

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

**Eighty-First Session
March 30, 2021**

The Committee on Growth and Infrastructure was called to order by Chair Daniele Monroe-Moreno at 1:07 p.m. on Tuesday, March 30, 2021, Online. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/81st2021.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair
Assemblyman Howard Watts, Vice Chair
Assemblywoman Tracy Brown-May
Assemblyman John Ellison
Assemblyman Glen Leavitt
Assemblyman C.H. Miller
Assemblywoman Sarah Peters
Assemblyman Tom Roberts
Assemblywoman Shondra Summers-Armstrong
Assemblyman Jim Wheeler
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Katie Siemon, Committee Policy Analyst
Jessica Dummer, Committee Counsel
Devon Kajatt, Committee Manager
Lori McCleary, Committee Secretary
Trinity Thom, Committee Assistant



OTHERS PRESENT:

Tom Knox, Executive Director, Valley Clean Air Now
Cinthia Zermeño Moore, Nevada Field Consultant, EcoMadres, Moms Clean Air Force
Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association
Mary L. House, President and CEO, CHR, Inc.
Matt Rubin, Energy Policy Analyst, Western Resource Advocates
Melissa Ramos, Manager, Clean Air Advocacy, American Lung Association
Ramiro Reyes, Community Organizer, Chispa Nevada
Francisco Vega, Director, Air Quality Management Division, Washoe County Health District
Leonard Jackson, Director, Faith Organizing Alliance
Richard Beckstead, Principal Air Quality Specialist, Department of Environment and Sustainability, Clark County
Emily Duff, Manager, State Policy, Ceres
Yolla Hager, Founder and President, Hager Environmental & Atmospheric Technologies
Christi Cabrera, Policy and Advocacy Director, Nevada Conservation League
Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada
Bradley Mayer, representing Southern Nevada Health District
Marlene Lockard, representing Local Union 1107, Service Employees International Union
Rafael Arroyo, Private Citizen, Las Vegas, Nevada
Eric Wahrer, Nevada State Manager, Dekra Services, Inc.
Joseph (J. D.) Decker, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles
Kristen Averyt, State Climate Policy Coordinator, State Department of Conservation and Natural Resources
Jeffrey Kinder, P.E., Deputy Administrator, Air Programs, Sustainable Materials Management, Industrial Site Cleanup, and Corrective Action, Division of Environmental Protection, State Department of Conservation and Natural Resources
Brian Fadie, State Policy Associate, Appliance Standards Awareness Project
Mel Hall-Crawford, Director, Energy Programs, Consumer Federation of America
Steven Berry, Volunteer Member, Legislative Committee, Toiyabe Chapter, Sierra Club
Charles Bell, Programs Director, Advocacy Division, Consumer Reports
Angie Dykema, Consultant, Southwest Energy Efficiency Project
Matthew Walker, representing Southern Nevada Home Builders Association
Jordan Krahenbuhl, Executive Director, Plumbing, Heating, Cooling Contractors of Nevada
David Bobzien, Director, Office of Energy, Office of the Governor
Marie Steele, Director, Electrification, NV Energy
Michael Hansen, Private Citizen, Las Vegas, Nevada

Chair Monroe-Moreno:

[Roll was called. Committee rules and protocol were explained.] Today we will be hearing two bills. Both bills will be presented by Assemblyman Watts. I will open the hearing on Assembly Bill 349.

Assembly Bill 349: Revises provisions governing motor vehicles. (BDR 43-58)

Assemblyman Howard Watts, Assembly District No. 15:

I am here today to present Assembly Bill 349 for your consideration. The primary focus of this bill is to reduce vehicle pollution in our state, but it will deliver benefits for our climate, our health, and our economy. I am glad to be joined today by Tom Knox of Valley Clean Air Now. Mr. Knox will present an interesting case study for everyone after I give my initial remarks and a brief overview of the bill itself.

Before I go into the components of the bill, I want to provide a little background about why reducing vehicle pollution is important. The American Lung Association's State of the Air report routinely gives Clark, Washoe, and Lyon Counties failing grades for smog pollution and ranks our metro areas among the dirtiest in the country.

Smog is closely linked to vehicle emissions and is also a risk factor for asthma, chronic obstructive pulmonary disease, cancer, and even cognitive decline. The legacy of segregation and the discriminatory location of freeways over the decades means that these pollution levels are often far higher for communities of color and for lower-income neighborhoods. Vehicle pollution is also the top source of pollution contributing to climate change in Nevada, according to the latest greenhouse gas emissions inventory compiled by the Division of Environmental Protection (NDEP), State Department of Conservation and Natural Resources.

For us to meet our goals of reducing and eliminating these emissions over the next 30 years—and we have set a policy goal to meet net zero emissions by 2050—we have to take action right now to transform our transportation systems. It is also worth noting that the higher temperatures contributed by climate change are also linked to the formation of smog. In addition, other impacts of climate change, including excessive heat, are also felt first and foremost by historically marginalized communities.

To tackle this, the State Climate Strategy, which was released at the end of last year, looked in depth at five potential policies to reduce vehicle pollution. One of those policy concepts was to close loopholes in our emissions inspection system. Another was to implement a financial incentive to replace older polluting vehicles with cleaner personal transportation.

Assembly Bill 349 seeks to do both of these things. It also includes other policies intended to provide consumer relief and economic stimulus. In short, the goal is to tune up our smog check system and reduce emissions in our state. The bottom line of the outcomes this bill is seeking is improved health, environmental and financial outcomes, and a reduction of historical disparities.

I will now walk you through the provisions of the bill and provide some additional context for each section. Sections 1 through 4 of the bill close the so called "classic car loophole." Each section deals with a different plate: classic rod, classic vehicle, and Old Timer. Section 2 deals with street rods built before 1949. That should not have been included in the bill, so we are going to be modifying that section.

The other designations have a rolling basis of 20, 25, or 40 model-years old or older. That means that currently any model year 2001 vehicle is potentially eligible for classic rod plates. All of these plates are intended for collectors and hobbyists. I can think of particular things, such as Hot August Nights, when we think about classic vehicles. However, after the laws were last modified in 2011, the hope was that we would keep our policy to support those vehicles that were registered with those designations in 2011. To try to make sure that those plates are only eligible for classic vehicles, a 5,000-mile-per-year limit was added to exclude daily drivers and everyday commute-to-work vehicles.

Unfortunately, that 5,000-mile-per-year requirement is self-reported and there is a lack of capacity for additional enforcement. That quickly led to an explosion in the number of these plates from a fairly steady 5,000 to more than 32,000 registrations today, spanning the last decade. Why is that? One of the draws to this program has been the fact that vehicles with these designations are exempt from annual smog checks. I think I can speak for many members of the public whom I have received emails from, as well as many of the members of this Committee, that it is common now to see vehicles that are clearly used for daily commutes, either commuter vehicles or work vehicles, that sport these classic designation plates.

Assembly Bill 349 looks to close these loopholes by clarifying that any vehicle getting a classic plate should specifically be for occasional driving and special events, not for general transportation. It will also require owners of classic vehicles to hold classic vehicle insurance policies. These policies generally require the owners to have a primary vehicle, to follow and report on mileage restrictions, to keep the vehicle protected and in good condition, and to get an appraisal to set a mutually agreed upon value for the vehicle. In addition, the owners must annually pay a fee equal to what they would contribute for a smog check to the Department of Motor Vehicles (DMV) to support emissions reduction programs. I will go further into those problems later in the presentation. That is how we are looking to close the classic car loophole.

Sections 6, 7, and 8 of the bill modernize our smog check system itself. I have been working on this policy idea for many months now, and in conversations with the industry, I learned that if technicians work for a company with multiple inspection stations, they must be licensed to work at each individual inspection station. Sections 6 and 7 are aimed to streamline that process so that once licensed, technicians can work at any station.

I also met with Hager Environmental & Atmospheric Technologies (HEAT), a subsidiary of Parsons, that has developed Emission Detection and Reporting (EDAR) technology. While HEAT is not copresenting with me, I believe you will hear from them in support today. This technology allows special cameras to be mounted over roadways and the cameras can see and measure the actual exhaust coming out of vehicles. It can also report the license plate of the vehicle, allowing for remote drive-by emissions checks. Similar technology has been deployed as an option for consumers in other states across the country, including Arizona and Colorado. One particular highlight of EDAR technology is its ability to be deployed overhead instead of at tailpipe level, which means emissions can be measured on any vehicle, including large trucks with smokestacks.

Section 8 of the bill authorizes the DMV to establish this remote sensing as an optional alternative that drivers can sign up for instead of the regular option of driving into an emissions check station. Such an arrangement, if the DMV develops these regulations, would also ensure that the state has access to the aggregated data collected on roadways from the deployment of these cameras to help better inform our understanding of vehicle pollution and our pollution reduction initiatives.

Section 9 of the bill changes the exemption for new vehicles to get smog checks in the first two years of the vehicle's life to the first four years. As background, in 2015, the Legislature passed Assembly Bill 146 of the 78th Session. Originally a proposal to modify our smog fees and inspection schedule, the bill instead led to an in-depth study of our emissions program. That study concluded that we have the most vigorous smog testing schedule in the West, and reducing the test frequency could free up millions of dollars in consumer spending each year with minimal impact on emissions due to the low failure rate of new vehicles. The study suggested a four-year exemption period for new vehicles, followed by biennial testing through the vehicle's tenth year. Other states do have biennial testing. For the sake of simplicity, this bill only includes the four-year exemption. The study also called for closing the classic car loophole. It was really this report that started my work on A.B. 349.

You will hear from folks in the industry who have concerns, and I appreciate their bringing those concerns to me, as I am going to make a few changes to the bill, mostly technical in nature. I will be considering potential modification to the additional two years. Just to be clear, currently, a new vehicle is exempt from a smog check for the first two years. Under this proposal in A.B. 349, it would be the first four years, as written.

Section 9 also makes a change to the smog waiver program. If owners invest in repairs to their vehicle and it still fails a smog check, they can receive a one-year waiver from the DMV. Clark and Washoe Counties each have different amounts set in regulation that have to be spent on a repair in order to qualify for the waiver if the vehicle still cannot pass an emissions check.

This bill, as written, would require that repairs be conducted at a licensed facility no matter where you are in the state. Currently, Clark County requires all repairs to happen in a licensed station; Washoe County allows self-repair. In conversations with folks, I realized that we want to support the right to self-repair. I am intending to amend this to allow people to make their own repairs if they have the skills and abilities to do so because once those repairs are made, the vehicles still have to be brought into the DMV for inspection and then signed off that the repairs were made properly before a waiver will be issued. I appreciate those folks for bringing this to my attention.

Finally, in section 10, whenever a smog check is conducted in the state, \$6 is transmitted to the state's Pollution Control Account. This account funds DMV and NDEP activities related to running our emissions or smog program as well as Clark and Washoe Counties' initiatives to reduce vehicle emissions and improve air quality within their airsheds. The counties already have broad statutory authority to implement any programs that will help us meet our clean air targets.

As I was doing research, I found multiple efforts in previous legislative sessions to double this fee to \$12, particularly as attempts were made to modify the emissions testing schedule. The A.B. 146 of the 78th Session report I referenced from 2016 recommended an adjustment to \$7.75 to keep the account whole as changes to the testing schedule were made. Also, I did the math, and if we adjusted this fee just for inflation, since it was last changed in 2003—18 years ago—the amount would be about \$8.50 today. As proposed, Assembly Bill 349 would increase this figure by \$4, from \$6 currently to \$10, and would adjust the license fee for each smog station from \$25 per year to \$150 per year. That would bring in more than \$3 million per year to help support our air quality programs.

I want to speak specifically as to why I believe this provision is so important. As I noted before, lower-income communities disproportionately suffer from poor air quality. Their economic situation often pushes them to pursue classic plates as the least expensive option to get by, which, aside from the pollution impacts, leaves folks with vehicles that are more expensive to fuel and to maintain. Pushing folks out of those designations without some assistance in place is not just.

I have had conversations with Clark and Washoe Counties about establishing repair-and-replace programs that would help people make the repairs they need if they cannot afford to fix their smog noncompliant vehicles or access newer, cleaner transportation. This would promote equity and close disparities as we tackle the health and climate issues, and it would have the added benefit of supporting our local repair shops and auto sales, both new and used. I believe the provisions of this bill provide a win all around. To provide a look at how this repair-and-replace program would work in action, I would like to turn it over to Mr. Knox to share a real example from a nearby community.

