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

Eighty-First Session April 22, 2021

The Committee on Growth and Infrastructure was called to order by Chair Daniele Monroe-Moreno at 1:33 p.m. on Thursday, April 22, 2021, Online and in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/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:

Senator Moises (Mo) Denis, Senate District No. 2

STAFF MEMBERS PRESENT:

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



OTHERS PRESENT:

M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada

David Clyde, Associate General Counsel, Regional Transportation Commission of Southern Nevada

Angela Castro, Chief Strategy, Policy and Marketing Officer, Regional Transportation Commission of Southern Nevada

Kyle J. Davis, Policy Director, Nevada Conservation League

Dylan Keith, Policy Analyst, Vegas Chamber

Paul Catha, representing Culinary Workers Union, Local 226

Michael Hillerby, representing Regional Transportation Commission of Washoe County

Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada

Matthew Walker, representing Southern Nevada Home Builders Association; and Motional AD, Inc.

Justin Jones, County Commissioner, District F, Clark County; and Vice-Chair, Regional Transportation Commission of Southern Nevada

Helen Foley, Manager, Transportation Resource Advisory Committee

Rashard Mason, Private Citizen, Las Vegas, Nevada

Debra March, Mayor, City of Henderson; and Chairwoman, Regional Transportation Commission of Southern Nevada

Doralee Uchel-Martinez, Private Citizen, Reno, Nevada

Sean Sever, Administrator, Division of Management Services and Programs, Department of Motor Vehicles

Jude Hurin, Deputy Director, Department of Motor Vehicles

Patrick J. Conmay, Chief, Investigation Division, Department of Public Safety

Chair Monroe-Moreno:

[Roll was called. Committee rules and protocol were explained.] We will be hearing three bills. We will take the bills out of order and start with <u>Senate Bill 362</u>. After the bill hearings, we will take public comment.

Senate Bill 362: Revises provisions relating to public transit systems. (BDR 22-836)

Assemblyman Howard Watts, Assembly District No. 15:

I will open the presentation on <u>Senate Bill 362</u>. I served as a cochair of a Southern Nevada Forum committee [Transportation and Infrastructure] which met in the interim. This was the main priority that emerged from our committee. The Southern Nevada Forum is a bipartisan

bicameral entity. We decided it was important to ensure we expand the ability to have microtransit options in every portion of our state. We moved the recommendation forward to the full Forum, which overwhelmingly decided to advance it to the Legislature. To provide some additional details on the proposal, there are people here from the Regional Transportation Commission (RTC) of Southern Nevada.

M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada:

Before I get into the details of the legislation, I would like to thank the Committee for hearing this bill and the Southern Nevada Forum for making public transportation a priority for the community and bringing this request forward.

Public transportation is a bipartisan effort. In order to better serve residents and create mobility solutions for southern Nevada, the RTC is seeking the authority to offer microtransit as a tool in our toolbox. This is the same authority given to all counties other than Clark County. Microtransit is defined in *Nevada Revised Statutes* (NRS) 277A.280 as "... transportation by a multipassenger vehicle that carries fewer passengers than the vehicles normally used on regular routes and is dispatched through a digital network or software application service." In other words, microtransit is a smaller vehicle, on-demand service that passengers can request from their mobile devices, as opposed to the fixed-route, large bus services typically provided by transit agencies. The RTC would use microtransit to provide first- and last-mile public transportation solutions and additional mobility services in those areas that need transit. Pending passage of this bill, the RTC could operate microtransit as early as August 2021. The proposed transit service changes could benefit more than 185,000 residents who currently do not have access to transit at all.

Innovation is disrupting every industry, and the RTC needs to be able to quickly respond to customer demand and provide the most efficient and effective transportation services for our customers. I will now turn it over to RTC's associate general counsel, David Clyde, to provide the additional legislation details, including the technical changes made to the statute.

David Clyde, Associate General Counsel, Regional Transportation Commission of Southern Nevada:

This bill makes two edits to NRS Chapter 377A and NRS Chapter 277A. In NRS 377A.140, we propose removing the limitations in sections 2 and 3 regarding the RTC's ability to provide on-call public transportation services. In NRS 277A.280, we recommend using the language from NRS 277A.280, subsection 3, paragraph (c) that permits microtransit service in every county except Clark County and to create a new section in NRS 277A.280, subsection 1, paragraph (e) and adding language that would permit every county, including Clark County, to provide that same microtransit service.

Thank you for hearing <u>Senate Bill 362</u>. We are here to answer any question you might have. If you have technical questions on the statute, I can answer them. If you have questions on specific transit service, Ms. Maynard can answer them.

Chair Monroe-Moreno:

Are there any questions for Mr. Clyde?

Assemblywoman Peters:

Thank you for bringing this bill forward. Last session, I brought a bill to offer a pilot microtransit project to Washoe County and was supportive of it. There is one thing we want to get on the record. In expanding the current transit system services, does the RTC anticipate using nonunion contractors?

David Clyde:

As that question regards services, I will ask Ms. Maynard to answer.

M.J. Maynard:

Like with all RTC-provided transit services today, all drivers will be union drivers. As a matter of fact, we have an RFP [request for proposal] on the street if this proposed bill goes forward. It includes that the drivers of the service are union employees.

Assemblywoman Peters:

Thank you. I just wanted to make sure we were not trying to use an Uber app or subcontract with one of those companies.

Chair Monroe-Moreno:

We have questions next from Assemblywoman Summers-Armstrong and Assemblyman Leavitt.

Assemblywoman Summers-Armstrong:

The microtransit service would not be expanding the service area, so your organization would not be expanding paratransit. How does that work?

