

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

**Eighty-second Session  
May 1, 2023**

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:38 p.m. on Monday, May 1, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Dallas Harris, Chair  
Senator Pat Spearman, Vice Chair  
Senator Julie Pazina  
Senator Scott Hammond  
Senator Ira Hansen

**GUEST LEGISLATORS PRESENT:**

Assemblyman Cameron (C.H.) Miller, Assembly District No. 7

**STAFF MEMBERS PRESENT:**

Kristin Rossiter, Policy Analyst  
Jessica Dummer, Counsel  
Vicky Lind, Committee Secretary

**OTHERS PRESENT:**

Lucas Foletta, Nevada State Tow Association  
Paul Enos, Nevada Trucking Association  
Danny Thompson, Snap Towing  
Susan Zinser, D & S Tow, Inc.  
Michael Baumbach, Nevada State Tow Association  
Mike Draper, Nevada State Apartment Association  
Peter Krueger, Nevada Petroleum Marketers & Convenience Store Association  
George Taylor

CHAIR HARRIS:

We will open today's hearing with Assembly Bill (A.B.) 316.

**ASSEMBLY BILL 316 (1st Reprint)**: Revises provisions governing motor vehicles.  
(BDR 43-154)

ASSEMBLYMAN CAMERON (C.H.) MILLER (Assembly District No. 7):

I am here today to present A.B. 316 which revises the penalties for the unlawful possession of unregistered vehicles unfit for use under current law. A person who keeps more than two unregistered vehicles on private property that are no longer intended for, or in condition for, lawful use on highways is guilty of a misdemeanor which is a criminal penalty. This law has been in effect since 1973.

To our knowledge, no one has been arrested for this offense. Various jurisdictions handle this issue in slightly different manners, mainly considering it a violation of public nuisance of municipal codes and applying enforcement measures through administrative and civil penalties. The goal of this bill is simply to align or modernize our statute with what is common practice by our local jurisdictions.

Assembly Bill 316 reduces the penalty for those with vehicles that are not registered from a misdemeanor to a civil penalty of no more than \$100 a day on a violation. It authorizes the local authority to adopt an ordinance prohibiting the same conduct under *Nevada Revised Statutes* (NRS) 487.290 by publishing a different civil penalty. It provides that if a local authority adopts an ordinance described in section 1, subsection 1, a person who commits the conduct prohibited by NRS 487.290 shall be subject to the provisions of the local ordinance including the civil penalty established by the local ordinance rather than the State law.

SENATOR SPEARMAN:

Many homeowners' associations (HOAs) have their own rules and regulations with subsequent fines. Is that fee on top of the HOAs or in lieu of?

ASSEMBLYMAN MILLER:

If a fee is charged from the HOA, this fee would be charged on top of that. This would not affect the HOA fines.

CHAIR HARRIS:

We will close the hearing on A.B. 316 and open the hearing on A.B. 303.

**ASSEMBLY BILL 303 (1st Reprint)**: Revises provisions relating to the towing of a motor vehicle under certain circumstances. (BDR 58-113)

ASSEMBLYMAN CAMERON (C.H.) MILLER (Assembly District No. 7):

I introduced A.B. 303 to fill the gaps of A.B. No. 301 of the 81st Session that was passed. The bill revised provisions relating to the towing of a motor vehicle from a residential complex or a common-interest community. The bill does three things: prohibits the nonconsensual towing of a vehicle from a residential complex or a common-interest community when the reason for the tow is solely based on registration status; establishes a 48-hour waiting period from the time the vehicle arrives at the tow yard before a storage fee could be charged; and directs the Nevada Transportation Authority (NTA) to establish a hardship tariff program for those faced with economic challenges beyond their control.

Assembly Bill No. 301 of the 81st Session was needed because the COVID-19 pandemic exposed what some would consider predatory behavior at a time when Nevadans were at their most vulnerable. Tow truck operators were towing cars improperly parked from apartment complexes and common-interest communities simply because they did not display a current registration sticker.

It was a difficult time for many State agencies, and the Nevada Department of Motor Vehicles (DMV) got behind with sending out registration tags. It did not matter that the actual registration status of the vehicle could be checked in real time or that the vehicle was currently registered. It was such a problem that the NTA issued a letter telling the tow truck operators not to do this, but that did not stop them, and A.B. No. 301 of the 81st Session ensued. However, this bill did not stop them either. Several of the operators chose to misinterpret the language and intent of the bill.