Tom Knox, Executive Director, Valley Clean Air Now:

Valley Clean Air Now is a nonprofit based in California's San Joaquin Valley, a region with some of the worst air quality and most severe poverty in the United States. Our main target is older, high-polluting vehicles. About 2 percent to 3 percent of these vehicles in regular use in California are responsible for 30 percent or more of the total vehicle emissions in California. To repair or replace these cars, which are mainly used by low-income drivers in the most air-impacted communities, is a very direct and cost-efficient way to produce immediate and quantifiable emissions reductions where they are needed most.

We developed the Tune In & Tune Up smog repair program, which is funded by the San Joaquin Valley Air Pollution Control District, to encourage low-income drivers to voluntarily repair their older, high-polluting cars. The program is open to anyone who needs smog repairs and drives in the San Joaquin Valley. It is very open and inclusive and very community-driven.

Pre-COVID-19, we held an event every other Saturday where up to 500 households would show up to qualify for an \$850 voucher, which is enough to fund complete smog repairs on most vehicles. Post-COVID-19, our event staff was forced to work from home, but we saw a remarkable increase in customer interest. We have gone from an average of 6,500 vouchers annually to more than 21,000 that we have given out in the last 11 months. We attribute this to the ongoing economic impacts of COVID-19 where working families really need help to keep their vehicles on the road with valid registration tags.

The Valley Air Pollution Control District will spend \$9 million on Tune In & Tune Up this fiscal year. We will issue 22,000 vouchers. These will be redeemed for inspections, repairs, and smog certification for 15,000 cars, resulting in at least 100 tons of reduction in carbon dioxide, hydrocarbons, and nitrogen oxide emissions. It is a labor-intensive process to do 15,000 repairs, but since these reductions are so unique, it actually does produce a very cost-effective result.

Since 2012, over 91,000 households have accessed Tune In & Tune Up; 90 percent of which are likely low-income families, and 96 percent live within a ZIP Code designated by the state of California as a disadvantaged community. This fund is going exactly where it is needed to help folks drive cleanly and save money. The Valley Air Pollution Control District funds for Tune In & Tune Up are proceeds from an enhanced vehicle registration fee that was enacted by the state legislature to give the District more tools to address the severe air quality challenges in the air basin.

Smog repairs are a great short-term fix, but the real long-term solution is to scrap these older, dirty cars and replace them with affordable, used, zero-emission vehicles. Starting in 2015, the Clean Cars 4 All program has offered low-income drivers a \$9,500 down payment incentive to replace their older cars with used plug-in vehicles, which are commonly

available for less than \$15,000. To replace the dirtiest cars with the cleanest, most reliable cars does provide an immediate benefit to working families. The Clean Cars 4 All program has replaced more than 3,000 cars in the San Joaquin Valley over the past six years using revenue from California's carbon auctions [Cap-and-Trade Program].

The success of these smog reduction programs is due, in large part, to a constant process of community engagement in the neighborhoods that most need the help throughout the San Joaquin Valley. Since these programs depend on voluntary adoption, we focus on providing intensive customer support to build trust among our target audience. That trust is the fuel that keeps the program going and brings in the folks who most need the help.

Assemblyman Watts:

Thank you, Mr. Knox, for providing that example. That is exactly what we are trying to do in Nevada now. I know we have resource challenges in the state, and we do not have, for example, the carbon auctions Mr. Knox mentioned. I believe, and I have talked to local air quality officials, that we could stand up a program, even a pilot program, so we can begin delivering some of this targeted relief to the folks who need it most. I think the sooner we are able to do that and get it set up and underway, hopefully, we can mobilize federal resources, either from the relief that has already been passed or potential additional infrastructure investments to build it up. We could also use this as a way to provide climate benefits, health benefits, and truly address issues of equity and provide relief to communities that need it the most. It has been done, and we do have blueprints for how this could work and how we can engage local government and community members to develop something that really provides an outstanding benefit to all of our communities.

That concludes my presentation. I am happy to stand for any questions you may have. I am sure Mr. Knox will answer any questions you may have specifically about the programs in the San Joaquin Valley.

Chair Monroe-Moreno:

I have a list of members with questions. We will start with Assemblyman Ellison.

Assemblyman Ellison:

I have some questions regarding the classic vehicles. The classic vehicles you were talking about are the ones that may have the specialty license plates, such as Hot August Nights. Many people who have classic cars have personalized plates, not the special plates. Would those people be included in sections 1 through 4 of the bill? I rebuild cars. We are talking about a \$65,000 classic car versus a 25-year-old vehicle. Most of us have personalized license plates on our classic cars.

Assemblyman Watts:

There are a few different categories that we can talk about. There are personalized license plates, which are customized by the vehicle owner, and then there are specialty license plates. There are a wide range of those, from supporting the Vegas Golden Knights to recognizing firefighters and first responders, supporting nonprofits, et cetera. Sections 1 through 4 of the

bill deal with specific types of specialty plates. In other words, the classic plates called "classic cars," "classic rods," and "Old Timer." Classic cars have to be at least 25 model years old or older; classic rods, 20 model years or older; and Old Timers, 40 years or older. There are other classic designations as well. There are "street rods," which are 1949 or earlier, antique trucks, and several others. Those are set at a specific year and are truly vintage vehicles. What we are looking at are those vehicles that have a rolling basis where every year another model year is added to what qualifies.

Whether you get a personalized classic plate or a regular classic plate, the provisions of those sections would apply. However, if you get a wildlife plate or a Vegas Golden Knights plate and get it personalized with the year or any other information you want, the provisions of this do not apply to those types of license plates. It is specifically for a classic vehicle, classic rod, street rod—which I will be removing from the bill with an amendment—and Old Timer plates.

Assemblyman Ellison:

You also talked about the emissions smog checks. Some people are over 300 miles away from the closest station that provides smog checks, which is Washoe County or Clark County. These cars are driven, at the most, to three car shows a year within 20 or 30 miles. The rest of the time, these vehicles are garaged. Most do not even drive these vehicles 5,000 miles per year; they are usually driven around 150 miles per year. These are high-dollar cars that are being rebuilt and restored from the ground up. What do the vehicle owners do at that point to get a smog check?

Assemblyman Watts:

You bring up a great point, which is that we only have smog check systems in Clark and Washoe Counties. Rural communities do not get into nonattainment for air quality, so they do not have to have emissions check systems in place. This bill does not change that at all. I know there are some people who would like to have smog checks throughout the state, but this bill does not change that at all. If you look through sections 1 through 4 of the bill, I specifically did not look to address this issue by requiring all classic vehicles to get smog checks. They do contribute to the fund that deals with emissions control. There are already some provisions related to that currently. A fee is paid by the vehicle owners that goes into the Pollution Control Account, but it does not require a smog check. That would not change under this bill. The exemption would apply.

The way we are trying to deal with the loophole is by requiring classic vehicle insurance. You make a fantastic point about the amount of money people invest and how they care for these vehicles. Usually, the folks who are doing that get classic vehicle insurance policies because that comes with other benefits. There is an appraisal, so if something happens to that vehicle, the payout amount will already be known. The vehicle is protected if it is going to be at a show or other event.

What I learned in my conversations with folks in the classic car and hobby community is that it is extremely common—I will not say universal—for folks who are putting that investment into their vehicles to have that kind of insurance coverage. It is also very difficult and unlikely for someone who has basically a commuter vehicle that is 20 years old to get that coverage as well. That is why we are using that insurance requirement as a way to close the loophole on this program. The 5,000 or 6,000 true classic vehicles can basically continue business as usual and know there is actually a little bit of prestige restored to the plate because the only cars that are going to have it are the true vehicles that folks have invested their time and resources into.

Assemblyman Ellison:

I have one final question. You were talking about the smog increasing. In Washoe County and Las Vegas, every car has to be checked. Is the smog increasing or going down even with all the smog checks being done? It seems to me they are doing a good job at keeping control of those vehicles with high emission issues.

Assemblyman Watts:

There are a couple of points to your question. From historical heights in the 1970s before the Clean Air Act came into effect, we have certainly seen pollution levels decrease. With that said, we have continually ratcheted up our standards for clean air and have tried to get these pollution levels down so no one is at risk for negative impacts.

Some of the reports I have referenced compare Clark and Washoe Counties and their air quality to other metropolitan areas throughout the country. While we are not the worst and we have seen improvement, we still have days where air quality is dangerously unhealthy, and we still have work to do in reducing our emissions.

We have made some historical progress, but we still have pollution and there are a couple of factors to that. We continue to have more people coming in and putting more vehicles on the roads. We are also seeing the average number of miles driven going up. Those factors are counteracting the fact that, in general, newer vehicles are more efficient and are putting out less pollution. There are a lot of different factors in play with the pollution coming from our vehicles.

Assemblyman Wheeler:

Assemblyman Ellison already asked my question about the smog checks for the rural communities, so thank you for making sure the rules are not changed in the rurals. The other question I have is on the 5,000-mile reporting. When these specialty plates originally came out, it was all self-reported. Anyone could say the vehicle was driven under 5,000 miles; however, I do not believe actual mileage had to be reported. With the current way we have to report mileage when we renew vehicle registration every year, would that change so you would have a good idea of what the mileage is on these vehicles?

Assemblyman Watts:

I believe you are talking about the mileage data collection pilot program we implemented last session. There are a couple of pieces to that. The data varies. Some of it is still self-reported when folks are not getting emissions checks for various reasons. A classic vehicle is actually a good example because folks are not going to get the vehicle smogged. The way they contribute information to that pilot program would be to self-report. It goes back to the same situation that we have right now where essentially numbers are being reported. It would be up to the DMV to try to do physical inspections to make sure the numbers on the vehicle match the numbers reported on the form.

With the differences between the urban smog check systems and the lack of those in rural communities, there is a difference in how vehicle mileage is being collected and sent into emissions check stations versus what is being self-reported as part of the pilot program. Instead of trying to figure out how to effectively police all of the self-reporting forms, this bill essentially proposes to have insurers serve as the enforcement mechanism.

Assemblyman Wheeler:

With those extra duties of the insurers, do you forecast any raise in rates because of it?

Assemblyman Watts:

No, because these classic vehicle policies already exist. In fact, some insurers specialize in providing classic vehicle insurance. They already have their requirements and process laid out as well as their rates. As I said, for the true hobbyist, it can be beneficial because the insurer knows how infrequently the vehicle is actually out and about to be subject to damage or issues that would result in a claim. Once going through that process, the insurance is often preferable for hobbyists because the premiums are better than what they would get otherwise. They also know the benefit if something happens because there is an appraisal. The insurance companies already have that process in place with separate policies and a separate pool. Again, classic vehicles are already in there. If people are unable to qualify for that kind of coverage, they are going to have to stick with the current coverage they have so it is not going to cause any additional burden, but they will no longer be able to have the classic plate anymore. They will have to get a regular license plate and play by the same rules everyone else does.

Assemblyman Roberts:

I noticed there is an increase in the individual fees for the smog checks, but at the same time, you are increasing the grace period for new vehicles by two years. In reality, it would almost be less for someone with a newer car. Is that correct?

Assemblyman Watts:

Yes, that is correct. Although I will note for the record, there is no biennial testing schedule proposed in this bill. We are taking the existing two years and, in the bill as it is written, making it a four-year exemption for brand-new vehicles. Again, the reasoning for that is to

try to provide a little consumer relief because these new vehicles are much less likely to develop problems that lead to failing a smog check. That frees up millions of dollars in consumer spending that can be used on something else, even though we know the average cost of a smog check is only \$15 to \$20 for an individual.

With that said, I have talked with folks in the industry and others who have concerns about the equitability of that as applied. I applaud you for making that point. That is something I would be looking at to make an adjustment. One thing I am considering is changing the additional two years to an additional one year. It would then just be the first three model years that would be exempt instead of the first four years. I will be working on an amendment with some of those changes, and I will make sure to circulate it to all the members for your consideration once it is done. I think that would potentially strike a balance between recognizing that if a vehicle is three years old, the chances of failing a smog check are very low, so why would we make people get one? They can spend the money elsewhere. It is providing benefits, particularly to people who can afford to acquire newer vehicles.

Assemblyman Roberts:

I was getting excited that I would only have to smog my Ford Bronco every two years. I appreciate the amendment. My last question would be on the remote testing. I think it is very innovative. We need to leverage as much of that technology as we can. I know there are several companies out there. I applaud you for that. I know this is only enabling language, but maybe you would know if you have had conversations with these companies. Would people be able to sign up and pay the fee for the annual smog, and would that be the same as what would be paid to a remote sensing company? If now it is \$20 or \$25 and \$6 goes to the state, would it be an equivalent charge, or would it just be a smaller fee that goes to the state? Do you know what that would look like?