M.J. Maynard:

The proposed service area for microtransit would be in the south-southwest area that currently has no transit service. This pilot would include service for both fixed-route customers and paratransit customers. In this new area that has had no transit service, both paratransit and fixed-route customers would be able to access the microtransit pilot.

Assemblywoman Summers-Armstrong:

Would you talk about how this would work? Would this be door-to-door service for paratransit, or would it provide connections to routes?

M.J. Maynard:

The proposed microtransit pilot would allow paratransit customers to access their trips on demand by way of a mobile device, or they could call to reserve a ride. They would be picked up and taken to their destination point. Fixed-route customers would call or access through a mobile device. Within 30 minutes, the smaller microtransit vehicle would pick them up and take them to the nearest bus stop to connect to our fixed-route system.

Assemblywoman Summers-Armstrong:

For paratransit customers, this would provide full service. For fixed-route customers, this would take them to the closest fixed-route location. Is that correct?

M.J. Maynard:

That is correct.

Assemblywoman Summers-Armstrong:

How will that affect your bottom line?

M.J. Maynard:

Prior to the COVID-19 pandemic, the RTC Transit Fund was facing a deficit. The pandemic exacerbated the problem. Since we are receiving stimulus funds, we will be able to use those funds to introduce the microtransit pilot to the community.

Assemblyman Leavitt:

Is this a contracted service? The ones who operate the microtransit service will not be government employees, correct?

M.J. Maynard:

That is correct. For all the transit services we provide—paratransit and fixed-route—we have a public-private partnership. All the companies that have responded to the RFPs we put out are in the private sector. Their employees are unionized.

Assemblyman Leavitt:

You explained that during the pandemic you had to reduce your services due to funding. As the stimulus money comes in, will you be restoring services that were removed previously as well as adding this microtransit system?

M.J. Maynard:

Due to the pandemic and the corresponding decline in sales tax and fares revenue which support public transit, we cut approximately \$9 million of transit service, over 100,000 service hours. Because we are receiving federal stimulus for public transportation, our plan is to bring our service levels back to about 96 percent of what we had before the pandemic. We have a chance to add service back in a way that might be more effective and could enhance customer experience. If this bill is passed, our plan is to provide microtransit in August.

Assemblywoman Brown-May:

I want to thank you for the work your agency does to support people across the valley. I want to follow up on my colleague's question. The first mile/last mile service is insightful. For paratransit customers who have taken the first mile/last mile to a central point to be picked up by a paratransit bus at a local convenience store or other public location, will microtransit continue to do that? Would it transport them to a central location to pick up a regular paratransit ride, or would it really get them to their destination?

M.J. Maynard:

This microtransit pilot would expand the paratransit service area. Because of that, paratransit customers would be picked up where they live and dropped off directly at the location they desire, rather than having to find a central location and get picked up by paratransit there.

Assemblywoman Brown-May:

Do you know the number of folks who would request paratransit services in the proposed area of service? How many people are in that area who would use paratransit services? Are there other cities and municipalities that currently provide this type of service?

M.J. Maynard:

I will get the information about how many paratransit customers live in the new expanded area and, based on what we know, how many we anticipate will sign up to become paratransit-certified. I will send that to you.

Transit agencies started introducing microtransit as another mobility option as far back as 2016, so there are a number of transit agencies around the United States that operate this. I will give you an example. Los Angeles County Metropolitan Transportation Authority just kicked off its new microtransit service. Folks who ride transit expect that, as technology continues to evolve, they should have the opportunity to use technological services that enhance their experience.

Chair Monroe-Moreno:

Ms. Maynard, when you get that information, please send it to our Committee staff. We will get it out to all the members.

M.J. Maynard:

Absolutely.

Assemblyman Yeager:

Go, Knights, go. They were the first team to make the playoffs this year, so I wanted to make sure that was in the record.

I have a map of the proposed service area. It is part of my district. I hear a lot from my constituents about the need for transportation, particularly as you get further down by the Blue Diamond and Fort Apache areas. I am thankful this is where the program is starting. What are your plans to get the word out to people in those areas who might be able to take advantage of this? I would like to have a sense of what the campaign will look like and how I might be able to help in those efforts.

M.J. Maynard:

We have Angela Castro with us. She and her team are in charge of ensuring this program is marketed to the community.

Angela Castro, Chief Strategy, Policy and Marketing Officer, Regional Transportation Commission of Southern Nevada:

Right now, we are going out and asking the community if they want these proposed service changes. We have scheduled over 100 in-person engagements between now and May 31, 2021. We are working with the Southern Nevada Health District and all the local governments. We are at vaccination sites trying to get surveys. We are in the local grocery stores that will allow us. We have a diverse minority plan as well, so we are not just going mainstream. In addition, we are working with a lot of our elected leaders. Many of you received emails from our team asking you to push out the message. Our goal is to get 5,000-6,000 surveys—not just from transit riders. We want to hear from our community. While we may get 6,000 surveys, I have told my team they need to be completed surveys; all 15 questions need to be answered to count as a survey. We anticipate we will engage with 50,000-60,000 people in the next 45 days.

Assemblyman Ellison:

I love the idea of being able to get into some of these areas. Is this something that is already in your budget?

M.J. Maynard:

We were facing a transit deficit and cut transit service during the pandemic. The area we are proposing for the microtransit pilot is a part of southern Nevada that has never had any transit

service, even though we have been receiving comments from constituents in that area since 2006. Because of the stimulus funding, we are now able to add transit service back to almost where we were prepandemic. That will include the microtransit project. It is not an additional bucket of money; it is a part of adding service back. We are just going to make sure we stretch the tax dollars in such a way that we can meet the needs of customers who have never had access to public transit.

Assemblyman Ellison:

That is quite interesting. Will you eventually expand that service all over the city? Or will you only offer it in the area where you are adding it now?

