway around us. He often cites that he predicts that 30 percent of American businesses will not be around in the next ten years because they will fail to adapt to the digital revolution that is happening.

We talked to Senator Spearman this morning and made a suggestion that someone from the Department of Employment, Training and Rehabilitation (DETR) be involved because of the significant workforce issues with this. We are fortunate to have found a person within Department of Business and Industry who we think can help with the blockchain technology. We would also need a blockchain consultant to provide more specific advice. With regard to the fiscal note, it may be higher than we think. We believe we can bring it down to about \$250,000 less than what the fiscal note states. We are in the process of refining those numbers.

In my previous career in the mining industry, I was working on digital transformation. If you look at one of the big \$5 million trucks, it has 60 to 70 different monitors. The idea was to take all of that data and feed it into a blockchain type of system so we would have predicted maintenance as to when you would need the part that might fail in that truck. Then you would not need to keep a warehouse inventoried with parts.

Those sort of things transform industries and I think Senator Spearman is very farsighted in trying to figure out how the State can prepare. The ripple effect will not only be with our employers, but also within our training and educational systems.

Finally, I spoke yesterday with the acting Director of the Governor's Office of Economic Development. We agreed we need to collaborate more between our two units. We need to get ready for the disruptive technologies that will affect businesses here in Nevada.

CHAIR CANCELA:

I want to get it on the record that you, Senator Spearman, would be open to what Senator Denis commented on. In coordination with Director Brown, you would be open to language that would allow for business industry members to be included as part of the Task Force, correct?

SENATOR SPEARMAN:

Yes, I agree with that amendment. I think what we have done so far within this Session is look at salary pay and benefits for our employees. The one thing we have not done was look at the fact that automation is already here. Disruptive technology will probably reduce the number of jobs in every business sector over the next few years.

I have a copy of an article that shows Walmart is cutting 7,000 jobs due to automation and they are not alone. At the beginning of the year, we reported that robots were expected to replace some 5 million jobs across all sectors. An article from *Forbes* that states due to automation, there are job threats worse than mass store closures which could fire more than 7 million retail workers.

Right now we are so limited in terms of how our economy is structured. One of the things that we can do is begin to plan for more diversification for our economic structure in the State. To some extent we need to insulate ourselves from the next recession, because I think it is not a matter of if, it is a matter of when.

Every sector of retail, gaming, everything is going to be affected by automation. This is one way to prepare our workers for the future. We need to make sure they are retrained, they get the skills necessary, as well as make sure our public higher education keeps pace with emerging technologies.

MR. BROWN:

I concur and we will work to revise the fiscal note in light of the talent we have discovered inside the agency.

SENATOR DENIS:

I agree that these jobs are going to be replaced with new jobs; that is the point. People may not be doing what they do now. We may have robots, but someone has to make, program and maintain the robots. That is why it is so important to be able to be on top of this, especially on the workforce development side so

that we develop the kind of workforce that can actually step up as these other jobs go away.

MR. BROWN:

That is very important Senator. Having a means of transitioning the workers that may be affected by the new technologies is part of the equation.

SENATOR BROOKS:

I agree with how important the goals are of identifying and diversifying our economy in the State and identifying new technologies to do it. This is for the most part in the charter of six or eight other agencies within the State.

Looking at the fiscal note, you are talking about hiring people, having an office and having people do this work. Are there any conversations or have you thought about seeking out some retraining from other agencies, like the Governor's Office of Science, Innovation & Technology; the Office of Workforce Innovation for a New Nevada; DETR and the Governor's Office of Economic Development? If you look at their charters, this is what they do. They are either not providing the training or you are trying to consolidate it into one place. Has there been any conversation about pulling some of their people and funding to be consolidated?

SENATOR SPEARMAN:

The intent of the Task Force was to have all of these established to work together collaboratively with personnel and financial resources. I am not so sure that is what came to total fruition. What we are trying to do now is make sure there is a responsibility of all of those agencies to collaborate toward one particular goal.

This is bedrock legislation. As we move along, there is nothing in the bill prohibiting the Director or the Chair of the Task Force from stating we need to include more people or maybe reduce some; it is at his or her discretion. We need all of those agencies coming together and using the resources that we have for that one goal. We can get there together.

ELISA CAFFERATA (Nevada Technology Association):

We support this bill and have been participating in the conversations about what is blockchain and trying to provide that education. I must give Senator Spearman credit. She did a great job of summarizing a difficult

explanation of blockchain technology. We appreciate the interdisciplinary approach that is outlined in the proposed amendment.

To Senator Brooks' point, it is less about the silos of the technology and more about these technologies merging together. We need to have the conversation about how you deal with hybrid products and hybrid technologies and make them fit into what the State is trying to accomplish. I think this addresses several of the issues that are coming up for the State.

ALFREDO ALONSO (Take-Two Interactive):

Take-Two Interactive was one of the first companies that moved into downtown Las Vegas when there were not many technology companies coming to the State. They are now looking at expanding. This is exactly what they believe will attract more people to the State and have us prepared for the future. We support those efforts.

CHRISTOPHER SEWELL (Legislative Liaison; Department of Employment, Training and Rehabilitation):

We at DETR are excited to be a part of the collaboration and Task Force. Their decisions will support the career pathways of Nevadans during this whole change of blockchain. This technology is moving quickly and we need to be out in front.

SENATOR SPEARMAN:

You will note, we are trying to get blockchain up and running by July 1, 2019. To Senator Denis' point, one of the reasons I encourage a quick start is because jobs are going away, but new jobs are coming. The jobs that are going away have had people work in them their entire lives since they were 18 years old.

Now they are 42 years old. They have about 23 years before they can retire at 65. We need to start training them and giving them new skill sets so they can survive. If we do not, then we are going to find a lot of people who are not only out of work, but will be dissatisfied. I would encourage a quick passage of the bill.

MR. BROWN:

While not connected, there is related legislation that Senator Kieckhefer has with respect to blockchain. I was told to make sure DETR was ready to manage the blockchain issues. Initially that legislation went to the Attorney General and

a decision was made. If that legislation was to be approved that it be in the purview of the Department of Business and Industry, hence our engagement.

CHAIR CANCELA:

We will close the hearing on S.B. 488.

SENATOR SETTELMAYER:

My family's home ranch used to have 26 employees. We now have 6 times that amount of property, and now manage it with 3 employees.

SENATOR DENIS:

Specifically, I would like to know are we requesting one person from the industry or two?

CHAIR CANCELA:

I would make the recommendation that it be at the Director's discretion for industry members to be included; we do not want to put a number in statute.

SENATOR DENIS:

As long as it is at least one, and if there are different emerging technologies, you may need different people to represent those different areas.

SENATOR SETTELMAYER MOTIONED TO AMEND AND DO PASS AS AMENDED S.B. 488.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANCELA:

There being no further business to come before the Committee, the meeting is adjourned at 2:42 p.m.

RESPECTFULLY SUBMITTED:

Debbie Shope,
Committee Secretary

APPROVED BY:

Senator Yvanna D. Cancela, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	5		Attendance Roster
S.B. 298	C	4	Marjorie Paslov Thomas	Work Session Document
S.B. 300	D	9	Marjorie Paslov Thomas	Work Session Document
S.B. 346	E	3	Marjorie Paslov Thomas	Work Session Document
S.B. 408	F	10	Marjorie Paslov Thomas	Work Session Document
S.B. 429	G	3	Marjorie Paslov Thomas	Work Session Document
S.B. 474	H	1	Marjorie Paslov Thomas	Work Session Document
S.B. 491	I	3	Marjorie Paslov Thomas	Work Session Document
S.B. 486	J	1	Adam Cate / Nevada District Attorney's Association	Proposed Amendment
S.B. 488	K	1	Senator Patricia Spearman	Proposed Amendment