Assemblyman Watts:

That would essentially be developed in a regulatory process with the DMV. The provisions of this bill ensure that the state portion remains the same no matter what option people use. I appreciate your noting how innovative and beneficial this technology could be. Essentially, the company would deploy that technology on the hunch that people would enjoy the convenience the option would provide. They would do that without any need for capital investment from state or local governments. One of the ways they could recoup that is a potential convenience fee. It may cost \$20 to get a traditional smog check, but people can opt into this system for perhaps \$30. People driving on Interstate 15 would know if there were technology detecting the emissions. If they drive through it in a 30-day window, they will be all set. They do not have to do anything. They will get a notification that the results have come in. It could be a little bit more in exchange for the convenience, but that would be set up in the rulemaking process between the DMV and any potential company wishing to offer that service.

Again, it would be completely optional. If people want to maintain doing things the way they have always done it, they can. The idea would be that this is another option people can use. We would then gather all the general data on emissions that are coming as a result. I believe we will have some folks testifying in support who can provide additional details.

Assemblywoman Peters:

You were talking about how you had only been working on this bill for a couple of months, but I remember talking to you about this issue last session. I think it is much needed to address the issues we see in our state, particularly in our urban areas. What I appreciate the most about this bill is your thoughtfulness to the communities who would be most adversely impacted by the modifications and changes to these rules. I want to ask you a little bit about the repair-and-replace program and whether that would have the effect of forcing people to buy new cars. I will have an additional follow-up question related to the voucher program.

Assemblyman Watts:

Yes, I probably underplayed the amount of time I have been working on this issue. I checked my email recently and had conversations with Mr. Knox to learn about what was going on in San Joaquin in May of last year. It has been quite some time that I have been working on and fine-tuning this proposal.

To your question, this would be a completely voluntary program. That is how it exists in other places. We would partner with community organizations to get the word out, so people know this is available and we would be getting the message to the communities that need it most. Ultimately, this would be a voluntary program. No one is forcing people to get rid of their cars. What we would be doing is providing support in two areas. First, if you love your car but you cannot get it fixed so it can pass a smog check, we essentially provide a coupon so you can get that repair made without worsening your economic situation. The reason we do that is because we know it brings important emissions benefits that are a priority for our public policy.

The other thing it does is it provides a voluntary incentive to help people afford the upfront cost to buy a vehicle. What we know is the maintenance and fuel costs of more efficient vehicles, especially electric vehicles, are so much lower. Once we can help people cross that initial barrier of being able to afford a down payment and get the price to a point where it is manageable with payments, they then see the financial benefits on day one without having any kind of payback period. As Mr. Knox noted, electric vehicles are increasing, and we hope to get as many electric vehicles deployed so there is a strong used market. These incentives are particularly powerful with used vehicles by making them extremely affordable and extremely accessible.

Assemblywoman Peters:

The life span of an electric vehicle can be enormous. My boss bought a hybrid vehicle. It had 200,000 miles on it before he had to replace the battery pack, spending an extra bit of money which was less than a new transmission. The car is still going, and his son is now the

second owner of that vehicle. There is an immense amount of life span in these vehicles. Because of where we are with electric vehicles, we have not explored the full extent of their lifetime on the road.

My second question has to do with the other incentives available for purchasing an electric vehicle and how those would be affected by the voucher program. Can you talk about that relationship?

Assemblyman Watts:

They stack, which is great. If you look at the State Climate Strategy, one of the things it emphasizes is the need to provide so called "cash on the hood." When someone makes that transaction, there is something that can be applied to lower the cost of the down payment, the closing costs, and the upfront barriers to getting into a payment plan that makes the payments reasonable. That is exactly what this proposal is aiming to create—that upfront, cash on the hood program.

Another well-known incentive is the federal tax credit related to electric vehicles which provides up to \$7,500. However, as a tax credit, consumers have to come up with the upfront costs and figure out how to make all those things work and then file for that credit on their tax return in order to gain the benefit. I am not saying that is a bad thing, but it does create barriers for some folks. This is something that would help people who do not necessarily benefit from the current structures in place be able to get into the seat of the vehicle and then harness those additional benefits as any other driver would.

Assemblywoman Peters:

One of the real arguments we have been hearing around electric vehicle adoption is the barrier to entry, for both the market supply and the market demand, is the cash on the hood issue. You reached both of those in this bill and I appreciate the thoughtfulness.

Assemblywoman Summers-Armstrong:

I have two quick questions on the consumer side and then a couple of questions on the business side. On the consumer side, you were talking about the San Joaquin Valley program. I am curious as to how many times in Nevada a vehicle can fail a smog test before the owner is no longer able to get an extension. The second question is, If we are able to institute this program and people were able to get this money for a new car, would they have to use it for an electric or hybrid vehicle, or would they be able to use it on a lesser greenhouse gas emitting vehicle? We have talked about this before. In the communities I serve, this may be a barrier. Even putting \$9,000 down on a vehicle, I wonder if people are able to or choose to take on loans depending on their income status and their income limitations.

Assemblyman Watts:

I would like to turn that question over to Mr. Knox. He could speak a little bit to the replacement options available in the San Joaquin program.

Tom Knox:

The state of California offers the Clean Cars 4 All program. It has graduated incentives based on the vehicle technology. When there is funding available, it starts at \$4,000 for a standard gas-powered vehicle and up to \$9,500 for a used plug-in vehicle. There is a \$7,000 option for a hybrid car. We found that low-income people really gravitate toward the plug-in vehicles based on the incentive. They find these plug-in vehicles are the most affordable to operate as well. There is really a multiplying value as we get into the plug-in vehicles, especially when we look at the prices of used vehicles. They have steadily been increasing over the last ten years, but the last year especially with COVID-19. The only types of used vehicles that I have been able to find that have actually been dropping in price since COVID-19 hit are the most common types of used plug-in vehicles. They have dropped \$2,000 or \$3,000 in the last year. They are actually becoming more affordable. It starts multiplying the value when low-income people are able to tap into that good of a place and that low of an operating cost.

Assemblyman Watts:

I would just like to reiterate a couple of things. One is that this bill does not spell out the exact details of how the program would be set up. We are looking to provide the seed for it to start and then the local governments would figure out the details of how they would want these programs to operate, such as income qualifications, how the program is tiered, et cetera, so we can essentially meet people where they are by providing different levels. How old does a vehicle have to be before it can be replaced? If a gas vehicle is purchased, it has to be model year x or newer. Different amounts of funding can be set to help support people with whatever choice they make.

Another thing I will note that is starting to pick up popularity is e-bikes, or electric-powered bikes. They can run about \$2,000. An incentive of \$500 to \$1,000 can make that extremely accessible to people. Depending on people's mobility situation, those bikes can help them get around. I am from southern Nevada and I know how hot it gets, so even zooming around on an electric bike might not be preferred, but the point is different incentive levels can be set for different transportation options to meet people where they are.

Assemblywoman Summers-Armstrong:

I do have one comment. I would agree with those who are asking you to only suspend smog checks for the first three years. The reason I suggest that is because it would allow a little bit more money to go into the program from those who can probably afford it to help more people and boost the dollar amounts of this new program. My next question would be to the folks who run these independent smog stations. I have one in my neighborhood and I go to this gentleman every single year. He is a single operator. The fee changes are significant. I think with these significant changes in the fee structure—six times the current amount, \$25 to \$150—we are probably going to see increases in our yearly smog fees. I am wondering how you came up with these numbers. Did you have a chance to talk to any groups that represent these independent small businesses?

From my perspective, we do not have a lot of small businesses. The small businesses we do have, we are trying to keep in our community. I am concerned these fee increases could adversely affect our small businesses. Have you had a chance to talk to them about these fee changes?

Assemblyman Watts:

First of all, I did not address your earlier question about smog failure practices. I believe the DMV will be testifying in neutral, and they would probably be best to handle all the different possibilities for what happens when a vehicle fails a smog check. Anecdotally, if a vehicle fails a smog check, there are a couple of options: get it fixed successfully and pass; try to get it fixed and if it does not pass, there can be a waiver. People are advised that we have a 90-day restriction if a vehicle fails a smog check to keep them from jumping right into a classic vehicle if they are eligible. If that is the only option they can afford, they will risk an expired registration or will try to get temporary moving permits in the in-between time in order to jump over to the classic plate. Folks who know about this use it as an option. I would encourage you to follow up with the DMV if you want additional details.

To your comment about the three years, I appreciate that, and I am certainly considering it. I will likely include that in the adjustments to the bill.

To your last question about engagement with the industry, yes. In fact, I have had ongoing conversations with those in the industry. You are going to hear from them today. They are in opposition, primarily to the issue I just discussed and that you brought up in your comment. We have been talking for some time and we had another conversation this morning. You will hear from them shortly in opposition. I am working on a way to balance this.

The provisions I included to make sure technicians can travel to different locations without having to pay for a license each time is something we did to work with industry. Getting some of the vehicles that are currently using classic vehicle plates back into the smog system is something that benefits the industry as well. Again, there have been over 30,000 classic plates issued and only 5,000 or 6,000 are actually legitimate. That puts more than 20,000 vehicles back into the emissions check system with everyone else.

The adjustment in the smog fee that goes to the state for each smog check is usually passed on to the consumer. The effect is the \$15 to \$20 smog check will become a \$20 to \$25 smog check. Honestly, compared to neighboring states and other states across the country, Nevada's rates are pretty low for our emissions check. I wanted to make sure I put that out there. It is something I am aware of but, again, I think it is an opportunity to have everyone contribute to a program that would deliver benefits to the people who are most in need.

To the other point regarding the fee for licensing an inspection station, I have not heard too much on that. I do not know many people who have an annual margin of \$125 in profit for their facility. I am open to making adjustments there as well. Again, with the suggestion you brought forward, we can make a little bit of an adjustment while trying to maximize the resources that would benefit those most in need.

Chair Monroe-Moreno:

Mr. Knox, you had said that a lot of the lower-income communities were doing the tradeoff for plug-in vehicles. Were there any accommodations made for their homes to accommodate that plug-in vehicle? Can you expand upon that?

Tom Knox:

One helpful policy move California has made is to dedicate a certain amount of our carbon revenue to the Spanish communities to make sure the benefits of the carbon cap and trade system would go to benefit the areas that are in the greatest need. The vehicle replacement program, Clean Cars 4 All, is limited to disadvantaged communities. It lets us focus on the needs of low-income families.

In terms of home electric vehicle charging, there is also an incentive of \$2,000 included with the sale of every plug-in vehicle through the program, which is good for installation of home electric vehicle chargers in most cases where there is not a service plan or replacement needed. About 75 percent to 80 percent of the homes were able to install home electric vehicle chargers with the available incentive.

Assemblyman Watts:

I believe we do have some incentives for charging infrastructure in place here in Nevada through the utility company. I do know we have a colleague in the other house who is working on some legislation that will involve significant investments in electric vehicle infrastructure, including public infrastructure, to assist folks who may be in multifamily units or have other barriers to charging at home to make sure, if this is an option they want to take advantage of, they will have the ability to get the charging they need to make it a reality.

Chair Monroe-Moreno:

I am looking forward to receiving that bill from the other house. Seeing no further questions, I will open the hearing for testimony in support. Are there any callers waiting to testify in support of Assembly Bill 349?

Cynthia Zermeno Moore, Nevada Field Consultant, EcoMadres, Moms Clean Air Force:

Today, I am calling in strong support of Assembly Bill 349 on behalf of our over 8,000 members in Nevada. Assembly Bill 349 helps improve public health. The American Lung Association's 2020 State of the Air report ranked Las Vegas as No. 9 in the nation for ozone pollution, naming vehicle emissions as the primary cause of unhealthy air. In 2019, Las Vegas ranked No. 13, which means we continue to climb on yet another "bad" list.

While people continue to move into Las Vegas, it means more cars on the road and an increase of greenhouse gases. By reducing smog pollution from older, more polluting vehicles, we are removing toxins that clog our air and worsen heart disease, lung cancer, and asthma. This is important for vulnerable groups like older Nevadans, children whose lungs are still developing, and Latino families, who are more likely to be exposed to air pollution. Efforts to improve our air quality are particularly important to me as the mother of a 3-year-old who has had breathing problems and to the parents of 36,000 children who have asthma in Clark County.