M.J. Maynard:

The beauty of the pilot program is we get to learn from it. We get to understand what works and what does not work. We will survey the customers. If it works and we find that microtransit is particularly helpful for connection to public transit for areas that do not have transit, we are open to identifying other areas where microtransit could work. We will take the lessons learned from this pilot to understand the success and where microtransit could potentially replace a 40-foot bus. It might make sense to have a smaller vehicle operate in certain locations in southern Nevada.

Assemblyman Ellison:

I would like to see the map of the proposed service area.

Chair Monroe-Moreno:

We would like to have the map available on the Nevada Electronic Legislative Information System as an exhibit [Exhibit C].

Assemblyman Miller:

Is the microtransit service going to be available to anybody?

M.J. Maynard:

That is correct. The map shows the proposed microtransit service area. Anyone who lives in that area who wants to get on a fixed-route bus and needs the connection will be picked up and taken to the nearest bus line or bus stop. The paratransit customers who live in that zone will be picked up and dropped off at their desired locations.

Assemblyman Miller:

I wanted to be sure that anyone in that test area would be able to access microtransit service. What is the cost to the customer?

M.J. Maynard:

It will be the same as riding our fixed-route service. I think it is \$2 each way. I will get back to you on that. If microtransit is just getting you to a bus stop, it would be \$2 one way. We do not have any transfers. The app will show that the person has already paid to ride. We do not charge customers another fee when they transfer buses, so the fare would be \$2 each way.

Assemblyman Miller:

Does that include the transit pick up from the bus stop?

M.J. Maynard:

That is correct.

Chair Monroe-Moreno:

Are there any other questions? [There were none.] We will go to testimony in support.

Kyle J. Davis, Policy Director, Nevada Conservation League:

We are in support of <u>S.B. 362</u>. We welcome the opportunity to increase mobility options for Nevadans and explore innovative solutions such as microtransit that generate positive benefits for our community and for our environment. On-demand transit service provides RTC's customers with additional options that are sustainable, safe, and get riders where they need to go. Furthermore, microtransit reduces the number of vehicles on the road, thus reducing pollution and improving air quality. Nevada has set bold goals to reduce our greenhouse gas emissions. All options, including microtransit, should be considered to meet those goals. We urge the Committee's support of <u>S.B. 362</u>.

Dylan Keith, Policy Analyst, Vegas Chamber:

It was also my pleasure to oversee the Southern Nevada Forum. On behalf of the Forum, we would like to express our support for <u>Senate Bill 362</u>, which was a Southern Nevada Forum legislative priority from the Transportation and Infrastructure Committee. We are here in support of it.

Our valley needs essential public transit services to support Nevada businesses, and <u>S.B. 362</u> would provide microtransit as another transportation response for the community. Microtransit would allow greater access and more flexibility for getting people where they need to go, especially to the doors of businesses across southern Nevada.

Thank you for considering <u>S.B. 362</u> and ensuring that southern Nevada can provide additional mobility options to valley residents and businesses.

Chair Monroe-Moreno:

Seeing no one else in the room who wishes to provide testimony in support, we will go to callers in the queue.

Paul Catha, representing Culinary Workers Union, Local 226:

The Culinary Union represents 60,000 hospitality workers in Nevada. Many essential frontline shift workers rely on public transportation to get to work reliably, safely, and efficiently. Senate Bill 362 not only benefits hospitality workers, but also allows the RTC to serve communities that previously had few viable transportation options. As public transportation adapts to technology and consumer preferences, on-demand transit service like microtransit will be essential in getting Nevadans where they need to be. The Culinary Union urges the Nevada Legislature to support and pass S.B. 362.

Michael Hillerby, representing Regional Transportation Commission of Washoe County:

I am here today to support the bill. We appreciate RTC of Southern Nevada's bringing forward and expanding on the legislation we brought forth last session. FlexRIDE, our microtransit service in RTC of Washoe County's territory, has been quite a success. We now have pilot programs operating in the Sparks/Spanish Springs area, North Valleys, and Somersett-Verdi in west Reno. These areas are beyond our normal fixed-route service. The service has been a popular, cost-effective way to get people curbside-to-curbside to their destinations, reduce emissions by running smaller vehicles, and avoid some of the costs of expanding fixed-line services.

Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada:

I am also a member of the Transportation Resource Advisory Committee (TRAC). I am here to express my support for <u>Senate Bill 362</u>. Microtransit is a great opportunity for Hispanic-owned businesses in the community. With the flexibility provided by on-demand transit, customers can easily access and patronize local businesses in areas that traditional fixed-route service does not cover—yielding benefits for business owners and riders.

Thank you for your time and consideration of <u>S.B. 362</u>. As Nevada continues to grow quickly, ensuring that southern Nevada can provide additional mobility options to valley residents and businesses should be a high priority for our state. I commend the RTC for always making our community, especially our business community, better.

Matthew Walker, representing Southern Nevada Home Builders Association; and Motional AD, Inc.:

Microtransit is a smart way to expand services to our newer communities. It demonstrates that with smarter planning we can meet our joint objective of greenhouse gas emissions

reduction and increased services in an efficient way. For that reason, we are in full support. I also would like to echo my support on behalf of Motional AD, Inc.

Chair Monroe-Moreno:

Do we have other callers who wish to provide testimony in support?