It was brought to my attention multiple times that people were still having their vehicles towed solely based on the registration status. In addition, their vehicles were not released when provided evidence the vehicle were registered, and they were not given the 48-hour window to pick up their vehicles without requiring payment. These vehicle owners were still faced with having to deal with the trouble and expense of getting their cars back when the law had changed to prevent this type of tow.

I was hearing that the issue was persisting for multiple people. One constituent reached out to ask me directly about the law because his or her vehicle had just been towed. I offered to take that constituent to retrieve the vehicle from the tow yard. I saw firsthand how one tow operator had chosen to interpret the law rather than releasing the vehicle when presented with documentation of car registration. He informed us that that information had to be presented to the tow truck driver at the time the car was on the hook. Then when asked about the no fee for the first 48 hours of storage, the operator said he would not be charging a storage fee but an impound fee. When I explained he cannot charge the fee because it was not a tow requested by law enforcement, he stated I was not the owner of the vehicle, he would no longer discuss the situation with me, and I needed to leave the property. If I did not, I would be trespassing, and he would call the police. I want to add this was not a heated conversation; there was no arguing or yelling.

With A.B. 303, towing a vehicle solely because the vehicle registration is expired will be a violation of NRS 706.4477 that provides if a vehicle is towed in violation of this provision, the owner of the vehicle is not required to pay any towing fee and an operator who charges a fee or cost for towing may be subject to certain penalties. Further, the owner of the vehicle may bring an action against the operator to recover any costs incurred because of the violation including, without limitation, any loss of income.

Significantly, this bill expands the option to pay a hardship tariff for any vehicle towed pursuant to NRS 706.4477 by eliminating section 1, subsection 7, paragraph (b) on page 4 and making it applicable to the entire section of the bill.

The bill limits the owner from paying the hardship tariff more than once per calendar year. This is important because nonconsensual towing happens more often in communities and census tracts that historically have lower incomes, and people face criminal and social injustices that exacerbate their economic challenges. While having a vehicle towed for some is just an inconvenience, it can result in losing a job or a day's wages. The decision to get the car out of the tow yard versus buying food or paying the light bill is a reality for some. The fees quickly accumulate and result in that person losing his or her vehicle to the tow operator who places a lien on the vehicle and then sells it at auction. The hardship tariff allows you to pay a smaller penalty.

SENATOR PAZINA:

Does the owner have to pay for the first 48 hours of storage if the reason for the tow is for other than lack of registration, or does that rule apply to all reasons for the tow?

ASSEMBLYMAN MILLER:

In statute, they would still have to wait that 48 hour before being charged. This would remove that 48-hour window if a vehicle is towed solely based on its registration status.

SENATOR PAZINA:

As a follow up, was that 48-hour window just for those cars that were towed due to delinquent registration tags?

ASSEMBLYMAN MILLER:

Yes, the initial bill was about registration issues.

SENATOR SPEARMAN:

You mentioned that the tow operator can sell the towed vehicle at auction. Who gets the money?

ASSEMBLYMAN MILLER:

Statute deems that is the tow operator. They would be selling the vehicle to recoup the cost of the towing and storage owed to them.

SENATOR SPEARMAN:

Is there no other way?

ASSEMBLYMAN MILLER:

I am sure there is another way, I just do not know what it is.

SENATOR SPEARMAN:

We have had some data on the zip codes of where this frequently happens. If the car is towed and then sold at auction, the person who owned the vehicle then has another financial encumbrance. I am not sure how we can get around this. I find this troubling.

CHAIR HARRIS:

I will just note that we did hear a bill in this Committee designed to address that issue. I believe it was presented by Sean Sever from the DMV, and we had the Nevada Trucking Association in support of that bill. The proposed solution requires that the profit from the sale go back to the owner of the vehicle.

LUCAS FOLETTA (Nevada State Tow Association):

We are in opposition to this bill. The bill dramatically expands the scope of the hardship tariff to include other tows. It would now apply to the tows of those vehicles proposing an imminent threat of causing a substantial adverse effect on the health, safety and welfare of the residents of a residential complex. In our view, allowing for a discounted tow at the expense of the tow operator is bad policy. It removes the disincentive for inappropriately parking a vehicle.