I applaud Assemblyman Watts for including a funding source for county programs that would help low-income Nevadans repair vehicles that fail smog checks or to help them replace those vehicles with newer, cleaner ones. The Governor's State Climate Strategy sets goals of reducing emissions by 20 percent by 2025 and 45 percent by 2030. We are currently behind in achieving those goals. Assembly Bill 349 will help us get closer to our goals as a state. I urge you to please support Assembly Bill 349.

Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association:

I would like to begin by thanking Assemblyman Watts for bringing this bill to your Committee for consideration. Our association wholeheartedly supports the measure and hopefully the Committee will agree with the policy proposed by Assemblyman Watts.

Following the 2015 Legislative Session, the Advisory Committee on the Control of Emissions From Motor Vehicles conducted an extensive study and analysis on the state's emissions testing program. Quite frankly, we are very pleased that Assemblyman Watts is proposing that the Committee accept and implement many of the recommendations of the study that was conducted by the Advisory Committee.

This was a very intensive process. The members held approximately 20 meetings over a period of about a year and a half. It involved an extensive number of stakeholders and folks from disparate industries. The end product is something that was pretty impressive. Those folks did a tremendous job.

When you look in terms of the classic car exemption, that is quite low-hanging fruit. Assemblyman Watts and I discussed this going back as far as three years ago. To give you an example of the abuse there, there is a picture of a landscape truck with a classic plate belching smoke. There is a car that must have been part of the show *The Streets of San Francisco* from the 1970s, driven by Karl Malden. It looks beat up and is belching smoke, and yes, as you can imagine, it has a classic vehicle plate. This bill will address those issues, and we have zero doubt about it. Many of our members are classic car aficionados, and they truly believe what Assemblyman Watts is doing is going to have a definitive impact for the positive.

With respect to the change in the frequency of smog checks on new vehicles, we fully support what is drafted. Just by way of reference, the average exemption age for new vehicles for the first emissions test in the western United States is four and a half years. Frankly, the fail rate on these vehicles is less than 1 percent. We encourage your passage of this measure.

Mary L. House, President and CEO, CHR, Inc.:

I am here today to support Assembly Bill 349. I have long been a strong supporter of clean energy and policies that protect Nevadans' health and financial well-being. I do my best to lead by example. Our church is one of the first Black churches in southern Nevada to be powered by solar energy. I am also a proud owner of an electric vehicle, a Hyundai Ioniq, so I know the health and economic benefits of clean energy technology firsthand. I also know how these options can be out of reach for many of our communities without specific programs to help them.

Sadly, Black children are five times as likely to be hospitalized for asthma than white children. Black Americans are almost three times more likely to die from asthma-related causes than non-Hispanic, white populations. No child or community leader should suffer when this cause is entirely preventable. Assembly Bill 349 will go a long way in getting some of the worst polluting cars off the roads and out of the communities where our children and grandchildren live and play.

As an electric vehicle driver, I know that electric vehicles are a better option, and I want to increase access to them for our communities. My car needs less maintenance and service, saving me more time and money. That is why I am so excited about the repair and replace program that will specifically help low-income drivers buy these cleaner and affordable-to-operate cars. I am a mother of two and a grandmother of two. I worry about my grandchildren's future. We must do what we can to address climate change and poor air quality because the problem is here now. Otherwise, what kind of world are we leaving for our children? Thank you for your consideration of Assembly Bill 349.

Matt Rubin, Energy Policy Analyst, Western Resource Advocates:

Western Resource Advocates is a nonprofit organization dedicated to protecting the West's land, air, and water. Western Resource Advocates supports Assembly Bill 349 in its effort to close the classic car loophole from vehicles that have failed a smog test and do not meet the stricter definitions of Old Timer, street rod, classic rod, or classic vehicle, as laid out in this bill.

Nevada has historically struggled with poor air quality. Clark and Washoe Counties have both received an F in the American Lung Association's most recent State of the Air report. The American Lung Association further lists children, teens, seniors, those with existing respiratory diseases, and anyone who works or recreates outdoors as groups vulnerable to smog pollution. Smog and other air pollutants can exacerbate respiratory and cardiovascular ailments and can even lead to premature death. Poor air quality can damage Nevada's outdoor economy by deterring visitors, hurting both business and tax revenue.

Nevada can reduce the number of vehicles on the road that have failed a smog test by requiring drivers to maintain classic or antique car insurance in order to receive a vintage plate, as laid out in this bill. Drivers who do not meet the standards would have to repair their vehicle to meet standards or risk cancellation of their vehicle's registration. In order to improve air quality, Western Resource Advocates urges members of the Committee to support Assembly Bill 349.

Melissa Ramos, Manager, Clean Air Advocacy, American Lung Association:

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease through education, advocacy, and research. We support Assembly Bill 349, which sets Nevada on a path to cleaner and healthier air by addressing transportation pollution.

The transportation sector continues to be the leading cause of air pollution, which can cause asthma attacks, heart and lung disease, respiratory and developmental harm, and, in some cases, premature death. These health risks are heightened even more for our most vulnerable population, including low-income, communities of color, children, and seniors. Our annual report, State of the Air 2020, found Nevada is faced with some of the most difficult air quality challenges across the country. Las Vegas ranks as the ninth most ozone-polluted city in the United States and twenty-fifth for particle pollution. Reno also ranks twenty-third for most particle pollution.

Currently, 2.8 million Nevada residents are living in counties with unhealthy air. While there has been significant progress to improve air quality, climate-driven factors, like extreme heat and wildfires, have made it increasingly difficult to clean up air pollution. Climate change also exacerbates transportation pollution. Closing the classic car loophole is an important measure to ensure the most polluting vehicles are subject to passing a smog check or to get them off the road.

Assembly Bill 349 will also reduce harmful tailpipe emissions by investing in state air quality programs to create a repair or replace program for vehicle owners and delay initial smog check requirements for newer vehicles. This legislation is critical to safeguard Nevadans from breathing in unhealthy, polluted air, especially for those most impacted by pollution from older, higher-polluting vehicles currently avoiding the smog check program.

As a representative of the American Lung Association, I appreciate your taking the time to listen to my comments, and I encourage you all to review our submitted letter [[Exhibit C](#)] in partnership with other health organizations. We urge the Committee to vote in favor of Assembly Bill 349, which will have widespread support for our climate, air quality, and our health.

Ramiro Reyes, Community Organizer, Chispa Nevada:

Chispa Nevada is building political power for Latinx families, so we have a say in environmental decision making. One of our community members' top environmental concerns is Nevada's poor air quality. Our community is worried about smog pollution

getting worse and making it harder for them and their kids to spend time outdoors and making allergies worse. For people of color, for older community members, and for children, air pollution has serious health consequences from asthma to cardiovascular disease to cancer. For Black and Indigenous people and families of color who have been forced to live in neighborhoods next to sources of pollution, like highways, airports, or industrial centers, breathing unhealthy air can also take other tolls. Our communities are more likely to be underinsured or uninsured. We cannot afford more illnesses that raise our medical costs. When the cost of an inhaler has to be studied by the Legislature, you know costs are too high.

We also know that reducing smog means lowering pollution that is making the climate crisis worse. That is why we strongly believe Nevada should close this loophole that allows cars in Clark County to use special license plates to avoid a smog check. We cannot close this loophole without offering an alternative to community members who have older vehicles that may not be able to pass a smog check. We appreciate everything Assemblyman Watts has described today as far as the ideas and plans for offering financial aid so that local counties can help low-income Nevadans repair their vehicles or replace them with newer and cleaner alternatives.

Chispa Nevada believes Assembly Bill 349 can reduce smog pollution, improve public health, and fight the climate crisis while still giving community members a way to access transportation that is cleaner and better for all of our communities, and ensures a healthier Nevada for everyone.

Francisco Vega, Director, Air Quality Management Division, Washoe County Health District:

The Air Quality Management Division of the Washoe County Health District is in support of Assembly Bill 349. On-road motor vehicles are the largest category of ozone precursor emissions. Preliminary air monitoring data through 2020 indicates Washoe County will be violating the health-based National Ambient Air Quality Standards for ozone. The Inspection and Maintenance Program is a key mechanism to ensure motor vehicles do not worsen ozone concentrations.

Technology has led to cleaner, more fuel-efficient cars and SUVs. Today's vehicles are 10 to 20 times cleaner than the ones manufactured in the mid-1990s. Older vehicles tend to fail smog checks more often than newer vehicles. From a Nevada DMV 2019 inspection of maintenance activity report, 10.1 percent of model year 1969 to 1995 vehicles failed their initial smog check in Washoe County versus 2.2 percent of model year 1996 to 2020 vehicles. A classic vehicle that fails its smog check undoes the benefits gained from technology and federal tailpipe emissions standards.

Classic vehicle plates are disproportionately registered in Washoe and Clark Counties compared to the rest of the state. The Division's concern is that classic vehicle plates and associated smog check exemptions are being issued to vehicles that are being driven more than 5,000 miles per year and cannot pass a smog check. The Division expressed its concern

through testimony on Assembly Bill 2 of the 76th Session in 2011. Requiring classic vehicle insurance as a condition of classic vehicle registration can close that loophole, remove the smog check exemption currently allowed to nonclassic vehicles, and help the air quality in Washoe County.

I would like to thank Assemblyman Watts for engaging with the Health District earlier this summer. We have been looking forward to legislation like this for quite some time, and this is a priority for the Division. We know this is years in the making and a lot of hard work. Again, the Washoe County Health District is in support of Assembly Bill 349. I am available for any comments or questions. [[Exhibit D](#) and [Exhibit E](#) were also submitted.]

Leonard Jackson, Director, Faith Organizing Alliance:

I am here today to show support for Assembly Bill 349. The Faith Organizing Alliance is trying to solve a lot of issues with Nevada's transportation system. Transportation impacts every aspect of our day-to-day lives, from how we get to work, how we go to the grocery store or the doctor, and even the very air we breathe. Yet not all members of our community have the same access and ease of mobility as others and we do not bear the burden of air pollution the same way.

One of the ways we think we can address this is by reducing pollution that comes from vehicles to reduce contamination that is making our communities sick. As many of you know, we have been supportive of clean energy and cleaner vehicles that will protect our environment and our air quality. We want to understand how we can begin to provide communities with clean vehicles, but there is no funding source for that right now. The State Climate Strategy says we need to reduce emissions from transportation, the number one source of carbon emissions. It includes several ideas for how to do that, including closing the smog check loophole that allows cars that cannot pass a smog inspection to avoid one by getting specialty license plates. It also calls for incentives specifically aimed at making electric vehicles more accessible to lower-income communities.

That is why Assembly Bill 349 is important to us. Not only will it close that loophole, but it will also take the steps to ensure we are not just denying Nevadans with older vehicles the use of their cars, but providing funding for them to make their vehicles cleaner or to get a clean-air car. This will help protect folks who are driving older vehicles that may be more polluting but who cannot afford to get them fixed. It will help their access to cleaner technology and clean up our air. I thank you in advance for your consideration of A.B. 349, and I urge you with all my heart and soul, and the future of our children who are dependent upon you, to support this important legislation.

Richard Beckstead, Principal Air Quality Specialist, Department of Environment and Sustainability, Clark County:

Clark County is in support of Assembly Bill 349. Clark County has been designated "nonattainment" for ozone standards for on-road emissions. Motor vehicles are a large portion of the ozone precursors. Older vehicles emit significantly higher emissions on a per-mile basis than newer cars. Older vehicles also fail emissions tests at a much higher

rate than new cars. This bill addresses Clark County's concern that a significant number of classic vehicles are bypassing emission testing. Requiring classic vehicle insurance will prevent grossly polluting vehicles from avoiding smog checks and result in reducing air pollution.

Emily Duff, Manager, State Policy, Ceres:

I am speaking in support of Assembly Bill 349. Ceres runs the BICEP [Business for Innovative Climate and Energy Policy] Network, which is a coalition of nearly 70 major employers, leading consumer brands, and Fortune 500 companies, including many with operations in Nevada. Our members recognize that climate change poses a significant risk to the long-term economic success of the business community and have set goals to reduce their emissions.

Just as transportation is now the largest source of greenhouse gas emissions in Nevada, vehicle fleets are often a substantial component of their carbon footprint as well as a major operating expense. Clean vehicles help businesses create financial savings and minimize the risk associated with fuel costs, maintenance downtime, and supply volatility. Importantly, our members and our business partners support policies that accelerate the transition to clean transportation options, not only because it helps their bottom line, but because it helps their employees, customers, and the communities they operate in.