Justin Jones, County Commissioner, District F, Clark County; and Vice-Chair, Regional Transportation Commission of Southern Nevada:

I am here today to express my strong support for <u>Senate Bill 362</u>. District F includes some of the fastest growing parts of the Las Vegas Valley, and much of my district does not have public transit. <u>Senate Bill 362</u> would greatly benefit my constituents as they return to school, work, and normal life by permitting the RTC to provide transit service that does not exist today. <u>Senate Bill 362</u> allows the RTC to offer microtransit service. This new service will provide another mobility option to nearly 70,000 residents in my district who currently do not have transit service. This expansion will connect the southwest Las Vegas Valley to nearly 14,000 employment opportunities, 4 grocery stores, and over a dozen schools and child care facilities.

In my capacity as vice-chair of the RTC, I often hear from residents across southern Nevada about the need for flexible, reliable transportation solutions, and microtransit offers them an on-demand and affordable option. Thank you for your consideration of <u>S.B. 362</u> and your efforts to ensure greater access to transit services for southern Nevada.

Helen Foley, Manager, Transportation Resource Advisory Committee:

The Transportation Resource Advisory Committee (TRAC) was formed in 2015 and serves as an advisory group to the RTC of Southern Nevada. The committee chair, Don Snyder, was unable to be here today and asked me to testify in support of Senate Bill 362 on his behalf. The TRAC consists of 35 community leaders, including representation from labor, gaming, environmental, business, chambers, higher education, seniors, and transit users. The committee cares deeply about mobility issues in southern Nevada.

As you know, technology is changing the face of public transportation in many ways. Allowing the RTC to provide on-demand transit service will help ensure the RTC can meet the transportation demands of its current and future customers. Senate Bill 362 removes current statutory impediments to the provision of on-call public transit and will allow the RTC of Southern Nevada to continue its mission of improving connectivity, accessibility, and equity to all valley residents. Thank you for considering S.B. 362 to help improve our transportation options in southern Nevada.

Chair Monroe-Moreno:

May we have the next caller?

Rashard Mason, Private Citizen, Las Vegas, Nevada:

As a valley resident, I have used routes 206 Charleston, 210 Lake Mead Boulevard, and the Sahara Express, along with other routes as needed. Transit is an important service to the community. As a transit rider, this is how I and other customers can get to work, the grocery store, the doctor, and other essential places when a personal vehicle is not an option. Expanding transit services and allowing the RTC to offer microtransit would give me and other riders more public transit options. Thank you for your time and consideration of Senate Bill 362.

Chair Monroe-Moreno:

Thank you for your comments. Do we have anyone else in support?

Debra March, Mayor, City of Henderson; and Chairwoman, Regional Transportation Commission of Southern Nevada:

I would like to express my support for <u>Senate Bill 362</u>. In my role as chair of the RTC and as mayor, I am aware of the demands for transit service and understand that they far outweigh the resources that are available in our community. In the City of Henderson alone, specifically in west Henderson, we have heard from many businesses, such as Levi Strauss and Company, FedEx Corporation, Kroger, and Turano Baking Company, that their employees need access and connectivity to reliable transit services that do not exist today. This bill will allow the RTC to provide essential transit services to the area of west Henderson with more than 31,000 residents as early as August 2021—to 3,900 employment sites, 9 new child care facilities, and 2 grocery stores. This also covers the Haas Automation facility. As the chairwoman for the RTC, I am grateful for your consideration of <u>S.B. 362</u> and all that you do to ensure that the City of Henderson and all our southern Nevada communities have reliable transportation options.

Chair Monroe-Moreno:

Thank you, Mayor March, for joining us. Is there anyone else for testimony in support?

Doralee Uchel-Martinez, Private Citizen, Reno, Nevada:

I am a member of the Nevada Disability Peer Action Coalition and the Regional Transportation Commission of Washoe County Citizens Multimodal Advisory Committee. I support Senate Bill 362. We have microtransit in Washoe County, and it is really useful.

Chair Monroe-Moreno:

Thank you for joining us. That was our last caller to provide testimony in support. Do we have any callers in opposition? [There were none.] Do we have any callers who wish to provide testimony in the neutral position? [There were none.] Do our presenters have any closing comments?

Assemblyman Watts:

Thank you for your time. I do not have anything else to add. Thank you for your support. I urge you to pass <u>Senate Bill 362</u>.

Chair Monroe-Moreno:

We will close the hearing on <u>Senate Bill 362</u> and open the hearing on <u>Senate Bill 204</u>.

Senate Bill 204: Revises provisions governing the Department of Motor Vehicles. (BDR 43-492)

Senator Moises (Mo) Denis, Senate District No. 2:

Senate Bill 204 will help transform the Department of Motor Vehicles (DMV) and how it operates, and it will help you take care of what is probably the number one constituent complaint you get other than this year's complaints about unemployment—the long lines at DMV. As many of you know, the COVID-19 pandemic caused the DMV to shut down for two months last summer. Since it reopened, the offices have been limited to only 50 percent of normal capacity. That situation created a tremendous backlog, and the DMV has been working hard to catch up. To help alleviate the backlog, the DMV put some services online, which turned out to be very effective. More than 81,000 Nevadans have taken advantage of the new option to renew driver's licenses online and save themselves a trip to the DMV. However, there are still a number of critical services that can only be conducted in person. This needs to change, and the DMV is working toward a transformation of the Department. This bill is an important policy piece of that effort.

What does the bill do? Section 1 of the bill allows the DMV to issue cards, certificates, or licenses in electronic form but only if a physical version of the document has also been issued. Think about that. You could carry your driver's license on your phone. Section 2 makes it clear that a person is still required to have the physical version with him in the vehicle unless there is already an exception for it in the law. *Nevada Revised Statutes* (NRS) 482.255, as cited in section 1 of the bill, refers to just such an exception. This exception was added last session and allows vehicles registered through the Motor Carrier Division of the DMV to use electronic images in lieu of carrying paper registrations. Senate Bill 204 built on that foundation by giving the DMV the latitude to expand the use of electronic images and formats for licenses, registrations, and such.

Section 2 gives the DMV the authority to establish an electronic branch and to conduct transactions electronically, but only if the Director has determined the transactions can be properly conducted by electronic means and only if electronic transactions are not prohibited by state or federal law. We are starting to see other states having electronic DMV offices. I want to emphasize that this section does not give the DMV blanket authority to conduct all transactions electronically. There was a concern expressed on the Senate side about the authentication of certain documents without an in-person meeting and inspection. The DMV understands that not every transaction is appropriate for conversion to an electronic format.

Other states and the federal government are grappling with these same issues, so Nevada is not alone in this effort. Clearly, the changes contemplated in <u>Senate Bill 204</u> will take time, and both sections of this bill are enabling, not mandatory. But <u>Senate Bill 204</u> gives the DMV the opportunity to migrate more services to electronic or online platforms, including the ability to offer a mobile driver's license or identification card.

I ask that you give the DMV the flexibility it needs to expand its offering of online electronic transactions and help move the DMV's transformation mission forward. People who do not have Internet access or who prefer conducting business in person could still visit a DMV office and use a traditional driver's license and registration card. But, for many Nevadans, the ability to conduct DMV transactions online will be an enormous timesaver. Of course, DMV will have to conduct an education campaign to inform Nevadans about the new online options, and it will take some time for people to get comfortable with the new platform. As I said before, not every transaction is going to be available online immediately, and some transactions may never lend themselves to an electronic format, but in the end, this transformation effort will benefit all Nevadans by eliminating or reducing trips to the DMV and shortening lines at the physical locations.

In conclusion, I urge your support of <u>Senate Bill 204</u>. Thank you for the opportunity to present this bill. The DMV is here to speak in support.

Chair Monroe-Moreno:

Mr. Sever, would you like to add anything to the presentation before we go to questions?

Sean Sever, Administrator, Division of Management Services and Programs, Department of Motor Vehicles:

Yes, please. Thank you for letting us present this bill. I want to thank Senator Denis for sponsoring it for us. As Senator Denis mentioned, 81,000 Nevadans have taken advantage of renewing their driver's licenses online since last September. That is a great example of what Nevadans want from the DMV. As he mentioned, our offices will still be open to those wanting in-person transactions. The DMV is committed to radically changing its long-term service delivery model from an in-person, brick-and-mortar service to an online storefront similar to the online shopping many of you use today.

The DMV has made a budget request of the 2021 Legislature to start its transformation effort in a four-year process to transition most, if not all, of our services to online. Senate Bill 204 is a big part of this effort. We greatly appreciate your considering this bill. I also have our Deputy Director, Jude Hurin, here to help with any questions.

Chair Monroe-Moreno:

We will go to questions from members.

Assemblyman Ellison:

I had some concerns when I first read this bill, so I called the DMV and talked with them. Apparently, this is going on all over the United States. All my questions were answered. One of my questions concerned the sticker we used to put on the back of our driver's licenses to show the license was good for another four years. But when you were out of state or at an airport, you would be told your driver's license was expired. When you showed them the sticker, they would not accept that. That created a lot of problems, and we do not do that any longer. If I have an electronic version of this, I could call it up or go online to get it and send it to my insurance agent or whatever. I think it is a great idea. Thank you for the bill.

Assemblyman Yeager:

I know this is enabling legislation. I am interested in the electronic driver's licenses. I promise I will not talk about electronic license plates, because those are more involved. In section 1, subsection 1, there is a requirement that you cannot have a physical driver's license and an electronic one. Is that there because there would be opportunity for fraud if someone has an electronic license and then handed the actual physical one to someone else to use?

Senator Denis:

The technology is still being developed that would allow this. If your driver's license is on your phone, you would think it would be a copy of your driver's license. But, I envision there would be applications developed that would have the information, and you could show only the information that needs to be shown. If all someone needs to know is your name, address, and to see your picture, the app would just show that. You would not have to show everything that is on your driver's license.

Jude Hurin, Deputy Director, Department of Motor Vehicles:

You are correct, Senator Denis. In addition, since this is new technology, a lot of jurisdictions or states are piloting this right now. This is transitory language; not everyone will want to use the technology. We are making sure everybody still has a physical card. As time goes on and the technology improves, it will reach a point where there will only be an electronic version. This is a transition. Other states are doing this in their DMV pilots. We thought it was a good idea to go down the same route.

Assemblyman Yeager:

In thinking about how we use our driver's licenses now, the most pressing use for most of us in southern Nevada is for Transportation Security Administration (TSA) scanning or for age verification. Agencies can have you scan the back of your ID. If you are purchasing a controlled substance, a pharmacy will scan the bar code on the back. I understand this is enabling, but is there technology right now or in development that would allow integration of all those platforms? Not that I think you are going to launch this without that being ready,

but there are some concerns that if you only had an electronic version, you could get through the airport or have your age verified by some of the technology. How close are we to having full integration—not just in the state of Nevada, but as a country or as a global economy?

Senator Denis:

As far as the technology is concerned, I will allow DMV to answer that; they have done research on that. Technology is changing constantly. With REAL ID, there are specific things you must do for TSA to accept the information. As with other legislation I have worked on with the DMV, we have to make sure that whatever we do complies with REAL ID as we move forward. I think those things would be possible as security and all those measures are put in place, whether on an ID you are trying to present or other information. The DMV can talk about how far the technology has been developed in the country or in the world.