This proposal arbitrarily shifts the cost of those tows back to the tow operators, who, it is important to note, are rate-regulated. The cost of those tows and the storage fees are regulated by the NTA to reflect the cost of providing that service with a reasonable margin. This proposal undermines the efficacy and legitimacy of that process. This bill would come with several enforcement concerns.

There will be work required on behalf of the NTA. Hundreds of these nonconsensual tows that occur on a weekly basis in Nevada. Presumably, most of those people, if not all, will at least request the hardship resulting in complaints. It will be a burden on the operator to administer and to review the documentation the NTA requires to be presented to demonstrate they may qualify for a hardship tariff.

PAUL ENOS (Nevada Trucking Association):

We have a couple of dozen tow operators in our Association who are opposed to A.B. 303. This is a regulated industry in terms of what you can charge when you are towing another person's property. These issues have been worked on to make sure we do not have predatory towing.

Last Session, we recognized that some people may be having financial hardships and are likely not to register their vehicle. It was regulated that we do not tow their vehicle, and our Association supported that.

The hardship tariff is what the NTA allows a towing company to charge. The cost of storage fees is greater in Lake Tahoe as property costs are more. When the NTA sets the price of the tariff, an operator cannot deviate from that amount without first getting approval from the NTA. Many operators have not seen tariff increases for years, yet the cost of doing business, employee wages, and insurance all continue to increase. This results in small profit margins.

There is a better way to address these situations by giving the tow operators a little more leeway to grant the hardship tariff based on their own case. We have come a long way to make sure that we do not have predatory towing occurring in this State and have given the NTA the enforcement authority. This bill is going to create more problems than solutions.

DANNY THOMPSON (Snap Towing):

If everyone can claim a hardship tariff once a year, this business may become a tough business to make money in. At some point in time, it will become a business decision whether we take those tows or not. It may be impossible for property managers to manage their property. I signed a lease on the apartment I rented for this Session in Reno. The lease says my cars must be registered and insured. This hardship tariff really creates a problem for us.

CHAIR HARRIS:

During your testimony, did you admit that your apartment complex is violating the law? They are not supposed to tow your car if it is not registered.

MR. THOMPSON:

No, I said the lease requires that each car be registered and insured.

SENATOR HANSEN:

Do the tow companies have contracts with apartment complexes where tow operators can be paid by the property owner? If your tariff has not been raised in a long time, you now are confronted with a situation where a business calls and requests you come tow a vehicle parked illegally. Does the person requesting the tow have any responsibility to pay you, or do you only get paid if the vehicle owner pays you?

MR. FOLETTA:

The tariff sets the max rate that can be applied. The law authorizes the tow operator to recoup the cost either from the vehicle owner or by way of a lien

which results in the vehicle being sold at auction. It is a gray area as to whether a property owner could pay the tariff rate that is due on the tow. In my view, that is permissible but not required. In other words, the tow operators have a right to recoup the cost of that tow from the property owner under any circumstance. There is no mechanism to ensure payment. If the property owners want to make the payment, they can.

CHAIR HARRIS:

This question might have been related to the contractual relationship between the tow truck company and the apartment complex. Would the apartment complex make the payment?

MR. FOLETTA:

Are you asking for the service of towing vehicles in general? One of the operators can answer that better than I can.

SUSAN ZINSER (D & S Tow, Inc.):

I am in opposition to this bill. To answer your question, if I tow a car from a property owner who cannot pay me, payment must come from the vehicle owner. I have a hard time defining hardship tariff versus responsibility. Hardship tariff is when you are having a hard time financially. You cannot register your car. When you knowingly park in a red zone or in front of a fire hydrant and get a discount, that does not seem like much of a hardship to me. That seems like blatant disregard for the law. When they then must pay in full, that is when they will be deterred from doing it again. However, if they get off the hook with a discounted fee, they will be tempted to repeat their disregard for the law and park as close as they can get to their door. Tow operators cannot afford to work for free.

MICHAEL BAUMBACH (Nevada State Tow Association):

To answer your earlier question, the tariff is the only charge a tow operator is allowed to place in a lien against the vehicle. Every charge we place against the vehicle for nonconsensual tow must be approved by the NTA.

CHAIR HARRIS:

You are still missing the meaning of the question.

MR. BAUMBACH:

Could you clarify?



CHAIR HARRIS:

For example, say I make a deal with an apartment complex to come and tow its cars. Do you enter a contractual relationship with the property owner so you are the person the complex calls, and are you paid to do that?