Ceres recently submitted a letter [[Exhibit F](#)] to the Committee signed by seven businesses and institutions, including Dignity Health, Uber, IKEA, and Patagonia, highlighting their support for legislative action that accelerates the transition to low-emission and zero-emission vehicles. In this letter, these companies call on state lawmakers to close the current vehicle emissions testing loophole in the smog check program. Closing this loophole would improve air quality, which will lower health care costs by reducing instances of respiratory illness that lead to missed days of school and work, especially for low-income and minority communities who are disproportionately impacted by air pollution.

For these reasons, Ceres supports the passage of Assembly Bill 349.

Yolla Hager, Founder and President, Hager Environmental & Atmospheric Technologies:

I am here on behalf of my company and our partner, Parsons, to testify in support of Assembly Bill 349, and to thank Assemblyman Watts. Specifically, I would like to discuss the tremendous value and benefit this bill offers Nevada in enabling remote sensing.

Remote sensing technology, commonly referred to as RST technology, is a state-of-the-art proven technology that is approved by the U.S. Environmental Protection Agency (EPA) for remote collection of smog pollutants and then collecting data from light-duty cars and heavy-duty trucks in one footprint. Our seed technology is deployed in several states and is approved for use across the European Union, all with positive reviews for convenience, cost

efficiency, and accuracy. This technology operates 7 days a week, 24 hours a day, 365 days a year unmanned, offering great convenience and cost effectiveness to the citizens of Nevada, who can voluntarily drive under the system to have their cars remotely tested. Because of its cost effectiveness, there is a potential for increased revenue generation for the state.

Those whose vehicles do not receive a pass with remote sensing will not be able to opt in and will need to seek testing at a local smog shop to ensure proper repairs are made. However, for those motorists who pass, it is an added value the DMV can offer citizens. Given the pandemic, this solution offers motorists who are high-risk the priceless benefit of a contactless, online option to smog-check their cars.

Lastly, I would like to add that this proven technology is known to Nevada and has been utilized for the collection and reporting of state emission data to the EPA. Because remote sensing technology can collect pollutants from both light- and heavy-duty vehicles, the tremendous flexibility of potential for air quality enforcement, such as with trucks passing through the state, and data collection for air quality controls and requirements has been recognized. By enabling remote sensing, the state will have access to controlled data, thereby eliminating the need for added data collection, both a cost- and time-saving measure for your state agencies.

Thank you for your time today. We are extremely excited at the prospect of remote sensing in the state of Nevada.

Christi Cabrera, Policy and Advocacy Director, Nevada Conservation League:

Assembly Bill 349 is a priority of the Nevada Conservation League, which is a diverse coalition of over 20 of our state's leading conservation and environmental groups. The Nevada Conservation League came together around a focused set of five priority bills for the 2021 Session, all of them with strong effects for advancing conservation and the protection of Nevada's environment. Assembly Bill 349 would help us make progress toward our state's ambitious goals of reducing greenhouse gas emissions to reach net zero by 2050. By removing some of the dirtiest, smog-producing cars from our roads and making clean energy alternatives available, we can lower Nevada's emissions and put ourselves in a better position to meet our climate goals.

Nevadans overwhelmingly support bold, aggressive action that confronts the climate crisis. Eighty-two percent of Nevada voters believe that climate change is a serious problem, and 70 percent strongly support regulations that would limit total carbon emissions in Nevada to reach our net-zero goal. Nevadans are calling on legislators to prioritize proclimate policies that will protect our environment and public health for years to come. Assembly Bill 349 is a critical step in fighting the climate crisis that works to improve air quality and public health. It checks two boxes in Nevada's State Climate Strategy, closing the classic car loopholes and funding a program to help families make the switch to an electric vehicle.

We would like to thank Assemblyman Watts for bringing this important piece of legislation forward, and we strongly urge the Committee's support. [[Exhibit G](#) was also submitted.]

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

I am here in support of Assembly Bill 349 to close the current classic car loophole. In the interest of time, I am just going to echo the sentiments of those who testified before me and submit my additional comments for the record [[Exhibit H](#)]. In supporting Assembly Bill 349 and actively reducing smog pollution from cars, we take further steps in the urgent fight against climate change, while improving the public health in our communities. We urge your support.

Bradley Mayer, representing Southern Nevada Health District:

While the Southern Nevada Health District does not directly regulate air quality in southern Nevada, as that is a function of Clark County, improving vehicle emissions is a benefit to public health. We thank Assemblyman Watts for bringing this bill forward and urge your support of Assembly Bill 349.

Marlene Lockard, representing Local Union 1107, Service Employees International Union:

We are in support of this bill. I think it is an appropriate time to say ditto to everything that has been said.

[[Exhibit I](#), [Exhibit J](#), [Exhibit K](#), and [Exhibit L](#) were submitted in support of A.B. 349.]

Chair Monroe-Moreno:

Are there any additional callers waiting to testify in support? [There were none.] I will open the hearing for testimony in opposition.

Rafael Arroyo, Private Citizen, Las Vegas, Nevada:

I am speaking on behalf of the Nevada Emission Testers Council. I would like to say we are in opposition to some parts of the bill, but not all. We do appreciate Assemblyman Watts for bringing this bill forward and it has a lot of good things, but there are some things that we have concerns with as members of the industry.

As far as the classic vehicle plates, we are 1,000 percent in support. One of our concerns is the four-year exemption. It was mentioned there may be some middle ground regarding that. I would like to speak to the fact that the whole intention of this bill is to reduce emissions, and that is why all of these people are in favor of it. The Nevada Emission Testers Council is also in favor of reducing emissions. Even though there is a low percentage of newer cars that fail the emissions test, the reason is because there is a lot more knowledge out there for people. People know not to bring their cars in to get emissions tested when they have a check engine light and they are not going to pass. That is the reason for the low failure rate. We have to remember, the name of the program is the Inspection and Maintenance Program. The point from the beginning was to require inspections to force people to do

maintenance. Most people will not do maintenance on vehicles if it is not required. With technology now, especially in the newer vehicles, there can be vehicles that are over the federal limit of pollution and the check engine light will be on, but the drivers will not feel any change in drivability or performance. They may go four years without getting it fixed because they feel they do not need to if the car drives fine. As a member of the industry that has emission repair stations, I will tell you I see this on a daily basis. People are only fixing their cars in order to pass a smog test because they do not want to spend money on that.

If the goal is to reduce emissions, I do not think less testing is the answer. There is going to be an economic impact, obviously, to the small businesses. Regarding the self-repair portion of the bill, we did have a conversation about that. I think there are ways to help people with their older vehicles. I am in support of the program, but raising the fee to \$10 is also going to hurt a lot of the small businesses. The larger businesses will not need to pass that price on to the consumer.

Chair Monroe-Moreno:

We are at the end of your three minutes. If you could send us your written comments, that would be helpful. I will share those comments with all the members on the Committee.

Eric Wahrer, Nevada State Manager, Dekra Services, Inc.:

We are also in support of closing the classic car loophole. However, remote sensing seems to open another loophole. I have been in the industry a long time. As Mr. Arroyo said, people know when their vehicle is going to fail. What is to stop someone from simply giving their license plate to a car that is a similar make, year, and model that is going to pass a smog check and drive it through the remote sensing? Remote sensing does not check for vehicle identification numbers. I see this as counterintuitive to closing the classic car loophole, as it will allow gross polluters to stay on the street as soon as people figure out there is a secondary loophole open.

Joseph (J.D.) Decker, Administrator, Division of Compliance Enforcement, Department of Motor Vehicles:

I would like to personally thank Assemblyman Watts for explaining Nevada's vehicle emissions so impressively. The DMV would like to offer a friendly amendment adding "business purposes" to the transportation activities that are prohibited for use with smog exempt plates as identified in the bill.

The Division of Compliance Enforcement within the DMV does not feel that a vehicle used for commerce should be exempt from emissions standards. They can also be some of the most blatant violators we see. It is very hard for Nevada law enforcement in the field to determine whether a classic series plate is being used for general transportation, which is prohibited by the bill, and is why the mileage reporting fee is so important. We are able to generally determine when a classic vehicle plate is attached to a vehicle being used for business. We would invite Assemblyman Watts to discuss that offline with us if he is interested. I am available for any questions the members may have for DMV at this time, including the current use of the remote sensing technology.

Chair Monroe-Moreno:

If members have any questions for Mr. Decker, I encourage you to take those offline seeing the time we have remaining today. [[Exhibit M](#) was submitted but not discussed.] Are there any callers waiting to provide neutral testimony?

Kristen Averyt, State Climate Policy Coordinator, State Department of Conservation and Natural Resources:

On behalf of the Nevada Climate Initiative, I am testifying neutral on Assembly Bill 349. The classic car loophole is one of the 17 climate mitigation policies contemplated in the State Climate Strategy released by the Nevada Climate Initiative in December 2020. The strategy did not make specific recommendations about policies that should or should not be implemented. It did, however, provide a framework that is intended to help lawmakers shape policies so they work for Nevada.

As it relates to the classic vehicle loophole, the State Climate Strategy states the following:

1. Older vehicles emit significantly more emissions on a per-mile basis than newer vehicles.
2. Closing the classic car loophole will reduce tailpipe greenhouse gas emissions.
3. A policy requirement to pass an emissions test prior to obtaining a special license plate could have a negative financial impact for low-income households.
4. Closing the classic vehicle loophole could have a positive health impact for vulnerable communities via air quality improvement.

Assembly Bill 349 is consistent with the State Climate Strategy in that it has the potential to reduce greenhouse gas emissions and, as explained by Assemblyman Watts in his opening remarks, there are provisions in the bill intended to address the financial impact to low-income households.

Jeffrey Kinder, P.E., Deputy Administrator, Air Programs, Sustainable Materials Management, Industrial Site Cleanup, and Corrective Action, Division of Environmental Protection, State Department of Conservation and Natural Resources:

I am here today to testify neutral on Assembly Bill 349. The classic car loophole has been a concern to Nevada's air quality agencies and the DMV since 2011. In that year, a statute changed that allowed vehicles that would otherwise be subject to the Nevada Emissions Control Program to obtain special license plates to avoid the requirements to pass an emissions test. Since then, the number of vehicles taking advantage of this loophole has grown from a few thousand in 2011 to more than 30,000 in 2020.

Older vehicles emit significantly more emissions on a per-mile basis than newer vehicles. In 2016, the Nevada Advisory Committee on the Control of Emissions From Motor Vehicles, commonly referred to as the Inspections and Maintenance Committee, of which the Division of Environmental Protection (NDEP), State Department of Conservation and Natural Resources, is a member, produced a report for the Legislature that made recommendations to address the loophole and improve the smog testing program in general. We are glad to see that several recommendations from that report were included in Assemblyman Watt's bill.

The NDEP believes the measures included in this bill will realign the statute with the original intent of the exemptions for classic vehicles. Measures in the bill that were also proposed in the 2016 Inspections and Maintenance Committee report include increasing the testing exemption period for new vehicles from two to four years and providing the possibility of remote sensing testing on vehicles. The NDEP believes these measures will reduce the regulatory burden of the program and motorists, while also maintaining air quality effectiveness. Thank you for the opportunity to testify in neutral today.

Chair Monroe-Moreno:

Are there any other callers waiting to testify in neutral? [There were none.] Are there any closing comments from the sponsor?

Assemblyman Watts:

I believe we are very close to working with some of the folks who testified in opposition and neutral to reaching a point where we can provide all the benefits that have been laid out on this bill while also addressing their concerns. We might not get everyone to 100 percent love the bill, but I think we can get to a place where it is acceptable and workable for all. I look forward to doing that and circling back around with an amendment very soon for your consideration.

Thank you for your time and consideration. I look forward to all of your support on Assembly Bill 349.

Chair Monroe-Moreno:

I will close the hearing on Assembly Bill 349 and open the hearing on Assembly Bill 383. The measure is cosponsored by three Committee members: Assemblymen Watts, Brown-May, and Miller. Assemblyman Watts, you are welcome to begin.

Assembly Bill 383: Establishes provisions governing the energy efficiency of certain appliances. (BDR 58-490)

Assemblyman Howard Watts, Assembly District No. 15:

I am glad to present Assembly Bill 383 for your consideration. I am joined by Brian Fadie with the Appliance Standards Awareness Project. I will speak briefly about why I brought this bill forward and the benefits I believe it will bring, then turn it over to

Mr. Fadie to provide additional context, then walk you briefly through the bill and a proposed amendment [[Exhibit N](#)], which should be available to everyone on the Nevada Electronic Legislative Information System (NELIS).

The Nevada Legislature and Governor Sisolak have set bold goals to address climate change and reduce greenhouse gas emissions. While we often look at changes to the ways we produce energy, produce heat, or transport goods and people as ways to meet those goals, another critical piece to the puzzle is efficiency—doing the same amount of work with less. Several of the measures in the State Climate Strategy focus on efficiency, and [A.B. 383](#) specifically addresses another one of the 17 policies evaluated by that strategy by adopting appliance and equipment efficiency standards.

These policies can easily provide a wide range of benefits. They save energy and water, Nevada's most precious natural resource, in my opinion. Less energy means avoided pollution that negatively affects our climate and our health. Using less means spending less on utility bills, saving families and businesses money. We have seen local governments also realize huge savings of taxpayer dollars by switching light poles to LEDs. Programs like ENERGY STAR and WaterSense provide big returns on modest investments. This bill builds on those initiatives and fills in the gaps where the federal government has fallen behind in setting standards. After I worked with this body to successfully pass water conservation last session, I am now bringing a similar approach to energy with [A.B. 383](#). I will now turn it over to Mr. Fadie to provide a brief overview, and then I will walk you very quickly through the bill.

Brian Fadie, State Policy Associate, Appliance Standards Awareness Project:

I have a couple of slides to share [[Exhibit O](#)]. Today, we are here to talk about appliance efficiency standards, which are a great way to save money for consumers and reduce emissions. I would like to give a brief background about our appliance efficiency standards, and then we will talk about the bill specifically.

My organization, Appliance Standards Awareness Project, is a nonprofit organization that is a coalition project with a steering committee that includes consumer advocates, energy efficiency advocates, as well as utility and state agency staff. We work to advance cost-effective appliance standards at the state and federal level.

What are appliance efficiency standards [page 2, [Exhibit O](#)]? It is setting minimal energy efficiency levels for certain residential and commercial products. The federal government has set these efficiency standards for over 60 products, but the states can set standards for any product that the federal government has not. The federal government has often set these for bigger-name appliances that you may think of when you hear the term "appliances"—refrigerators, washers, or dryers. However, there is a whole category of products the federal government has not set standards for, and the states can. It is worth noting that policy concept applies only to the sale of new products, not to used products.

Many states have been setting appliance efficiency standards over the years, and I would like to talk about the reasons why [page 3, [Exhibit O](#)]. Meeting climate goals has been a big reason why, especially as states have recently been adopting stronger and stronger climate goals. They have been turning to appliance efficiency standards as a way to reduce energy demand and to help meet renewable energy and greenhouse gas emission goals. They also create great consumer savings. We will touch on that a little later, but savings are created for consumers, businesses, schools, and more. And, of course, jobs are created as local economies are boosted when consumers have more spending money in their pockets.

Sixteen states over the years have actually adopted state-level appliance standards [page 4]. Just since 2018, eight states have adopted appliance standards: Colorado, Washington, Hawaii, California, Vermont, New York, Massachusetts, and Nevada. This year, 2021, 12 other states are considering standards for appliances. In 2019, Nevada set standards for certain light bulbs as well as water fixtures [page 5]. Assembly Bill 383 is looking to cover 13 more recommended products.

For those visually inclined, here is a picture of the 13 products that are in the bill [page 6]. The next slide will list them out, but I wanted to give you a visual. We are using this slide [page 7] to talk about the utility bill savings that could be achieved by this bill. There is a list of the products on the left side of the table. The right side shows annual utility bill savings across the state in millions of dollars. I will call your attention to the bottom right where it is noted by 2035, an annual savings of \$29 million in utility bill savings. I will also note that we have conducted a payback calculation, if a product does have an increase in the incremental cost of the product for meeting the standards, to determine how long it would take a consumer to make that up. Eight of the 13 products have less than a two-year payback period, and 4 of those actually have no payback period because the savings would begin right away.

Appliance efficiency standards also create tremendous energy, water, and emissions savings [page 8]. This table represents annual savings of the different categories by 2035 for the products covered in the bill. You are looking at electricity savings of 166 gigawatt hours per year by 2035; natural gas savings of 886 billion Btu [British thermal units]; water savings of 340 million gallons, which does not include any water savings by avoiding thermal power plant operations; and 133,000 metric tons of carbon dioxide.

Why these products [page 9]? They meet criteria that states would want to see. Each of these have existing, recognized technical standards that are available to adopt via reference. This is often the federal ENERGY STAR program, the California Energy Commission, or perhaps the industry standards. This is where you see, when you look through the bill references, commercial steam cookers shall meet the requirements of ENERGY STAR Version 1.2 for commercial steam cookers. That is how the efficiency is accomplished.

These products also have good consumer choice. Multiple manufacturers are already making products meeting the proposed standards. You are also able to confirm that there will be energy emissions and dollar savings. That market data is available for products on the market that will be more efficient in order to get a quantitative analysis.

As the Assemblyman mentioned, there is a proposed amendment [[Exhibit N](#)] that would set the effective date at July 1, 2023 [page 10, [Exhibit O](#)]. That gives about two years for retailers, manufacturers, and others to prepare and, of course, to allow COVID-19 to recede as well.

The last piece I will touch on is the very end of the bill [page 11], which is the flexible demand piece. The bill enables, but does not require, the Office of Energy in the Office of the Governor to adopt flexible demand standards via the normal public notice and comment rulemaking. What this is about is looking to potentially unlock the ability to reduce peak demand and provide other grid services via voluntary demand response programs. Right now, the conversation is around hot water heaters. What you can envision in the future is 100,000 electric hot water heaters being bundled together in southern Nevada and being able to communicate with the grid operator or a third-party vendor. You are able to operate those so that, for example, they are not all turning on during peak-demand hours. You achieve a lot of value there for the grid.

California and Washington state passed this requirement in 2019. Oregon has a bill moving through its legislature this year that has this flexible demand piece. Oregon's bill is specifically for hot water heaters. Again, the bill does not require it, but it is an enabling piece via rulemaking. [[Exhibit P](#) was also submitted.] I will turn it back over to Assemblyman Watts.

Assemblyman Watts:

I will walk you briefly through the bill as well as the mock-up amendment. Sections 2 through 30 define the various appliances and other key terms that are used in the remainder of the bill. Section 31 tasks the Governor's Office of Energy with adopting standards for energy efficiency for the outlined appliances, which would have to be met by anyone offering such items for sale, lease, or installation in the state by July 1, 2023, as amended. It also clearly sets those minimum levels for the standards for each device and allows them to be modified as the technology improves. Anytime that happens, there would be at least a one-year grace period for manufacturers and others to adjust.

Section 32 of the bill would allow the Governor's Office of Energy to adopt standards for other items moving forward as technology evolves, again providing a one-year grace period to prepare. All of this rulemaking would happen in a public and transparent way consistent with the Nevada Administrative Procedure Act. It is also important to note that many appliances already have standards set by the federal government and any existing or new federal standards preempt any existing state standards.

Section 33 is eliminated since it is not my intent to seek a waiver of any existing federal standards. The amended section 34 clarifies how compliance would essentially work with manufacturers providing certification that their products meet the outlined standards. Oftentimes, it is as simple as showing the existing ENERGY STAR designation for a product.

Section 35 would have allowed for independent testing and verification, but it is being removed as we do not really have the capacity within the state to carry out those processes. It also lays out the process to investigate complaints of noncompliance and assess penalties for violations. I will note that, as amended, it clarifies that a first violation would not receive a civil penalty.

Section 37 provides the Governor's Office of Energy the authority to set standards specifically related to flexible demand technologies, which are really smart home innovations, as they continue to move forward. Water heaters are mentioned. Many of us are used to smart thermostats now, so as that technology develops, we are looking at setting standards to help spur their use.

Section 38 provides exemptions to the application of the standards, primarily for items that might be produced here or moved here through the supply chain but are going to be sold outside the state to a place that may not have our standards.

Finally, we will hear from the Southern Nevada Home Builders Association, and I want to thank them for reaching out and providing constructive engagement on this bill. We are in disagreement, particularly about the fireplace standards, but our conversations with them have resulted in some of the proposed amendments to improve the bill. We probably have at least one or two technical cleanups we want to make as well. We will get on those and will continue to talk to the Home Builders to see if there is any other consensus we can reach. Thank you for your time and we would be happy to answer any questions.

Chair Monroe-Moreno:

We do have a few questions. We will start with Assemblywoman Peters.

Assemblywoman Peters:

You provided some great background on the payback period of these devices, which appears to be generally quite short. Can you quantify the actual dollar savings a family or business could see in a year by ensuring they have some of these more efficient appliances?

Assemblyman Watts:

I would like to turn that question over to Mr. Fadie. I believe they have looked at the annual savings for some of these appliances that consumers can see.

Brian Fadie:

We have looked at that in national average numbers for many of the products. Specifically, the commercial products you see listed [page 7, [Exhibit O](#)], such as commercial dishwashers,

commercial ovens, electric steam cookers, gas fryers, food holding cabinets, et cetera. With those products, we see some nice annual savings. There is approximately \$900 in annual savings with commercial dishwashers. Again, these are national numbers. There is \$170 in annual savings with commercial ovens; \$400 in annual savings with gas fryers; \$175 in annual savings with hot food holding cabinets. Yes, there are tremendous annual utility bill savings that can be had. At the homeowner level as well, we will see those savings. When we add them up across the state, that is when there are even more impressive numbers. Those are dollars that stay within the state and can be spent in the local economy.

Assemblywoman Peters:

The dollars saved by small businesses could be used for enhancing pay for their employees to try to meet the \$15 minimum wage standard we would like to see in Nevada, or going back to the cost of the food or whatever it is they are preparing, so the consumers have some savings.

In this space when we are talking about efficiency standards and battling the race to the end with climate change becoming a looming issue that we have to handle on such a latitude of areas, I am a huge proponent of investing in research and development. I think this is one of those areas in which we have some opportunities and really should be at the forefront, particularly around water-saving efficiencies and those power-saving efficiencies. Can you talk about the trends we are seeing in the flexible demand technology and how standards could help spur innovation and deployment of this technology?

Assemblyman Watts:

That is a passion of mine as well, building out that new energy economy and trying to make sure Nevada is home to innovative technologies that are not only putting people to work and generating economic impact, but tackling some of the greatest issues we face from water scarcity to climate change and having Nevada be a hub where folks come to develop and deploy these technologies.

Flexible demand technology sounds a little wonky, but it is really smart-building technology. We have seen over the last decade or so the change from the mercury switch thermostats to an increasing number of smart thermostats where the schedule can be adjusted, and it can learn from your activities. That generates financial benefits to consumers, as well as reducing the load. We have seen NV Energy has their own system set up where during peak times they can actually raise your thermostat a couple of degrees. That can save us money by not buying expensive energy; it can reduce the need to turn on a gas-peaker plant to provide high-cost energy during those high-demand times. That is not the only thing that is out there.

Water heaters are another great example: water being heated constantly. Those are also things that, as they begin to communicate, can lower the demand and create some of the same benefits, especially as we are deploying renewable energy. Having things that can manage the demand, especially when the sun is not shining, really pays off huge benefits. I think we can be one of the handful of states that starts looking into this and deploying it. By doing that, we are not only sending a message to makers of these devices generally, but we are

encouraging the innovators to come to Nevada because we are going to be an environment that wants to help deploy that technology. We are going to have to vet it to make sure we are following cyber security, delivering benefits, and coordinating with the Public Utilities Commission of Nevada and the utilities. However, I think there are a lot of different technologies, some of which we have not dreamed up yet, but which innovators are trying to figure out right now, that could provide some amazing benefits to consumers. If Mr. Fadie would like to add anything briefly, I will pass it over to him.

Brian Fadie:

I do not. That was a fantastic response.

Assemblyman Roberts:

Regarding the fireplace standards, you said you are going to be working on some changes to that, but I noticed we have adopted Canadian standards. Are there any U.S. standards that could be used?

Assemblyman Watts:

Canada was the leading nation in adopting stronger energy efficiency standards for fireplaces. There is not a federal standard set in the United States. If there were, we would not need this in the first place. We are looking to build off of that. I believe one other state has recently adopted these standards. We would be adopting similar standards so there is consistency.

We are also trying to spur the federal government to set standards. We do not want every state having its own separate standards. When we are working on these, we are pushing for stronger standards in a sense, if the federal government has not stepped in, and we are trying to have some uniformity that this is something that still provides a lot of options, has a quick payback period, and makes sense in all those different ways. The Canadian standards have checked that box. We know how long fireplaces tend to last in a residence. They are not something that are changed out very frequently. These standards would deliver significant savings to the homeowners over the years.

Brian Fadie:

Washington State was the one state that has adopted these standards via building code processes in the 2018 building codes. One of the reasons for basing it off of Canadian standards is because there is technical activity that needs to go into developing the standards. We want them to be technically sound, both the efficiency standard and the testing procedures, to make sure manufacturers are achieving those efficiency standards.

Most of the products in the bill are pegged to ENERGY STAR or California Energy Commission standards. In part, that is because it takes resources to produce that sort of standard. The U.S. Environmental Protection Agency and the California Energy Commission are very well resourced and this is something they have been doing for a long time. They have produced standards for other products. For gas fireplaces, we turned to the

department called Natural Resources Canada, which is the Canadian federal government version of the U.S. Department of Energy. They went through the laboratory process and the back and forth with industry to create the technical standard. Washington state adopted them afterwards. That is part of the reason why you see the Canadian background.

Assemblyman Roberts:

I noticed there are some enforcement portions in the bill. I cannot recall if you are going to take those out in your proposed amendment. I apologize if I am asking a moot question. What is the capacity of the enforcement arm to carry this out in the outlying years? You and I are on the Assembly Committee on Ways and Means together. I see you have pushed the effective date out, but what do you think the fiscal impact might be?

Assemblyman Watts:

I believe the Governor's Office of Energy will testify in neutral to provide some background on that, as well as the impact of the proposed amendment. I will not speak for them, but I believe the amendment eliminates the fiscal impact of the bill as written.

When it comes to enforcement, we are trying to line it up with some of the work I did on water conservation standards last session. We have WaterSense standards for different fixtures, so the way those standards are checked is if it has the logo on it that says "WaterSense." If not, then there is an issue that can be handled through local government or the Attorney General if there is a deceptive trade practice. That is what we are trying to do with this bill. It did not come out quite right in the first version of the bill, so we have some proposed language to try to get us there in the amendment.

We will probably hear some opposition from the Southern Nevada Home Builders Association around concerns about exactly how this will work. I welcome them to provide an alternative suggestion to make sure we do this in a way that is realistic, efficient, and aligns with the intent of the bill. The Office of Energy would have the ability to say if it is an ENERGY STAR product as established and if it meets the standards. It should be pretty clear to see, and there are already testing and certification processes in place. If not, then we have an issue that would need to be addressed.

Assemblyman Ellison:

Technology can change dramatically in two years. By adopting some standards now, in two years they may be out of date. Currently, there are small restaurants that installed ovens five years ago. The businesses are barely making it because of COVID-19. With these standards and to replace the ovens in order to save \$150 per year, it is going to cost \$8,000 to \$10,000 to replace them. That is just one example.

Another example is light bulbs. Most people are going to LEDs because of the cost savings and the illumination of the lights. They are saving a lot of money by getting rid of incandescent. The picture you showed [page 6, [Exhibit O](#)] had fluorescent lights, but the LEDs are ten times more energy efficient. They put out a little more heat, but they are still more energy efficient. Remember the spiral light bulbs that were forced on everyone? Those

light bulbs had mercury in them. Is this going to be mandatory by the state? Are the manufacturers even going to come into Nevada? What about property owners? What about landlords who have to replace some of this equipment, yet they have not received rent in over a year and a half? I believe in the technology and NV Energy even stepped up to the plate by providing free thermostats. Can you help me understand this? It seems to me we are pushing other people's ideas onto private property and private people. That is my problem.

Assemblyman Watts:

I want to clear up any misunderstanding you may have about the policy. This is not forcing anyone to replace equipment. These are standards of what is going to be sold moving forward. For example, when that restaurant oven goes out and a new one needs to be purchased, we want to make sure it is an efficient oven. It may cost a couple hundred dollars more upfront, but it is going to provide operating savings that will more than make up for that over the lifetime of the appliance.

You mentioned light bulbs. This is setting standards for those fluorescent-type light bulbs. The bill is not forcing people to buy those. In fact, we passed a lighting bill last session that assisted in pushing and promoting Nevada into LED lighting. This is making sure that if you have fluorescent lighting, like there is in this building, the bulbs available are higher quality and will save money.

Assemblyman Ellison:

I am glad you mentioned that. My company will not even install regular R40 bulbs or T8 tubes into light fixtures now. We are asking people to get rid of the ballasts and install LED fixtures. You are 100 percent correct that it saves money.

Assemblyman Watts:

To your point about changing technology, I really appreciate that. That is why this bill is structured to allow the Office of Energy to adjust as the technology adjusts without our constantly having to come back to the Legislature to make technical fixes. It is the same thing I did with the water conservation standards. Instead of setting extremely prescriptive policies in statute that need to be revisited every two years as the technology changes, this will allow the state to adapt as the technology adapts. That is something I am very pleased about in this bill.

Assemblyman Ellison:

You answered a lot of my questions. There are a lot of fireplaces and some older senior citizens still have woodburning fireplaces or gas fireplaces. It would be impossible for them to remove them. I am happy that you said if they do remove them, they then have to bring them up to current standards. I appreciate that.

One thing I would like to get on the record that I did not earlier regarding Assembly Bill 349, is to say thank you for one of the things you did on the last bill. The insurance companies that insure classic vehicles, you hit it on the head 100 percent; those insurance companies dictate how many miles can be driven in a year. I just wanted to let you know that.

Assemblyman Watts:

I know that is related to the other bill, but I appreciate the comment.

Chair Monroe-Moreno:

Are there any other questions on Assembly Bill 383? [There were none.] I will open testimony in support of the bill.

Mel Hall-Crawford, Director, Energy Programs, Consumer Federation of America:

By way of background, the Consumer Federation of America is an association of more than 250 nonprofit organizations from across the country, including Nevada, that was established in 1968 to advance the consumer interest through research, advocacy, and education. We have long been supporters of cost-effective, energy-efficiency policies and programs for several decades because they simply save consumers money on their utility bills. In addition, they help mitigate climate change.

I appreciate this opportunity to speak in favor of Assembly Bill 383. It includes both consumer and commercial products. I would like to quickly reiterate what has already been pointed out. It will save Nevadans \$29 million annually by 2035. Again, it will help reduce greenhouse gas emissions and remove about 1 million metric tons of carbon dioxide from the air by 2035.

One point I would like to make is that low-income households, especially those who are renters, will benefit through more efficient appliances as landlords will replace less efficient appliances with more efficient ones that meet standards as needed. Data provided by the National Low Income Housing Coalition indicates that 21 percent of Nevada rental households fall into the low-income category. Whoever is paying the bill, the renter or the landlord, will benefit through lower bills as a result of efficiency standards.

In closing, approval of A.B. 383 will cut unnecessary energy and water waste, save consumers and businesses money, and reduce greenhouse gas emissions. The Consumer Federation of America urges you to act favorably on this legislation. It would demonstrate Nevada's commitment to boosting its economy through lowering utility bills and saving energy and water. [[Exhibit Q](#) was also submitted.]

Steven Berry, Volunteer Member, Legislative Committee, Toiyabe Chapter, Sierra Club:

On behalf of the Toiyabe Chapter of the Sierra Club and our 40,000 members and supporters in Nevada, I speak in strong support of A.B. 383. Nevada is on the front line of the climate crisis with the fastest warming city in the nation, an ongoing air quality crisis, and decades-long drought. Our state has made great strides in combating climate change with our goal for 100 percent renewable energy by 2050. However, we also need to adopt commonsense legislation that ensures we are adopting utility production and consumer standards that synergize to support our statewide goals.

This legislation would establish minimum energy-efficient levels for consumer products and businesses, which is essential in ensuring our end-use energy consumption is as efficient as possible in Nevada. The standards outlined in this bill do not impact appliances that are currently installed, but rather provide for affordable, highly efficient options to be available when businesses and individuals need to replace current systems. The proposed standards were also carefully selected based on product availability, cost-effectiveness, established and proven test procedures, and replicability with other states.

We would like to thank Assemblyman Watts and the bill's cosponsors for introducing this legislation to bring about state-level climate action and cost savings to Nevada. We strongly urge you to support this essential legislation. [[Exhibit R](#) was also submitted.]

Charles Bell, Programs Director, Advocacy Division, Consumer Reports:

Consumer Reports is a nonprofit organization that tests products and services and publishes *Consumer Reports* magazine and consumerreports.org. We are strong supporters of appliance efficiency standards. By establishing the minimum standards for the range of priority appliances identified in [A.B. 383](#), we believe Nevada can take a major step forward in reducing energy and water use and, at the same time, generate substantial financial savings for consumers and businesses.

We believe appliance efficiency standards are very much in the public interest because of their contribution to reducing pollution and protecting public health from the ill effects of air pollution. However, they are also very much in the consumers' interest because of lower lifetime operating costs for products and reduced utility bills. As Ms. Hall-Crawford said, Nevada could save as much as \$29 million per year in utility bills by 2035, which is very significant for the state's ratepayers. Just the air purifier standards alone would help reduce utility bills by about \$30 per year for the average Nevada consumer, or about \$270 over the life of the product over nine years.

We think it is particularly important the standards apply to products like air purifiers, for which demand is growing about 45 percent over a five-year period. Some of these products can use as much energy per year as a refrigerator. It is very important that we make sure they are efficient, affordable, and consumers have a wide range of choices for efficient products.

For all these reasons, Consumer Reports is a strong supporter of [A.B. 383](#), and we urge you to please cosponsor and vote yes on this important bill. We commend you for your leadership in introducing and discussing this bill. [[Exhibit S](#) was also submitted.]

Angie Dykema, Consultant, Southwest Energy Efficiency Project:

I would like to thank the Committee for hearing this bill today and voice the number of reasons the Southwest Energy Efficiency Project is strongly in support of appliance efficiency standards.

As already mentioned, this bill would help address our climate crisis. The State Climate Strategy identifies appliance efficiency standards as a critical piece to combat climate change. According to estimates we have heard from the Appliance Standards Awareness Project, implementation of this bill will permanently eliminate one million metric tons of carbon dioxide from the atmosphere by 2035. It is a key mechanism for advancing climate protection in Nevada.

Another reason we strongly support this bill is it would deliver significant utility bill savings for all Nevadans. As was just stated in previous testimony, consumers could save up to \$29 million per year on utility bills by 2035. This is all money that would be put back into the local economy, strengthening restaurants, businesses, and stores, and it would have a ripple effect of economic stimulus. By 2035, Nevada will save \$4.30 in energy bills for every additional dollar invested in more efficient products.

In addition to that, 15 other states have already considered legislation to adopt and update appliance efficiency standards. Nevada does not want to be left behind, especially with our climate goals. We want to promote energy affordability and protect consumers, and this is a perfect way of doing so.

I would also like to bring your attention to a sign-on letter in support that is uploaded on NELIS from 15 different businesses, including Schneider Electric, Pool & Hot Tub Alliance, Sealed, Consumer Reports, Patagonia, and a number of others [[Exhibit T](#)]. We thank Assemblyman Watts and the bill's cosponsors for the leadership in bringing this bill forward and strongly urge the Committee to support and advance this legislation. [[Exhibit U](#), [Exhibit V](#), and [Exhibit W](#) were also submitted.]

Chair Monroe-Moreno:

Are there any other callers waiting to testify in support of Assembly Bill 383? [There were none.] [Additional exhibits submitted in support are [Exhibit X](#), [Exhibit Y](#), [Exhibit Z](#), [Exhibit AA](#), and [Exhibit BB](#).] Are there any callers waiting to testify in opposition?

Matthew Walker, representing Southern Nevada Home Builders Association:

As we mentioned to the bill's sponsor, many of you, and state regulators, Southern Nevada Home Builders Association supports the state's climate goals. We simply ask to be at the table when the rubber hits the road on different measures that may impact the building environment. I can definitely say, Assemblyman Watts has checked that box. He has been readily available. Mr. Fadie and others have been quick to answer questions and kick around additional concepts. We are greatly appreciative of that.

I simply want to draw the Committee's attention to two elements we have continued working with the sponsor to resolve. The first is the fact that the fireplace standards that reference the Canadian standards deviate from the state of Washington's adoption language a bit, in that they do not reference an American National Standards Institute standard or other corresponding international standard that would not only make compliance easier but also make custom work that needs to be field-certified easier to be certified under this standard.

That is super important for southern Nevada's economy where we see gaming, restaurants, and other exciting venues do one-off projects that require that type of certification. I think it is really important to make that work.

Additionally, the Home Builders have significant concerns with the new section that deals with manufacturers proactively registering their products. Because of the size of our market, manufacturers will simply make fewer products available or not bother to register them all. However, something that proactively allows them to list to an international standard allows for developers or other end-users to certify compliance on manufacturers' behalf instead of relying on the availability of products that the manufacturer has reached out to the regulator and proactively registered.

We look forward to continuing to work with Assemblyman Watts, and I appreciate the Committee's time to hear our concerns.

Jordan Krahenbuhl, Executive Director, Plumbing, Heating, Cooling Contractors of Nevada:

I am speaking against Assembly Bill 383. The Uniform Plumbing Code and Uniform Mechanical Code require that all products be listed and labeled by a listing agency to a nationally recognized standard. Standards for products are developed by a nationally recognized criteria. Listing agencies also have criteria that has to be adhered to.

Section 31 of the amendment [page 5, [Exhibit N](#)] indicates, "the Director of the Office of Energy shall adopt regulations establishing minimum standards of energy efficiency for regulated appliances and methods of verifying whether a regulated appliance complies with those standards." Section 34 of the amendment [page 11] indicates the manufacturers have to certify to the Director that the appliances are in compliance. In our opinion, this puts the Director in a position of a listing agency.

The wording on fireplaces is particularly problematic. We would be happy to be involved in the future discussions.

Chair Monroe-Moreno:

Are there any other callers waiting to testify in opposition? [There were none.] Are there any callers waiting to provide neutral testimony?

David Bobzien, Director, Office of Energy, Office of the Governor:

I would like to explain our perspective on the bill. I want to thank Assemblyman Watts for working on this concept with our office from the very beginning and being so inclusive, as has been made clear by others who have testified so far in this process.

Yes, appliance standards are included in the State Climate Strategy, and we look forward to those being able to reduce the energy burden faced by so many of our citizens, while at the same time cleaning our air and helping us meet our climate goals. We are neutral on this bill as written out of concern with some of the implementation details that have been discussed quite thoroughly during this hearing.

I do want to note, we are also working on a fiscal note for the bill. However, again, this is as the bill is written. We are very much appreciative and supportive of the sponsor's amendment that was proposed this afternoon. Should the bill progress with the amendment, because of the amendment and also with our anticipated workload opening up a little bit with the hope for sunseting the Green Building Tax Abatement program, we will be able to remove that fiscal note and go forward.

I want to particularly express our excitement about section 37, the flexible demand technologies. It is important to note that subsection 3(c), the need for our office to consult with the Public Utilities Commission, we take that responsibility very seriously, working with both the Commission and NV Energy in particular, recognizing that the Commission is ultimately responsible for the deployment of these technologies sensitive to rate impacts and all the implementation details. However, we would be playing a very defined role solely on the technology certification side.

As was discussed by Assemblywoman Peters in her questions and Assemblyman Watts, it is a very exciting area for the future, both for consumers and for innovation in this state, and the possibility of what comes next with the electric grid when it comes to flexible load technologies.

I also appreciated Assemblyman Watts pointing out that our regulations are certainly promulgated in accordance with the Administrative Procedure Act, and we have a lot of experience working with these regulations, as has been noted, when it comes to light bulbs. I will stand for any questions.

Chair Monroe-Moreno:

I am not seeing any members with questions. Are there any other callers waiting to testify in neutral?

Marie Steele, Director, Electrification, NV Energy:

I am here today to testify in the neutral position on A.B. 383 on behalf of NV Energy. After reviewing the amendment put forth by the bill's sponsor, Assemblyman Watts, we look forward to continuing to work with him and the Governor's Office of Energy on such an important topic that will help Nevada meet its forward-thinking climate goals. NV Energy has long supported improving energy efficiency in customers' homes and businesses by educating our customers on the opportunities to save energy through conservation, installing more energy efficient appliances, and utilizing no-cost, low-cost ways to save money on their utility bills.

For eligible low-income customers, we offer free air conditioning tune-ups and are extremely proud of our new program this year that provides free energy-efficient appliances, including new refrigerators and dryers, which has been helpful to so many during this pandemic by reducing their energy consumption.

We also applaud the introduction of flexible demand technologies and this concept. Flexible load, not just load reduction, will be critical to meet our climate goals going forward, and I really appreciated the conversation around this topic and am as equally excited as Chair Monroe-Moreno and Director Bobzien.

I bring up our energy efficiency and demand response customer programs to the Committee to raise awareness that these proposed energy efficient standards would inform the design of our programs and incentives going forward, just like the lighting standard put forth by this Committee last session.

Lastly, we look forward to working with Assemblyman Watts regarding how these regulations will be enforced, but I believe Director Bobzien's comments have gone a long way in addressing some of those issues. Thank you, Chair Monroe-Moreno for the time and opportunity today before your Committee to discuss energy efficiency standards. It is important for all Nevadans.

Chair Monroe-Moreno:

Seeing no further callers waiting to testify on Assembly Bill 383, Assemblyman Watts, do you have any closing comments?

Assemblyman Watts:

Thank you for your time and consideration of Assembly Bill 383. As I noted earlier, we will continue to work with some of the folks who have some technical concerns and we will make some adjustments. We did find something else in the current language that relates to plumbing and, as I noted, we already took care of plumbing fixtures in another piece of legislation. We will modify that and will continue to talk with other folks to make technical clarifications that align the intent in a way that works for the entities. We may still have some policy disagreements in the end, but we want to make sure the language is clear in how it will be implemented. I am committed to doing that and getting back to the Committee with any final adjustments that are needed to make sure the bill can be well implemented. I urge your support for Assembly Bill 383.

Chair Monroe-Moreno:

I will close the hearing on Assembly Bill 383. That brings us to the last item on our agenda, which is public comment. Are there any callers wishing to make public comment today?

Michael Hansen, Private Citizen, Las Vegas, Nevada:

I seem to be in the wrong place. The agenda said Assembly Bill 379 would be discussed today. Since I have invested three hours of my life waiting for a turn to talk, I would like to at least air my open comments on that bill, hopefully to be considered when the bill is heard.

I read the language of the bill several times trying to figure out what it is trying to actually accomplish and came up empty. It seems the only thing the bill does is remove the requirement to have registration tags on license plates and also, potentially, not have temporary tags for new vehicles. This, to me, seems counterproductive, particularly toward Assembly Bill 349, because it would make it much easier for people to drive unregistered, unsmogged, and probably uninsured with little or no fear of apprehension or other government action to get them to comply.

I also do not understand what, if any, actual benefits there are to this proposal for the citizens of the state who maintain their vehicle registrations, auto insurance, and smog inspections as required by law.

Chair Monroe-Moreno:

Thank you for staying on the line for the three hours. Assembly Bill 379 is on the agenda for Thursday, April 1, 2021. Thank you for joining us and sharing your comments with us today. Are there any other callers wishing to make public comment? [There were none.]

Our next meeting will be Thursday, April 1, 2021, at 1:30 p.m.

Assemblyman Ellison:

Did you mention that next Friday we will be having a hearing?

Chair Monroe-Moreno:

Next Friday we will be having a work session.

This meeting is adjourned [at 4:03 p.m.].

RESPECTFULLY SUBMITTED:

Lori McCleary
Committee Secretary

APPROVED BY:

Assemblywoman Daniele Monroe-Moreno, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a letter dated March 30, 2021, submitted by Melissa Ramos, Manager, Clean Air Advocacy, American Lung Association, in support of Assembly Bill 349.

[Exhibit D](#) is a letter dated March 30, 2021, submitted by Francisco Vega, Director, Air Quality Management Division, Washoe County Health District, in support of Assembly Bill 349.

[Exhibit E](#) is written testimony submitted and presented by Francisco Vega, Director, Air Quality Management Division, Washoe County Health District, in support of Assembly Bill 349.

[Exhibit F](#) is a letter dated March 29, 2021, submitted by Emily Duff, Manager, State Policy, Ceres, in support of Assembly Bill 349.

[Exhibit G](#) is a letter dated March 29, 2021, submitted by Paul Selberg, Executive Director, Nevada Conservation League, in support of Assembly Bill 349.

[Exhibit H](#) is a letter dated March 30, 2021, submitted by Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada, in support of Assembly Bill 349.

[Exhibit I](#) is a letter dated March 30, 2021, submitted by Dylan Sullivan, Senior Scientist, Climate and Clean Energy Program, Natural Resources Defense Council, in support of Assembly Bill 349.

[Exhibit J](#) is a letter dated March 29, 2021, submitted by Angie Dykema, Consultant, Southwest Energy Efficiency Project, in support of Assembly Bill 349.

[Exhibit K](#) is a letter dated March 29, 2021, submitted by Brian Beffort, Director, Sierra Club Toiyabe Chapter, in support of Assembly Bill 349.

[Exhibit L](#) is a collection of emails in support of Assembly Bill 349.

[Exhibit M](#) is a document titled "Classic Vehicle I/M Exemption Issues," dated February 23, 2020, submitted by James D. Chase, Private Citizen, Reno, Nevada, in opposition to Assembly Bill 349.

[Exhibit N](#) is a proposed amendment to Assembly Bill 383, submitted and presented by Assemblyman Howard Watts, Assembly District No. 15.

[Exhibit O](#) is a copy of a PowerPoint presentation titled "Appliance Efficiency Standards, Saving Money, Reducing Emissions," submitted and presented by Brian Fadie, State Policy Associate, Appliance Standards Awareness Project, in support of [Assembly Bill 383](#).

[Exhibit P](#) is a letter dated March 29, 2021, submitted by Brian Fadie, State Policy Associate, Appliance Standards Awareness Project, in support of [Assembly Bill 383](#).

[Exhibit Q](#) is a letter dated March 30, 2021, submitted by Mel Hall-Crawford, Director, Energy Programs, Consumer Federation of America, in support of [Assembly Bill 383](#).

[Exhibit R](#) is a letter dated March 29, 2021, submitted by Jasmine Vazin, Conservation Organizer, Clean Transportation for All Campaign, and signed by Brian Beffort, Director, Toiyabe Chapter, Sierra Club, in support of [Assembly Bill 383](#).

[Exhibit S](#) is a letter dated March 29, 2021, submitted by Charles Bell, Programs Director, Advocacy Division, Consumer Reports, in support of [Assembly Bill 383](#).

[Exhibit T](#) is a letter from different companies dated March 29, 2021, submitted by Ellen Zuckerman, Senior Consultant, Schlegel & Associates, Ceres, in support of [Assembly Bill 383](#).

[Exhibit U](#) is a letter dated March 29, 2021, submitted by Angie Dykema, Consultant, Southwest Energy Efficiency Project, and signed by Christine Brinker, Senior Associate, Buildings Energy Efficiency, Southwest Energy Efficiency Project, in support of [Assembly Bill 383](#).

[Exhibit V](#) is a document titled "Appliance Efficiency Standards for Nevada," submitted by Angie Dykema, Consultant, Southwest Energy Efficiency Project, in support of [Assembly Bill 383](#).

[Exhibit W](#) is a letter from different companies dated March 29, 2021, submitted by Angie Dykema, Consultant, Southwest Energy Efficiency Project, in support of [Assembly Bill 383](#).

[Exhibit X](#) is a letter dated March 29, 2021, submitted by Andy Frank, Founder and President, Sealed, in support of [Assembly Bill 383](#).

[Exhibit Y](#) is a letter dated March 30, 2021, submitted by Jason Davidson, Director, Government Relations, Pool & Hot Tub Alliance, in support of [Assembly Bill 383](#).

[Exhibit Z](#) is a letter dated March 30, 2021, submitted by Dylan Sullivan, Senior Scientist, Climate and Clean Energy Program, Natural Resources Defense Council, in support of [Assembly Bill 383](#).

[Exhibit AA](#) is a letter dated March 30, 2021, submitted by Bryan Howard, Director, State Policy, American Council for an Energy-Efficient Economy, in support of [Assembly Bill 383](#).

[Exhibit BB](#) is a letter submitted by Matt Rubin, Energy Policy Analyst, Western Resource Advocates, in support of [Assembly Bill 383](#).