Jude Hurin:

To add to Senator Denis' response, there are other states already piloting this. Right now, we hope that one of our vendors that creates the credentials for the DMV—driver's licenses, ID cards, and so forth—will expand services to provide this kind of authentication and verification system in the next 18-24 months. Regarding security, one of the biggest things we want to ensure is that we are not compromising our DMV protocols before issuing a credential. The technology that is in place today allows an individual, through these vendors, to do what you do today if you want an app. You can add the app, and there are certain app protocols you go through. This app verifies who you are, and it authenticates you. Through that proven process, we could create a mobile ID verification system. Through our transformation system, this would not just be for mobile IDs, but also for allowing people to upload their information electronically, whether they are just getting their licenses or having them reinstated. All that technology is available today; however, we are looking at this as a timing issue because of the transformation.

United States Senate Bill 4133, the REAL ID Modernization Act, is the actual language that gives all jurisdictions the flexibility to expand their driver's license programs to allow an individual to upload electronic documents from home and apply for their credentials, rather than coming into the office. We hope to do this through our current vendor and the work the U.S. Department of Homeland Security (DHS) is doing through the Senate bill as well as our transformation project. Our timing is critical. In the meantime, other states are piloting this, and our vendor who does verification authentication technology is working with them, Congress, AAMVA [American Association of Motor Vehicle Administrators], and all the other associations involved.

We believe that when we actually roll out the driver's license piece through our transformation in the next couple of years, we will roll out the ability to not only apply from your home, but also give you the ability to have a mobile ID. That takes into consideration our outside stakeholder campaign. It is one thing to create a mobile ID; it is another thing to work with stakeholders outside of our offices to make sure they understand and will accept it so you can use it with TSA, retail stores, and insurance companies as an acceptable credential in their eyes.

Assemblyman Leavitt:

I think Assemblyman Yeager clarified the electronic ID versus possession of a physical license. Is there a cost associated with the creation of this electronic branch office? Is there an additional cost to do the informational campaign?

Senator Denis:

The Senate Committee on Finance receives the budgets for departments. For the modernization, the DMV has already submitted a budget. This is enabling language to allow them, with this new modernization, to do the electronic piece which they currently cannot because NRS does not permit them to do so.

Assemblywoman Summers-Armstrong:

Thank you for your presentation. You mentioned some agencies as stakeholders, but I did not hear you mention the police. In addition to this ID being used at supermarkets and retail locations, this would be a useful tool for police interaction or traffic stops. Would they have access to this? We had a bill earlier in the session about license plates and registration. What is the difference between this type of technology being used for IDs and what we talked about before? Is there any conversation going on about giving police access to all the information so we can cut down on some interactions?

Jude Hurin:

My apologies for not listing police. They are our partner, our brother agency, with everything we do relating to law enforcement. We have a backhand connection with them, electronically, to provide the data from DMV. When a project—no matter what it is—affects law enforcement, we make sure their data is updated electronically and training is provided. We are working in partnership with them to make sure the officers on the street, dispatch units, and everybody are fully aware of that. Yes, Assemblywoman, you are correct. Law enforcement is going to be key in this. We believe the language in the bill that talks about a physical card as well as an electronic version is going to be helpful if your phone goes out or if you have problems and you cannot pull up your mobile ID. You will still have a physical ID you can provide to the officer, knowing full well the officer is probably going to be pulling that information through dispatch and so forth. We are looking at those things when it comes to rolling out this digital system for credentials.

This is not only for local law enforcement. We work with sheriffs, chiefs, and federal law enforcement, such as the FBI [Federal Bureau of Investigation] and DHS, in the area. We also work with all criminal justice agencies, encompassing about 135 agencies through the Department of Public Safety. We do extensive training and have a partnership with all of them.

Senator Denis:

I would like to add that when I worked with public safety folks on issues in the past, the one thing they always talked about was wanting to be able to identify the person they were talking to. You might somehow forget your license, but you hardly ever forget your phone. You would have the ability to show your ID. It is safer for everybody because the police can identify who an individual is, even without a physical ID card.

Chair Monroe-Moreno:

Our final question is from Assemblyman Roberts.

Assemblyman Roberts:

The ID will not be a photo of your ID; it could be an app that somebody could verify. From the police standpoint, if someone has lost his phone, wallet, and everything, the police officers should be able to go to the app, pull up the information, see a picture, and authenticate identity immediately. If I do not have the electronic version, and I fly to wherever and I am the victim of a crime and lose my wallet, you could conceivably send me an electronic copy. I could load the app, get on a plane, and come back home, whereas now, I would not be able to do that. Is that what we are looking to do?

Jude Hurin:

Yes.

Senator Denis:

The driver's license is a critical piece to always have that information available to you. Yes, I would anticipate that.

Assemblyman Roberts:

This is a great idea; it is very innovative. It moves in the direction we need to go to get away from DMV having to see so many customers in-house if customers could do this online. I think it is fantastic, and I fully support it.

Chair Monroe-Moreno:

Are there any other questions? [There were none.] Do we have any callers wishing to provide testimony in support of <u>Senate Bill 204</u>? [There were none.] Do we have callers wishing to provide testimony in opposition?

Doralee Uchel-Martinez, Private Citizen, Reno, Nevada:

I apologize. I was calling to support. May I continue?

Chair Monroe-Moreno:

That is okay. Go ahead.

Doralee Uchel-Martinez:

I really like this bill. Coming from a blind perspective or a disability perspective, it is useful because all of us who have smart phones use them. I have friends who have cerebral palsy. It is hard for them to reach into their backpacks when their personal care attendant is not there. They have their phones on phone holders on their wheelchairs, so they could just flick to get their IDs to present them. I think this is a great idea. As a blind person, when I go to DMV to get a state ID, my dog just cuts through the lines. I guess I get a lot of mean looks, but as I am blind, I cannot see them. I think this is an innovative idea. Thank you so much for presenting it.

Chair Monroe-Moreno:

Are there any callers who wish to provide testimony in opposition to <u>Senate Bill 204</u>? [There were none.] Do we have anyone wishing to testify in the neutral? [There was no one.] Does the presenter have any closing remarks?

Senator Denis:

We focused a lot on the driver's license. During the pandemic, I had to take care of some things with the DMV, helping my son, who was trying to get a driver's permit, with the documents required for the REAL ID, so this was of interest to me, to figure out a way to do that without having to go in person to present an official birth certificate and those kinds of things. Having this electronically available to us in the future will allow us to tie into different things that allow for it. While I was discussing this with the DMV, Costco switched its app so you can use an electronic membership card. We are seeing this more and more. It is not necessarily a new concept. By the time this is developed, people will be demanding it. We are trying to get ahead of the curve. I appreciate the opportunity to present the bill, and I urge your support.

Chair Monroe-Moreno:

Thank you for the presentation. It is the wave of the future. We will close the hearing on Senate Bill 204 and open the hearing on our final bill, Senate Bill 58.

Senate Bill 58: Revises certain functions and responsibilities of the Investigation Division of the Department of Public Safety. (BDR 43-352)

Patrick J. Conmay, Chief, Investigation Division, Department of Public Safety:

[He read from prepared text, <u>Exhibit D</u>]. The intent of <u>Senate Bill 58</u> is to update statutory language that delineates the Department of Public Safety Investigation Division's duties and responsibilities in order to ensure compliance with existing mandates and to meet the needs

of the various entities that occasionally require or request investigative assistance. The Division recognizes its mission to be one of support for the Department of Public Safety's effort to promote safer communities throughout Nevada. In pursuit of that, the Division conducts a variety of criminal investigations, both as the primary investigative entity or upon specific request from assorted public agencies. Specifically, current statutory language enables Nevada's sheriffs, chiefs of police, district attorneys, the Attorney General, the Secretary of State, and the Department of Education to request investigative assistance from the Division. The Division routinely receives such requests and provides assistance.

Historically however, the Division has received requests for investigative assistance from various other state agencies and entities. These can frequently involve threats against state officials, employees, or facilities; fraudulent transactions involving public monies; or conflicts of interest for the requesting agency. Over its history, and where no other option existed, the Division has provided these agencies with that assistance. Furthermore, current statutory language does not specifically enable the Director of the Department of Public Safety to utilize the Department's own Investigation Division to provide other divisions within the Department with investigative assistance where appropriate. Additionally, statutes that delineate the responsibilities of the Nevada Office of Cyber Defense Coordination require the Investigation Division to coordinate with that office on gathering intelligence and initiating investigations of cyber threats and incidents. The proposed changes outlined in S.B. 58 provide clarification as to the Division's role in providing investigative assistance and who can request such assistance. The changes enable various state agencies and entities that might otherwise have no capability to conduct such investigations the ability to ask for help.

Specifically, the changes specify that:

- The Division will provide investigative services to the heads of certain state agencies upon request.
- The Division will investigate certain technological crimes and enforce provisions of law relating to technological crimes.
- The Division will provide investigative services upon request to certain state agencies in criminal investigations relating to cannabis.

The changes also enable the Director of Public Safety to efficiently use available department resources.

This concludes my testimony on <u>S.B. 58</u>. Thank you for your time. I would be happy to answer any questions the Committee might have.

Chair Monroe-Moreno:

Thank you. Are there any questions?

Assemblywoman Peters:

This is an interesting bill. I do not have much background in the work you do with other agencies. In existing statute, you are limited to working with the Office of the Attorney General, district attorneys, sheriffs, and chiefs of police. You mentioned your Division offers these services as a last resort. Would you clarify who already has the authority to do the investigatory work you are describing that would be enabled by this bill?

Patrick Conmay:

Is your question, "Who does it now, other than this Division?"

Assemblywoman Peters:

Yes.

Patrick Conmay:

Local law enforcement can help if an agency were to contact them, but our experience has shown us that when state agencies are involved, local law enforcement jurisdictions prefer that a state entity assist in the investigation. In this past year or year and a half, with some of the things that have gone on, we have helped other state agencies with investigations involving complaints that have risen more to the level of actual threats against people or facilities. In those instances, often the administrators of the state entities are searching for who will help them, and they get bounced around quite a bit. We want to do this when they ask. The key factor here is it would always be based upon a request. The Division does not just move in and decide it is going to do something. If somebody asks for help with a reasonable request, we would step in and give them that assistance rather than have them search around for days or weeks, trying to find somebody who can assist them when there is an immediate problem.

Assemblywoman Peters:

The bill specifically mentions the Department of Taxation, the Division of Public and Behavioral Health of the Department of Health and Human Services, the Cannabis Compliance Board, and technology-related crimes. I wonder about this bill's enabling language regarding the jurisdiction of your office. In the Department of Taxation, they have existing language about what they investigate and what they do not investigate due to licenses and the agreements that are made between those parties. Would that be where you would come in to investigate? Or would this be for internal investigations related to impropriety within a division? Can you describe those scenarios within and outside of the existing regulatory framework of those divisions?

Patrick Conmay:

I think it could involve any of those things, but only if the agency itself contacted us and asked us to help. For example, with the Department of Taxation and the regulatory investigative processes they normally engage in, I would not expect them to ever ask us to assist with that. If, during a regulatory investigation, someone at Taxation discovered something that was criminal in nature that went beyond what they normally would address,

then they would have the option to reach out to us for assistance. The bill does not enable us to step into anybody else's business absent a request for help.

Assemblywoman Peters:

Thank you for that clarification. The bill in section 1, subsection 1, says, "The Investigation Division shall . . . upon request, assist" I worry about the openness of that and the expanded access to your Division; if an agency does not have the right number of people, it shifts the burden to you. Can you say, We think this is within your jurisdiction and not within ours? Or does this bind you to investigate if they ask? Do you have to comply?

Patrick Conmay:

Even today, when the existing sheriffs, chiefs, and district attorneys ask us for assistance, we always have a conversation with them about what the assistance will entail. Then there are request for assistance forms that we complete with them to specifically state what is being requested. There are occasions when, during those conversations, we will say, This is better handled a different way, by you or by someone else. I want to be clear. This is not intended to be some absolute, with the Investigation Division stepping into somebody else's business. We want to be available should the need arise, which it has, more and more frequently. We provide assistance now and have not had problems regarding conflicts with existing operations. That is not the intent.

Assemblywoman Peters:

Thank you.

Assemblyman Miller:

In section 2, the bill talks about polygraph instruments. It looks like, currently, they can only be used by the Office of the Attorney General, sheriffs, chiefs of police, or district attorneys. Is that correct?

Patrick Conmay:

Currently, those are the agencies that can make a request. We provide the polygraph service if it is needed.

Assemblyman Miller:

It looks as if this bill expands it so all agencies can request the service.

Patrick Conmay:

Yes, they can request the service if they want it. We have provided polygraph support to some agencies if they need it for preemployment, for example. We will offer that service. It should not be confused. This is not a compelled service; it is just something we can do if someone would like to have it available.

Assemblyman Miller:

I am concerned that, when we consider the accuracy and some of the bias issues with polygraphs, we are essentially expanding the use of them. Is there a reason that needs to be expanded?

Patrick Conmay:

With respect to polygraphs, I want to be clear about something. If we are offering a polygraph in conjunction with a criminal investigation, for example, that is not a compelled service or operation; it would only be if somebody wished to engage in a polygraph. With respect to polygraphs that we offer for preemployment, that might be a condition of employment for a specific agency, and we would offer that. We are not going to be compelling anyone to take polygraphs, especially with respect to criminal investigations that we engage in. It is a service that would be available if somebody wished to submit to a polygraph or offered to do that.

[Assemblyman Watts assumed the Chair.]

Assemblyman Miller:

Just so that I am clear, is the polygraph only at the request or with the permission of the person who would be taking it?

Patrick Conmay:

Yes. We might ask an individual, Would you be willing to take a polygraph? The individual could say yes or no.

Assemblyman Miller:

Thank you.

Vice Chair Watts:

Do we have any other questions from members?

Assemblyman Yeager:

Are the agencies that would be able to use your services for polygraphs paying outside people to do them now if they are in situations where employees or other folks take polygraphs? Where do they go for those services?

Patrick Conmay:

I do not know if they go to outside services, but I do know that, on occasion, some have approached us and asked for that service, and we have provided it. We would do it today if requested.

Assemblyman Roberts:

In section 1, you are expanding your investigative authority. Currently, you just do what is authorized in *Nevada Revised Statutes* (NRS) Chapters 453 and 454. Now, you are

expanding your responsibilities to investigate technological crime that is currently within your purview. What is the advantage of adding that to your repertoire?

Patrick Conmay:

In the last legislative session, some bills were passed that required the Investigation Division to conduct some business in conjunction with the Office of Cyber Defense Coordination within the Department of Public Safety. The language in this bill is trying to get us together so that what another statute is telling us to do, the statute that governs our Division authorizes

Assemblyman Roberts:

So, you are already performing some of these duties required by other parts of statute. This just cleans that up.

Patrick Conmay:

Yes

Assemblyman Roberts:

My second question concerns the additional assistance to the other portions of state government. You said you are already doing some of that. I see the Cannabis Compliance Board and some of the investigations they need you to do. Does your Division have a shortage of work so that you are expanding into other crimes or agencies? I am curious about your current caseload. Two years from now in the Assembly Committee on Ways and Means, we may see this as a budget expansion or a request for more employees because we authorized an expansion of your responsibilities at this time. I am curious about how you will handle the workload.

Patrick Conmay:

There is no shortage of work, but I want to be clear that the intent or the idea of this bill is to bring things in line with what actually occurs today. I do not anticipate that the additional duties outlined in this bill will increase the workload significantly because these entities come to us now since they do not have anywhere else to go. I am trying to ensure that the statutory language is in line with what we have been forced to do in order to help folks out. They need to have this.

Assemblyman Roberts:

Thank you for your answers.

Vice Chair Watts:

Are there any other questions? [There were none.] Is there testimony in support of $\underline{S.B. 58}$? [There was none.]

[Assemblywoman Monroe-Moreno reassumed the Chair.]

Chair Monroe-Moreno:

Do we have any callers in the queue wishing to provide testimony in opposition? [There were none.] Is there anyone wishing to provide neutral comments? [There was no one.] Are there any final remarks?

Patrick Conmay:

Thank you for your time.

Chair Monroe-Moreno:

Thank you for the presentation. We will close the hearing on <u>Senate Bill 58</u>. Members, that brings us to the last item on our agenda for today, public comment. Is there anyone wishing to provide public comment? [There was no one.]

That concludes today's meeting. I would like to thank the presenters, the Committee, staff, and the members of the public that were able to join us virtually. Our next meeting will be Tuesday, April 27, 2021, at 1:30 p.m. We will hear three bills. We are adjourned [at 3:03 p.m.].

	RESPECTFULLY SUBMITTED:
	Joan Waldock 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 document regarding service changes, submitted by M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada, regarding Senate Bill 362.

<u>Exhibit D</u> is written testimony, dated April 22, 2021, presented by Patrick J. Conmay, Chief, Investigation Division, Department of Public Safety, regarding <u>Senate Bill 58</u>.