MR. BAUMBACH:

Typically, signs are posted on the property identifying the tow company that services the property. These signs are provided by the tow company. The tow companies do not receive money from the property owners when making these agreements. The property can still be serviced by any tow company. The agreements are nonexclusive.

CHAIR HARRIS:

Is any money exchanged when that agreement is executed?

MR. BAUMBACH:

There is no money exchanged when these agreements are made. The tow operator is disallowed legally and ethically from paying any kickbacks. If it does happen, the NTA would take care of it.

Property owners do pay towing companies for disposal charges for abandoned vehicles. The cost of removing a recreational vehicle or a motor home from a private property is extremely expensive for the ultimate disposition. Those vehicles must be prepared specifically in advance before the landfill will accept them. Junk recreational vehicles are rarely picked up at auction and thus become the responsibility of the tow operator to properly dispose of them.

If a towing company on a police rotation is called to remove that recreational vehicle, they must do it. If no one picks up the vehicle at auction, which is the mechanism created for a towing company to recover the cost incurred, then we still must dispose of that vehicle. We are responsible for those costs.

Regarding the part of the bill that says you can have this hardship apply once per year, most violators that tow companies get are one-time violators. Once you get your vehicle towed, you tend to follow the law after that. While it is a courtesy to offer a once-a-year discount, that is unnecessary because the act of towing is the deterrent.

The 2021 Legislature passed A.B. No. 301 of the 81st Session which provided a limited hardship tariff discount for any vehicle impounded due to a registration violation. For no other reason, this bill also made it illegal to impound the vehicle solely because the registration of the vehicle was expired. The reasoning was if the registered owner was facing a hardship, that owner would be unable to pay for the registration of the vehicle and would be eligible for a hardship discount. The hardship tariff discount was provided with the underlying understanding that the operator of the vehicle was not responsible for any other parking violations and the vehicle was legally parked.

Assembly Bill 303 unreasonably expands the hardship tariff discount to apply to situations where the hardship should not apply. It removes the underlying understanding of A.B. No. 301 of the 81st Session and acts to encourage certain parking violations. Some of those violations might be accidents on private property, such as crashing into a structure like a water fountain. The hardship tariff discount would apply to those situations, which is not a reasonable and true application of hardship. As Ms. Zinser said, it is the result of bad choices. It does not necessarily mean that they are facing a financial hardship.

MIKE DRAPER (Nevada State Apartment Association):

We represent more than 1,000 members around the State and more than 170,000 rental housing units. We are here today in opposition to A.B. 303. Our members not only include multifamily property owners and operators but multiple tow companies that support them and the removal of illegally parked vehicles on their properties. Towing companies are strictly regulated by the State and play an important role in helping our members ensure their communities are safe and managed in an orderly manner with all their tenants and residents in mind.

We are concerned that A.B. 303 further hampers the tow companies' ability to recover fees incurred by towing from our member properties and increases the likelihood that they might elect not to tow from our properties at all. Tow companies are an integral part of our economy. The removal of an illegally parked vehicle on private property would become unnecessarily complicated and, in some cases, impossible under A.B. 303.

We are concerned that smaller tow companies would not be able to justify their operations if forced to reduce their fees. Larger companies would be forced to

decline or certainly be much more discerning. Our member properties will ultimately be forced to increase the cost of housing that providers charge their residents and tenants. For those reasons, we are opposed to A.B. 303.

SENATOR HANSEN:

You are representing private property owners mainly. Say I get lazy and there is no parking. I see a red zone in front of a fire hydrant, so I pull in there. At that point, I am on a public street. Would you deal with that? Do you have contracts with the law enforcement community?

MR. BAUMBACH:

Any impound that occurs on public property must be requested by law enforcement. It is not a private property decision.

SENATOR HANSEN:

Say you have some guy deliberately parking in the wrong spot, but his vehicle registration is current. For example, I could be parked in space 150, but my assigned space is 125. Calling for a tow is justified. Does this law affect that in any way?

MR. DRAPER:

This proposed law would affect that by expanding the hardship provisions under this bill. Statute only allows hardships for vehicles that were towed solely because the registration was expired. This bill expands it to allow hardships for vehicles towed for additional reasons such as parking illegally.

It certainly disincentivizes the tow operator from working with us. We are talking about an industry that works on small margins. If a tow operator sees it will cost more to tow and store the vehicle, they may opt not to start towing from certain properties.

That is our concern; it really puts more onerous conditions on tow operators we work with who are already strictly regulated in every way by the State. In return, it would put additional hardships on our properties and our members,

SENATOR HANSEN:

When Assemblyman Miller went to the tow yard, he was treated poorly. He was threatened with trespassing. Could the NTA step in and assist with those situations? Could they provide any redress for him?

MR. BAUMBACH:

Yes, the NTA is the correct agency one should contact to report such an incident. They are accessible online at their website or you can call them. The NTA must respond to everyone. An investigator of the agency would go onsite, review any documentation or agreements and ensure everyone involved is doing their job.

When Assemblyman Miller spoke about this situation, he stated that they did not seek the NTA as a remedy. In my opinion, seeking them would have absolutely been the right way to go about it as they have the authority to make corrections to the situation.

SENATOR HANSEN:

I have to say I would defend Assemblyman Miller in this case because I would not have known that either. I would not have known NTA regulates the towing industry. I have used D & S Towing on a few occasions for broken-down vans and mechanical issues; not for parking illegally. It is a great company. We just need to figure out how to deal with the bad actors in the industry.

CHAIR HARRIS:

Mr. Draper, you may want to get with Mr. Thompson and make sure that is not one of your apartment association members. I am serious about this because I have heard about situations like this many more times than I should have, given that the law was passed two years ago.

Mr. DRAPER:

There was an email exchange with one of my colleagues. Maybe it is the same issue, but we will follow up on it.

PETER KRUEGER (Nevada Petroleum Marketers & Convenience Store Association):  
Initially, our Association opposed this bill, but after talking with the bill sponsor and our members, we are satisfied that our concern regarding tows from commercial properties and tows of hazardous materials and abandoned vehicles would not be jeopardized by this bill. Therefore, we are neutral at this time.

ASSEMBLYMAN MILLER:

Unfortunately, the NTA was not able to be present today. After doing research, I understand that private property owners can pay for the removal of vehicles

from their property. Oftentimes, rural property owners must pay in advance or tow operators will not come out to clear vehicles from their property.

As to hardship tariff tows, I want to make it clear that a person can only be eligible if they meet certain requirements. The NTA has been reviewing the requirements and may be implementing a rule that the person has to be at least 200 percent below the poverty level or receiving some type of public assistance. We are not referencing wealthy people.

Lastly, I just want to be clear that A.B. 303 does not affect the ability of law enforcement to tow a vehicle from anywhere for any reason. The hardship tariff does not apply to a vehicle parked in a red zone or a handicap parking spot. People parking illegally like that will not qualify for a hardship tariff.

CHAIR HARRIS:

I am not sure how much money you make, but for much of my life, if my vehicle had been towed, it could have been the end. I would lose the car, then subsequently, my job.

I recently had to accompany a friend whose vehicle got towed and I paid \$350 for her because she would never have that kind of money. I was just fortunate enough to be able to do that for her. These consequences can be dire for people. I am hoping we can find room to give these people a break.

The impact of having your vehicle towed differs for everyone depending on where you sit on the economic spectrum. We have to think a little bit more about whether we can help some of those folks who are truly at the bottom.

I will close out the hearing on A.B. 303 and open the meeting to public comment.

GEORGE TAYLOR:

I have spent many years studying energy and alternative types. I am not here for anything related to this Session but rather to point out that most of the cities and towns in Utah are part of the Utah Associated Municipal Power Systems (UAMPS). It does not include Salt Lake City; that is a separate entity, but those cities and towns have, for quite a while, owned their own generating facilities of various types: coal, gas, wind, solar and geothermal.

The UAMPS has decided to band together and build a new small nuclear facility on the federal reservation in Idaho and ship the power back to Utah. If they continue to do that over the next four to six years, it might be something that Nevada could look at to consider as an alternative. I propose the idea that we support a wide-open investigation by NV Energy or the Nevada Public Utilities Commission to look at all our options, including that one. It might change the game because it could be conveniently sized for northern Nevada and separately for southern Nevada. We might possibly take advantage of what Utah learns and see if that is an option.

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CHAIR HARRIS:

Having nothing further to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 4:36 p.m.

RESPECTFULLY SUBMITTED:

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Vicky Lind,  
Committee Secretary

APPROVED BY:

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Senator Dallas Harris, Chair

DATE: \_\_\_\_\_

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster