

**MINUTES OF THE
SENATE COMMITTEE ON ENERGY, INFRASTRUCTURE AND
TRANSPORTATION**

**Seventy-fifth Session
May 8, 2009**

The Senate Committee on Energy, Infrastructure and Transportation was called to order by Chair Michael A. Schneider at 8:12 a.m. on Friday, May 8, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 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 Michael A. Schneider, Chair
Senator Maggie Carlton, Vice Chair
Senator John J. Lee
Senator Shirley A. Breeden
Senator Randolph Townsend
Senator Barbara K. Cegavske
Senator Dennis Nolan

GUEST LEGISLATORS PRESENT:

Assemblyman Kelvin Atkinson, Assembly District No. 17
Assemblyman Marcus Conklin, Assembly District No. 37

STAFF MEMBERS PRESENT:

Matt Nichols, Committee Counsel
Scott Young, Committee Policy Analyst
Laura Adler, Committee Secretary

OTHERS PRESENT:

Suzanne A. Thomas
Jae Gravley, Community Organizer, People First
Fran Smith, Friends of Independent Transportation Network in Las Vegas Valley

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Brian Hasselman, President, National Spinal Cord Injury Association-Nevada Chapter

Forrest Dudek, People First

Santa Perez, Nevada Council on Developmental Disabilities, Department of Health and Human Services

David Kilton, People First

Kimberly Rushton, LifeTrans

Hatice Geçol, Ph.D., Director, Nevada State Office of Energy

Joe Johnson, Sierra Club, Toiyabe Chapter

Charles M. Benjamin, Ph.D., J.D., Director, Western Resource Advocates

Jo Ann P. Kelly, Chairman, Public Utilities Commission of Nevada

Judy Stokey, Director, Governmental Affairs, NV Energy

Josh Griffin, Barrick Goldstrike Mines Inc.

Larry Morasse, General Manager, Western 102 Plant, Barrick Goldstrike Mines, Inc.

Tom Clark, Sempra Energy; Cogentrix Solar Thermal

Jeff Allen, Global Crossroads Capital

CHAIR SCHNEIDER:

We will open the work session on A.B. 296 and start with testimony from Las Vegas.

ASSEMBLY BILL 296 (1st Reprint): Revises provisions governing certain nonprofit carriers of elderly persons or persons with disabilities. (BDR 58-1116)

SUZANNE A. THOMAS:

There is a large group of people with disabilities who have been working to get a new taxicab company application approved by the Taxicab Authority and I have been part of that group. The current cab situation for people with disabilities and disabled veterans in Las Vegas and the rest of the State is deplorable if you live outside the "Strip" corridor in Las Vegas, as that is the dividing line. Waiting two or three hours or no-shows are common, not the exception. Drivers do not want to leave the lucrative Strip and downtown area to go into the outlying neighborhoods.

The application was recently denied, even for a hearing, by the Taxicab Authority due to the efforts of the existing cab companies and their well-funded team of attorneys who asked for a summary judgment to exclude

the application. In making the decision, the Taxicab Authority cited competition as the compelling factor. We now find it interesting that this late in the Legislative Session it appears the cab companies are attempting to shut all doors to provide accessible and usable transportation for people with disabilities and for disabled veterans. My question is, why this bill? What is the intent, other than to preclude other governmental agencies and no-charge nonprofit organizations from operating a usable transportation system for people with disabilities? You are asked to sponsor this legislation without fully knowing the whole story of what is going on. What reasons are there for this bill? The bottom line is that they are trying to eliminate all competition. This Country was built on free competition. If the existing companies want to compete, they just have to serve all people equally, and they do not. To serve the disabled and elderly, companies must dedicate themselves to institutionalizing equal opportunity, and dedicate themselves to training their drivers properly. This is an ongoing procedure, not just every year or two. Because of the myriad disabilities and needs of persons with disabilities, this random training and no commitment does not work. The existing cab companies serve disabled persons with their mouths, not with their cabs.

We are asking you to kill this legislation to allow a company to come forward dedicated to service, not money. If you give the service, money will follow. So many people have been driven away from cabs because of their unreliability. People have missed weddings, doctor's appointments and have had to schedule weeks in advance. For almost that same reason, that is why many of our people are not here today. We were here Wednesday and then the hearing was moved to today, and transportation could not be arranged for them to get here today.

When you have to rely on friends, relatives or parents, we call it stranded. If we have to pay for rides to testify, it sometimes does not work out. That is why we need an option. This bill is only fair for people who have full-time lobbyists working in Carson City. We appreciate the accommodations you made for us. We want you to know there is another side to the story. The reason more of us are not here today is because of the transportation issues.

CHAIR SCHNEIDER:

In your estimate, how many special cabs would be required in Las Vegas to handle the handicapped and special-needs community?

Ms. THOMAS:

The application was for 40 cabs. The idea was that this cab company was going to do something different. They were going to place the cabs in neighborhood areas similar to the way ambulances are staged in various areas of town, so when you call for a cab there is only a 20-minute wait, not a 2- to 3-hour wait, because they will be in that area to serve people.

CHAIR SCHNEIDER:

Do the current cab companies do that now?

Ms. THOMAS:

No, they do not. For instance, you may get a cab or paratransit one-way from your home to the grocery store. You must depend on getting a cab to get back home, because you do not know how long you will be there. There is also the window of time for paratransit service. People rely on getting a cab in 20 minutes or half an hour, but by the time the cab comes, their ice cream has melted and frozen stuff has defrosted. There is no reasonable way these cab companies have chosen to provide that kind of service in the outlying areas. It is not something that has happened in the past, and it does not now. Just a month and a half ago, I was stranded at what I thought was an easy area at West Lake Mead Boulevard and Tenaya Way. Even with me offering bonuses of large tips, it took the cab company one hour and a half to get to me. I am only ten minutes from downtown, and it was not during high-traffic time. It is a huge problem and, unless you choose to live right in the Strip area, there is not the needed transportation.

SENATOR CARLTON:

I do not see anything in the bill that prohibits you or whoever you are working with from applying for a certificate to run a cab company.

Ms. THOMAS:

We understood that it was only governmental agencies or nonprofits who did not charge that would be allowed to do that. Is that not correct?

SENATOR CARLTON:

I realize it is not an easy process to get a certificate of public convenience for a cab company and it is fairly expensive and lengthy, but it is a process that we ask everyone to go through. However, I do not see anything in this bill that

would prohibit you or whoever you are working with from going through that process; you could still apply.

Ms. THOMAS:

The company has applied and has been working on this for two years. It is not that we are looking for a shortcut.

JAE GRAVLEY (Community Organizer, People First):

Theoretically, you are correct that you can get a certificate. But, for the past 12 years no one has been able to get a certificate. Handicapped just spent \$500,000 in 2 years trying to get a hearing to get a certificate and they were denied a hearing 2 weeks before that hearing date. We are concerned about the powers that kept handicapped from getting a cab company to support people with disabilities and seniors and is now trying to do the same thing with nonprofits. Even though this particular bill has nothing to do with cabs, our concern is if you require nonprofits to also have a certificate of public convenience, then they are going have to go through this same process, which is basically a process that stops any new company from coming in.

I have facts about supplemental transportation programs, which is what a lot of these nonprofit transportation companies are. Twenty-one percent of them in America are fee-based and fifty-five percent more rely on rider donations. Almost three-quarters of these nonprofit charitable organizations providing rides to the underprivileged are relying on some kind of pay to do so. That is understandable, as it costs money to run a vehicle. That is our main concern.

SENATOR CARLTON:

What portion of the bill are you addressing? I am assuming you are in opposition to the bill by the statements you have made. Where is the problem?

Ms. GRAVLEY:

In section 1, subsection 5, paragraph (b), it says in a county of 400,000 or more population, which would be Clark County, you have to get the certificate of public convenience, unless you do not charge for transportation services or you are under contract with the Department of Health and Human Services. Most of these supplemental transportation programs are not under contract, and it should not be required that they be under contract with the government in order to run a little public conveyance for their people. There are a lot of nonprofits. In fact, there is one in this room, which is Independent

Transportation Network America (ITN). They are one of these groups who provide rides to seniors with a fee-based structure, and they would be directly impacted by this bill.

SENATOR CARLTON:

When I read the bill and heard the first presentation, I looked at it as allowing people who are providing a service and do not charge, not have to go through the process of the certificate. I thought we were doing something helpful for those who were trying to get around. Now I am not sure.

FRAN SMITH (Friends of Independent Transportation Network in Las Vegas Valley):

We are a group of senior transportation service providers and other stakeholders in the community who are seeking to establish an affiliate here of a national nonprofit called ITN America. It works for seniors age 60 and older and adults with visual impairments to become members of ITN. They pay a modest annual membership fee and then a personal transportation account is opened where they buy ride credits which they deposit in a personal transportation account. Once that is done, they have the privilege of requesting and receiving a ride to any place at any time. The amount of ride credits deposited in their account is based on anticipated usage. As they use rides, credits are drawn from their account. They can replenish the account. There are many features of the program that offer merchants, health-care providers, organizations and a variety of other groups within the community to participate in the program by investing in ride credits to help underwrite the cost of rides. The fundamental concept is to give seniors and adults with visual impairment a lifestyle and service that is as close to personal automobile ownership as possible. The other principle is that it is an entrepreneurial approach to increasing and improving transportation services to people who do not have them and desperately need them to a point where the organization can operate on an economically sustainable basis by year five.

We are in a start-up phase and are working with legal counsel to clarify whether we do, in fact, have to obtain a certificate of public convenience, because we are serving our members and not the general public. Nevertheless, this bill will serve to pour cold water on any efforts to increase and improve transportation services for seniors and people with disabilities in Clark County. The Regional Transportation Commission of Clark County (RTC) has prepared a coordinated plan that makes it clear that increases and improvements are

desperately needed in service to seniors and people with disabilities. The need cannot be met by the public transportation system as it currently exists. The public transportation system does not reach into age-restricted communities. There is limited shuttle service available a couple of days a week, but hardly anytime, anywhere. In addition, and I am quoting from the report because I want to put this in RTC words not my own, RTC says, "In response to individual calls, taxis have not proven to be reliable forms of transportation beyond the Strip or McCarran International Airport. This has made use of these vehicles unsuccessful thus far, even for residents financially able to avail themselves of this service. The result of insufficient service is that seniors will continue to drive even when it is not safe for them to drive."

Some of you, especially those of you who are in southern Nevada, may recall a couple of instances a few years ago where two senior couples drove off parking decks at the Golden Nugget Casino. The first ITN affiliate grew out of a horrible accident at a farmers market in Santa Monica, California. In that well-known example, a senior driver plowed into a crowd, killing several people. The other consequence is that seniors are left without transportation and end up staying at home. For them it can lead to isolation and depression. The community and the economy do not benefit from what they can contribute in terms of experience for the community and actual expenditures. In Portland, Maine, a community of 200,000 people, where this organization was founded, the estimated annual business impact of this service is \$500,000. You can imagine in a community of nearly two million what kind of economic stimulus this may have at a time when we are clearly seeking economic stimulus.

From our perspective, A.B. 296 could result in negative consequences such as discouraging improvements in transportation services that have clearly been identified as a need. Transportation will be available for those rich seniors who can afford full-time chauffeurs or the very poor who may qualify for income-restricted free service. Middle-class riders who can afford moderate fees are left out in the cold. As pointed out, businesses will lose customers and the opportunity to expand their customer base.

States and localities which are obviously, as you well know, overstressed with demand for resources that do not exist will result in being the sole support for transportation services.

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CHAIR SCHNEIDER:
Are you a nonprofit or a not-for-profit?

Ms. SMITH:
It is a Title 26 Internal Revenue Code section 501(c)(3).

SENATOR CARLTON:
In how many other states is the organization located?

Ms. SMITH:
Right now there are 12 affiliates in 7 or 8 states. The ITN is working to have 40 affiliates by the end of 2010.

SENATOR CARLTON:
In those other states, was your organization required to get a certificate or whatever that state does when it comes to regulated transportation?

Ms. SMITH:
Most of the other affiliates are in communities where these types of regulations fall into the local category. I have been advised by the founder that in most of the cases, ITN affiliates have been exempted from having to obtain a certificate of public convenience. As pointed out, we are not certain if we have to apply, even if this bill is passed. However, the point is that it is going to create a deterrent to our effort. I can only see that similar efforts would be deterred at a time when the private sector should be encouraged to increase service and not rely on the government.

SENATOR CARLTON:
I understand the philosophy of where you are coming from, but I would like to better understand the program to see how it fits within this bill. What is the membership fee?

Ms. SMITH:
Membership is a local option, although the existing affiliates charge from \$35 to \$50 annually, depending on the local community.

SENATOR CARLTON:
Do you offer a sliding-fee scale as far as ability to pay or is it a flat rate when it comes to your transportation credits?

Ms. SMITH:

It is a flat rate, but there are features available for what we call "Roads Scholarships," for individuals who cannot afford to pay. There are various ways for people in the community to contribute to the scholarship fund to make the service available for those who cannot pay. For organizations who serve low-income clients, there are also opportunities for them to create scholarship programs for their own clients.

SENATOR CARLTON:

Are there medical services or other services to perform that are not expected from a transportation entity? When you said you serve the disabled, I was not sure if medical assistance was involved.

Ms. SMITH:

The service ITN provides is called "door-through-door/arm-through-arm." The driver will escort a rider from their home into the car and into the destination place. For example, for a person who has limited mobility or limited mental lucidity who is going to the doctor, the driver will escort them into the doctor's office and make sure they are taken care of before the driver leaves.

Another thing we will not provide is lift-service. All of our services are provided in private passenger vehicles, no vans, no lift vehicles. We can accommodate people with walkers and wheelchairs or scooters if they can be collapsed and placed into the car.

SENATOR CARLTON:

Do the vehicles you use look like cabs?

Ms. SMITH:

No. They are personal automobiles that are either privately owned vehicles of the volunteer drivers or passenger vehicles donated to ITN. Most affiliates maintain a fleet of 2 to 6 private passenger vehicles just like anyone would drive. Those vehicles are usually driven by the paid drivers who supplement the volunteer driver service to make sure coverage is reliable and available.

SENATOR CARLTON:

Are you talking about 2 to 6 vehicles in all of southern Nevada?

Ms. SMITH:

That is what existing affiliates have. We would probably go through a five-year start-up phase in a limited geographic area. Our plan is to expand to the entire Las Vegas Valley within five years.

SENATOR CARLTON:

How do the other affiliates deal with the liability and safety issues on the vehicles and drivers? I would be concerned if you were picking up my mother in a donated vehicle, and I was not sure how safe it was and who she was getting into the vehicle with.

Ms. SMITH:

The ITN America mandates that all its affiliates follow a well-developed and fairly restrictive program of background checks and driver training along with a thorough identification system so the rider is assured that the driver is, in fact, ITN. We purchase extensive insurance coverage as the operator of this program. Liberty Mutual Group is a national sponsor of ITN and participates to help us make sure we have all the liability coverage required. Our volunteer drivers are required to meet certain specifications with respect to their insurance coverage and other requirements.

SENATOR CARLTON:

Were you involved with the application for the cab company for the disabled?

Ms. SMITH:

No. We are an entirely separate organization. We started on this effort in January 2009.

SENATOR CARLTON:

We will have to look closely to see how the taxis and ITN mesh together. They seem to fall right in between, and do not seem to be the intended of those who proposed the legislation.

CHAIR SCHNEIDER:

Your cars are unmarked and do not look like cabs, and you only carry people with disabilities, correct?

Ms. SMITH:

No. We carry seniors age 60 and older and adults with visual impairments.

CHAIR SCHNEIDER:

If you picked up someone in Summerlin and took them downtown, would you then wait for them or go back to Summerlin to pick up someone else? Do you pick up regular fares off the street?

Ms. SMITH:

No. We only provide service to our members by advance arrangements or on-demand request.

BRIAN HASSELMAN (President, National Spinal Cord Injury Association-Nevada Chapter):

The National Spinal Cord Injury Association (NSCIA) has been a national organization since the mid-1930s in all 50 states with our headquarters in Washington, D.C. We are linked with the government regarding the Americans with Disabilities Act of 1990 (ADA) issues throughout the Country.

It appears you have seen the lack of specificity in how to get disabled people, including myself, to doctor's appointments, to the pharmacy, to get food or anything without getting overcharged for a cab that may not show up. We need to expedite this in some way, either by rewording this bill or have this whole issue straightened out with the cab companies.

I spoke with NSCIA national president, Eric Larson, and both of us are coming into this late because of what has been going on, the lack of due process, plus getting notices on time and having to make appointments 48 hours in advance with paratransit. Personally, I left the doctor's office a lot earlier than the 5 minutes allowed to get to the curb. They drove away leaving me there; I flew down the parking lot in my wheelchair to catch the driver's attention, without results. I was later told that the driver had an "MP3 player" and cell phone with earbuds, earplugs, and could not hear me screaming at him to stop. Eventually, I got a ride that cost me \$80 to go 4 1/2 miles home. That is not reasonable for someone on a fixed income. Are there any checks and balances that are keeping this system in a competitive market?

CHAIR SCHNEIDER:

You said you were charged \$80 to go a couple of miles?

MR. HASSELMAN:

Yes, it was \$80 to go 4 1/2 miles in light traffic.

CHAIR SCHNEIDER:

Was that a regular cab that charged that much?

MR. HASSELMAN:

Yes. The cab that day was Henderson Taxi. I since found out their metering system has mileage and timers. They can shut the timers off if they want to, because in the past the same ride cost only \$15 for the same route. I do not understand how they can decide to charge what they want to charge. It seems that our civil rights are not being protected, especially our ADA rights. We deserve the same quality of life as anyone else, and how can that happen when we are prisoners in our homes? These kinds of service are directly affecting people's health, wellness, diet and doctor's care. As you know, when you have health problems, there are continuous appointments, sometimes every other week. For example, for someone like me who gets \$560 a month from Supplemental Security Income, paying \$80 each way for a cab because something happened to paratransit would cost me \$160 right there. That is one-quarter of my income to get to the doctor once.

CHAIR SCHNEIDER:

Did you advance this to the Taxicab Authority? Did you put in a complaint?

MR. HASSELMAN:

I have been verbally working with paratransit and the Taxicab Authority through NSCIA. I personally talked with the people who evaluate at paratransit and they were not going to budge. A lot of these problems can be handled with a little change to the rules, if they took care of the City of Las Vegas and not the current three-mile bus route. If you are three and a half miles, they will turn the bus around and leave.

Through NSCIA, if we wanted to pick up some slack as handicapped was going to, who now cannot have a business license for various reasons, it could not even be done with this bill. I am against A.B. 296.

CHAIR SCHNEIDER:

Would you support more cabs for the handicapped?

MR. HASSELMAN:

The predominant reason for putting more cabs out there was because of the frustration level of trying to get anything accomplished with the existing companies. Frustration included their lack of training and safety knowledge, and the utilization of equipment they have now. Personally, I have taken many cabs, and luckily I am only a paraplegic and can hang on. The reason there is such a problem is that no one knew the extent of the problem until my NSCIA call center and in-box filled up with all these issues with the city. I suggest you consult with those who have these disabilities and do this for a living, like I do, because I am both. There is no rehabilitation hospital in the area, and few who have knowledge of what the handicapped have to go through to live their life. If you do not know, then how can you do something properly to make sure everyone who needs it can get service and be treated like a citizen, versus being swept off to the side because of being too much of a pain to deal with? That is a problem with the existing cab companies. One of them told me that if they have been sitting in line at a property for 20 minutes and dispatch calls them, they are not going to break line to pick up one of us because it takes twice as long to put down the elevator or ramp and strap us in. They would much rather pick up an able-bodied person or a group and take them to the Strip, because most of the people are staying in the Strip area. We are trying to use this city as a community to get to things and services we need that are necessities of life.

FORREST DUDEK (People First):

I am a film maker and I documented some of the issues spoken about with the cab companies and people with disabilities attempting to take cabs and be treated fairly. To answer your question about the actual number of cabs utilized for people with disabilities, theoretically, it is 10 percent of the fleets on the streets in Las Vegas that have to be accessible to people with disabilities. In reality, those cabs are not utilized for people with disabilities. The drivers are not properly trained.

I have documented story after story of how people were mistreated and being overcharged. People with visual disabilities who were long-hauled had their money robbed from them, so to speak, in a cunning way, to make it seem like they were not being robbed. This has been done by drivers who are supposed to be regulated by the Taxicab Authority. It seems they are allowed to rob or mistreat their passengers. There does not seem to be much regulation, except to block new companies who would compete with the existing cab companies that are not providing the proper service. I have personally seen time and again

safety issues. The timing of this bill is insane because we just went through this fight. I videotaped this entire fight with the handicapped person versus these cab companies. There is something wrong that is being snuck in to stop other companies who are nonprofits or not-for-profits. The difference is that they are not trying to make a profit. There is money to be made, and that is what holds these other companies apart, but these nonprofits would be out there to help people rather than trying to make money off of them. An obstacle was slipped into A.B. 296 to stop them and put another roadblock into the system to make it harder to service people with disabilities.

I accumulated in the latter half of last year at least 50 to 60 stories of people having the courage to come forward, because these can be embarrassing situations. One woman was not properly tied down in her wheelchair and her chair fell over inside the cab onto the cab driver's lap. This is because the drivers are not being trained properly. Another story is of a man who was not strapped into the cab in his wheelchair, and the back door of the cab opened in traffic. Luckily, he did not fall out. The fact that these kinds of safety issues exist and the Taxicab Authority ignores them, while at the same time this bill is coming forward, indicates something is fishy. All I have to say is that you have to look more closely at the fact that it says nonprofit or not-for-profit. Who is making a profit off of this bill, and why it is being presented in such a fashion where we were lucky enough to hear about it in the nick of time? Then at the same time, when it was hard enough to get people to the public meetings, the meeting is cancelled, and we cannot speak to it because it is no longer on the agenda. When stuff like that is going on, it is very fishy, and you and the rest of this community have to take notice of that to ask the right questions.

SANTA PEREZ (Nevada Council on Developmental Disabilities, Department of Health and Human Services):

I would like to read a statement from the Nevada Council on Developmental Disabilities and at the end give my own testimony:

The Nevada Governor's Council on Developmental Disabilities is a consumer-driven council on activities that supports people with developmental disabilities. The council consists of citizens with developmental disabilities, parents of children with developmental disabilities and representatives from State and private organizations concerned with the provision of services to people with developmental disabilities. Sixty percent of the council is composed of people with developmental disabilities and parents of children

with disabilities. The mission of the council is to assure that individuals with developmental disabilities receive the services, supports and opportunities they need to achieve independence, productivity, integration and including them into their community. One of the ways the council carries out its mission is to provide information to policy makers on issues that may affect people with disabilities. We are strongly against this bill. We feel that there needs to be more than one way to have adequate ways of transportation for the elderly and people with disabilities.

When I ride a taxicab, the drivers seem to be afraid of me. They do not even talk to me or tie me down in the proper way. This is a safety issue. Is there not a law that states that all persons need to be buckled down? Some taxicab drivers are violating the law. There are many instances where people are getting hurt or getting ripped off or worse. One reason why you have not heard about these instances is because if a person reports it, the manager assures you that everything will be fixed, and then you never hear from them again. I do not feel that the taxicabs are doing the job in providing good services to people with disabilities. I do not understand how some people can stand by this bill so that any other company will not be able to provide transportation to the elderly or people with disabilities ever again. You are not getting the whole story. Please do not pass this bill.

SENATOR CEGAVSKE:

I want to say hi to Santa. I had the privilege of working with her as did our State Senator and now U.S. Congresswoman, Dina Titus. Santa, thank you for all your hard work for people with disabilities, and thank you for your testimony.

DAVID KILTON (People First):

Recently, I called a cab to go to the store five blocks from my house. I waited approximately three hours for the cab. I asked them if this problem happened often, and they said, yes, quite frequently. It depended on the time of day and how many cabs are out there to transport people with disabilities. Eventually, I had to cancel the cab because it never showed up after three hours. Imagine if this was someone who needed to be at work by 8 a.m. They cannot show up late at 11 a.m. for an 8 a.m. job. There is a need for another cab company that will support just the disabled community.

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KIMBERLY RUSHTON (LifeTrans):

I am legal counsel to LifeTrans and was requested to be present to answer questions that arose during the last Senate Committee hearing on this matter. My clients have authorized me to be responsive to your questions, if there are any. Otherwise, recognizing that this is a workshop, we do not intend to present any testimony, but will be responsive to any questions you may have.

SENATOR CARLTON:

Are you still a member of the transportation board?

Ms. RUSHTON:

No. I am with the law firm Cooper Levenson.

SENATOR CARLTON:

Is LifeTrans the entity that was brought up in the original hearing?

Ms. RUSHTON:

Yes, prior to this hearing before the Senate Committee.

SENATOR CARLTON:

You provide transportation services. Are those more medically aimed or strictly transportation services, as heard earlier?

Ms. RUSHTON:

Specifically, LifeTrans is a nonprofit nonmedical emergency transportation provider that provides non-ambulatory medical transportation to patients traveling to and from various care centers, hospitals, dialysis and chemotherapy appointments.

SENATOR CARLTON:

Are they a Title 26 Internal Revenue Code section 501(c)(3)?

Ms. RUSHTON:

The application has been filed and we are still awaiting the determination letter. They have filed as a nonprofit with the State. Specific to Internal Revenue Code rules, a nonprofit is a state law concept. A 501(c)(3) is a tax-exempt process.

SENATOR CARLTON:

How many vehicles does LifeTrans have right now?

Ms. RUSHTON:

LifeTrans currently operates eight vehicles in Clark County.

SENATOR CARLTON:

Is it a flat fee or a metered-type fee?

Ms. RUSHTON:

They do not charge the individuals they transport. Their agreements are with specific hospitals, health maintenance organizations and, pursuant to *Nevada Revised Statutes (NRS) 422*, with LogistiCare.

SENATOR CARLTON:

Then this bill would not impact them because they have those contracts?

Ms. RUSHTON:

The bill would, in one capacity. Specific to the contract with LogistiCare and the NRS 422, that service would be exempt pursuant to this legislation. There are other contracts which are predominately services provided to elderly individuals or individuals with disabilities such as those who previously testified. There is the possibility that one part of their operations would be required to be certificated; if so, we would work with the Nevada Transportation Authority (NTA) to make that determination.

SENATOR NOLAN:

I cannot understand why they would not want to subject themselves to the licensing process. But when we have both medical and nonmedical transport companies providing these services that are regulated, some people who are transported fall into the gray area.

By way of disclosure, I managed a medi-car company, and sometimes we would get calls from people who were ill and needed more of an ambulance transport, but because of insurance or carrier reasons, they contacted a medi-car type of transport. You never know with people with disabilities, medical conditions and special needs; sometimes do need medical care.

Why would you not subject yourself to the same licensing that the rest of the transport companies who provide similar services do?

Ms. RUSHTON:

Currently, under NRS 706.745, LifeTrans is not required to be certificated. They are a nonprofit and, as such, they are not required. They sought the exemption from the NTA, which has exclusive jurisdiction over nonemergency medical transportation providers, and they were granted that. There have been questions raised. They have been investigated as a result of this by the NTA, and I am happy to report they still enjoy their nonprofit exempt status with the NTA. Similar to the comments previously raised, it is not just entities such as LifeTrans but other smaller nonprofits that provide similar services that would be caught up in this obligation to be certificated. That is why, with respect to the position of LifeTrans, we do not support A.B. 296. We ask that in the balance of things for competition reasons, business purposes and the safety of the individuals who have previously testified, that you allow these entities time to be certificated, if that is the wish of this Committee. I am asking as a simple request that you approve the amendment by Gary Milliken to extend the effective date to January 2010 to allow the companies to be certificated, if that becomes necessary.

SENATOR NOLAN:

Because you were not a certificated carrier, how much of an investigation would the NTA be authorized to conduct on somebody they do not have regulatory authority over?

Ms. RUSHTON:

Under the specifics of NRS 706, the NTA has exclusive jurisdiction over commercial transportation in Nevada. Then there are various exemptions and other provisions provided as it applies, for instance, to the Taxicab Authority. In those instances in which an exemption such as the one the LifeTrans has, if the company is operating outside the scope of their authority and their operations would otherwise be consistent with those requiring certification, then the NTA has exclusive jurisdiction to investigate them, require they be certificated, impound their vehicles, issue citations and ultimately fines against them. So, it does not extinguish your authority simply because of the fact that a company has sought exemption from being certificated. If at any time they operated outside the scope without authority, then the NTA reserves the right to require them to be certificated and/or impound their vehicles and seek to shut down their operations.

CHAIR SCHNEIDER:

Since there is no further testimony, I would like to close the work session on A.B. 296. The Vice Chair has asked that we hold this bill until next week for more research, but we anticipate we will take action next week. We will now open the hearing on A.B. 387.

ASSEMBLY BILL 387 (1st Reprint): Makes various changes to provisions concerning energy resources. (BDR 58-223)

ASSEMBLYMAN MARCUS CONKLIN (Assembly District No. 37):

I am sure you are aware that Nevada was one of the first states in the union to pass a renewable-portfolio standard (RPS), in 1997. Since then, the RPS has become a popular option for creating a market for renewable development. Currently, more than 25 states have an RPS policy in place and we anticipate that would grow with a possible national standard as soon as the end of this year. The expansion of the RPS policy as a tool compiled with commercial demand for earth-friendly energy has driven up demand for renewables well beyond current and future supply. Just this year, NV Energy met its RPS requirement for the first time. Considering current development versus the increase in RPS in the next biennium, it is highly unlikely that even our own utility will be able to meet the standard in the near term. This is not a Nevada phenomenon; in fact, the national renewable-energy laboratory reported in October 2007 that by 2010 the demand for renewable energy in the United States would outstrip supply by 37 percent. What exactly does that mean? It means we will need 50 percent more supply than will be available. As we are all aware, when demand is higher than supply, prices rise. The 37-percent greater need than the available supply will increase prices dramatically. In preparation to deal with this issue, I present A.B. 387.

Let me be clear, A.B. 387 seeks to facilitate renewable development in an effort to comply with our RPS in a way that is the lowest possible cost to Nevada ratepayers. This bill does not exclude other nonutility or other transmission providers from building or developing in Nevada. How do we do this? There are three main provisions in the bill. First, it raises the bar, setting renewable-energy goals further into the year 2025 and beyond. These ambitious goals will help drive up renewable-energy development now and for years to come. They are also the same provisions being considered in Congress as a national RPS standard. Second, it adds features to the resource planning process to encourage development of transmission facilities serving zones rich in renewable

potential. Finally, it gives large customers and their providers who have exited the grid under our existing laws more certainty as to what renewable-portfolio standard they are required to meet.

I will take you through some provisions of the bill, starting with section 9. In 2025 and each year after, the bill requires our investor-owned utility to generate, acquire or save for renewable-energy systems or efficiency measures 25 percent of the electricity they sell. That is 25 in 25. Additionally, in 2015 and each year thereafter, at least 6 percent of the renewable-portfolio standard must be generated from the solar renewable-energy systems.

Section 8.8 expands the definition of renewable-energy system to include systems transmitting electricity over power lines connected to the utility, but not owned or controlled by the utility. This gives NV Energy more flexibility in meeting the portfolio standard and allows the company to bring in renewable energy over the western regional grid at the best price possible to the consumer.

Sections 4.7, 10.3 and 10.7 revise the application portfolio standard to those large customers who exit the grid and receive their electricity from providers of new electric resources. These providers will continue to be subject to the renewable-portfolio standard. Assembly Bill 387 locks in the standard that applies in the year the provider wins approval to serve an eligible customer. The standard remains the same until the PUCN approves an increase in the amount of electricity the customer may purchase from that provider. When that occurs, the standard changes to the one that applies in the year the PUCN approved the increase.

SENATOR CARLTON:

The customer exits the grid, the RPS is at, let us say, 10 percent, and they do not need to adjust what they are doing for 4 years. They would stay at the 10 percent until a change of contract or something is altered. When they did that, if the RPS was at 13 percent, then they would have to comply with the 13 percent. Would they not automatically be bumped up every year the RPS is bumped up?

ASSEMBLYMAN CONKLIN:

That is correct. That is as the bill is currently written. You may get testimony on that issue; that is a portion of the bill that may need some amending, and I am

working with interested parties to deal with it. The concept is that NRS 704B is a set-aside provision for people who leave the grid. As a policy maker, it is a difficult issue to deal with as there are two sides. One side is those that leave generally leave because they are seeking price stability. For whatever reason, their business requires a certain amount of stability in that price and a certain amount of stability in access to an exact amount of energy. On the other hand, in order to best protect the utility, we need to have little or no incentive for people to leave the grid. If it becomes economically advantageous for somebody to leave, except for rare cases, then more people will leave, and that puts a great burden on the ratepayers in the system. It is a complex balance with that particular provision. It may not be quite done, but it is as close as we can get it, and new information over the last two days may require some adjustment to that.

SENATOR CARLTON:

I remember when we put this in the bill. I understand what you are trying to balance. I want to make sure I understand your provision in the bill so as we look at any other proposed changes, we can correctly compare them all.

ASSEMBLYMAN CONKLIN:

The provisions I pointed out all deal with the RPS or provisions related to the RPS standard. This bill also revises the resource planning process and creates what is commonly referred to as competitive renewable-energy zones.

Section 6 directs the PUCN to designate renewable-energy zones where there is generation capacity, but where transmission constrains the delivery of electricity to customers. Section 6 then directs the PUCN to require an investor-owned utility to include transmission facilities for those zones in its resource planning in order to facilitate meeting the RPS. Under section 7, when the PUCN reviews the plan, it requires the PUCN to consider the level of financial commitment from developers of renewable energy in each zone. Section 8 then allows the PUCN to accept the transmission plan for a zone if it finds that the facilities would assist the utility in meeting the RPS standard at a low cost to the consumer.

Benefits of sections 6, 7 and 8 are, under existing law, that a utility may recover the just and reasonable cost of planning and constructing a facility identified in a three-year plan and accepted by the PUCN for acquisition or construction. The intent of this portion is to break the chicken or egg dilemma

that stalls development of transmission from areas rich in renewable-energy potential.

In order to truly facilitate renewable development in the State, people have to be able to get the energy to market. Unlike a lot of the energy we generate, you just cannot put one of these plants anywhere, you have to go where the resource is; whether it is geothermal, solar or wind, there are specific land places for that. In many cases those locations are remote, therefore you do not want to build something in a place where you can build the energy, but you cannot bring it to market. Often a utility will say they will build the transmission if you build the plant, and the other says, great, we will build the plant if you build the transmission. Who goes first? Who has the financing to go first? It becomes a long, drawn-out battle to move inch-by-inch to get people to the place where they can develop. This is designed to put surety in the process. If the utility comes before the PUCN, for example, to say they have a developer of 100- or 400-megawatt solar facility in zone 2, with \$1 million up-front nonrefundable cash deposit from the developer, the PUCN can respond that they are willing to help them get transmission to that location through this process. That way the developer has surety he can bring his product to market, and the utility has surety that once they build the transmission they will be energy-ready for the consumer. In that way, A.B. 387 facilitates the delivery of renewables to our customer base.

To be complete in my testimony, there are several amendments I am working on that are not yet fully drafted, but I want to make the Committee aware in case you want to discuss them. Section 6, subsection 4, currently reads, "The Commission shall require the utility to include in its plan a plan for construction or expansion of transmission facilities to serve renewable energy zones." We will lift language from page 7, lines 1 and 2, to clarify that this is to facilitate the utility meeting the portfolio standard. The insertion is to make clear that this is a tool to meet the RPS, not a tool for any other purpose. Section 7, subsection 3, in paragraph (c), there are six items. We would like to add a seventh item that reads, "Other transmission providers." The third amendment is from Fred Schmidt representing Ormat Technologies. It would fit in this bill under section 8.8, and we are in agreement with that amendment. Technically, the amendment deletes from lines 34 on page 8 to line 2 on page 9. It has additional language to be inserted in paragraph (b), subsection 1. In section 4.3, line 11 now reads, "all information about any transmission plan proposed or adopted" We would like this language to read, "any transmission plan

proposed, adopted or known” The idea is to make sure we are capturing all the transmission in our State, but also transmission that may be coming into our State or connecting into Nevada from out of state.

I have two more amendments, and I do not have any place to put them yet, but I want to get them in front of you because they came to me late yesterday. One of them is to provide more tools because we know demand outstrips supply. There is nothing we can do about that. There is not enough development to meet the current RPS standard in California alone, in terms of being able to reach California and deliver what their supply is, let alone our standard, Arizona’s standard, all the western states’ standard. We want the utility to meet the standard. It is good for our future. It is good for development in our State. It is good for the earth. But they need more tools to actually have access to the renewable energy that is going to be developed, in an environment that gives them, not necessarily a competitive advantage, but equal playing field so that our consumers do not pay an excessive price for the renewables simply because we have a policy that mandates they have to have it. Almost all of the provisions are designed to give us an advantage to other states.

I met, yesterday, with Dr. Geçol from the Office of Energy and talked about two additional amendments to A.B. 387 to add language in the RPS compliance portion of law that allows a utility, if they meet the current standard, to not get fined. But, whatever, you do not get is lost. We would like to say that if the utility makes every effort possible and does not meet the RPS, they will not be fined. But what you do not meet will be added on to the next portion. For example, if you needed 100 renewable-energy credits, you could only get 90 credits. Typically, now, unless you could prove a bunch of things, you would get a substantial fine. Eventually, although it is not direct, any cost to the utility finds its way back to the ratepayer. Nothing is done for free. I would like to say okay, you have 90 energy credits, you did everything you could, you can prove it to us, fine. Next year, instead of 100, you need 110—it is like “roll-over minutes”—and it will work both ways. If this year you are able to get 110 credits because it is cost-effective to do so, we will allow you to bank those as well. It allows flexibility in the plan as they are available. This gives us more tools.

SENATOR CARLTON:

They can either pay on the installment plan by adding on to the future, or they can pay ahead and end up ahead one year with energy credits.

ASSEMBLYMAN CONKLIN:

We do not want to discourage early development, we would like it if they could get ahead. Right now there is not enough development in our State for certain, but even on the western grid, I am not sure there is enough available to meet our standard going forward. It would be nice if we could say for certain that we could and would want to continue to raise our standard.

CHAIR SCHNEIDER:

Do you know how much is needed in California?

ASSEMBLYMAN CONKLIN:

California has 33 percent, but I am not sure. The last figure I heard was about 30,000 megawatts (MW); peak load 35,000 MW. Nevada's total for the entire State is 6,000- to 7,000-MW peak load. That gives you an idea of the renewables needed; it is massive, just in California. The future market is substantial.

Finally, we are attempting to do this in a way that also continues to encourage in-state development for the obvious reason. One of the proposals we have is to consider a renewable-energy credit adjustment. This policy will allow utilities to make purchases out-of-state. Right now they can only purchase in-state. This will allow them to purchase out-of-state when they cannot get it in-state or when the price is such that it is cheaper to do it. The question becomes, if it is cheaper to do it out-of-state, does that discourage in-state development? Some states such as Colorado address that by saying if you purchase an in-state resource, you get one and one-quarter credits. The problem with one and one-quarter credits is it diminishes the RPS standard. Then it begs the question, do we want to adjust our RPS standard up if we get a lot of in-state development? The way to back in to this is to say that for any in-state purchase, you get one credit, for any out-of-state purchase you get 0.8 credits. The ratio is the same, it is 1:1.25 or 0.8:1, and the only thing is we are not adjusting the RPS standard. If you buy in-state credits, you will have the exact same credits now as you did yesterday or tomorrow. If you buy out-of-state, you have to pick up a few extras. That way we continue to encourage in-state purchase and in-state development, but it is not so onerous that it has a big overweight on the cost of renewable-energy credits.

VICE CHAIR CARLTON:

We heard a lot of testimony yesterday about purchasing credits from outside the State. This truly is a 500-piece jigsaw puzzle we are trying to put together amongst 6, 7 or 8 bills on energy that are out right now.

ASSEMBLYMAN CONKLIN:

I have done the best I can to work this out, and do not think there will be any opposition, but we will see.

I would like to get something on the record to make it clear. To repeat, A.B. 387 seeks to facilitate renewable development in an effort to comply with the renewable-portfolio standard in a way that is the lowest possible cost to Nevada ratepayers; that is the mission of this bill. It does not, in any way, exclude nonutility or other transmission providers from building or developing in our State.

HATICE GEÇOL, PH.D. (Director, Nevada State Office of Energy):

We are supportive of this bill. We are working with Assemblyman Conklin and he has addressed several concept people who have been brought to his attention.

JOE JOHNSON (Sierra Club, Toiyabe Chapter):

I am in support of the bill and appreciate the efforts put forward. In particular, we approve of the proposal, the transmission and how it is dealt with in the bill. We do have concerns about the NRS 704B provisions contained in this bill, and would like to work with the interested parties on that. We appreciate the difficulties the utilities would have in meeting the future portfolio, but there is concern about how this would affect the other entities in the area.

CHARLES M. BENJAMIN, PH.D., J.D. (Director, Western Resource Advocates):

I want to speak to the competitive renewable-energy-zone issue, because I was the one who was responsible for bringing that idea here. This is an idea I discussed with Senator Townsend about a year ago and with you, Mr. Chair, last December. It first emerged in Texas where they had a similar problem to what we are experiencing in Nevada and in other states that have portfolio standards. West Texas had a tremendous wind resource and developers were ready to develop, but there was no way to get through the process through their Public Utility Commission of Texas (PUCT) because they could not develop a prudency standard. Unlike a coal or nuclear plant, where if you build a plant,

the transmission is by definition prudent if the generation is prudent. In Nevada, the problem is the renewables are scattered around making it difficult for the PUCN to say it is prudent to build transmission when there are not developers ready; it is the chicken and egg problem. Texas cut through that by having the legislature authorize the PUCT to develop a prudency standard if they could identify the zones when they were certain that the energy was there. Once that was done, it opened up Texas remarkably. They now have an RPS of 10,000 MW of wind. They were stuck. They are now at 71,000 MW; far beyond any other state in terms of wind energy. They also have the potential for solar-thermal energy in the same zones, so they are going gangbusters in Texas, and it is all for native load and not for export. Colorado adopted similar legislation, and it has not been as successful yet. The reason why, is that Colorado had the utility develop the zones, where Texas had the PUCT develop the zones. This bill has it right in that it is better to have the PUCN develop the zones through the integrated resource plan process. That is an ongoing process in which we will learn more through the "RETC renewable energy tax credits process" Governor Gibbons set up through a process in California. The Western Governors Association is identifying zones and our organization is identifying zones. There is a lot of dynamic information that is ongoing. We need to give the PUCN the opportunity every three years or so to reevaluate. If the utility brings forward a plan, then by definition it becomes prudent. That is a critical legal breakthrough that is in this bill. You will see once we get through this liquidity crisis and developers get the money to develop the project, which is a lot of the problem now, then the portfolio standard will quickly become obsolete. A similar situation happened in Texas. Once the money is obtained, this portfolio standard will be exceeded rapidly. Nevada has the resources far better than any other state.

JO ANN P. KELLY (Chairman, Public Utilities Commission of Nevada):

With respect to A.B. 387, the commissioners have individually spoken to this bill in the Assembly and supported the goals of the bill. I am here to speak to the amendments, in particular section 4.7 and related sections. There is a concern regarding the disparity between the NRS 704B customers and the other customers. We believe it could have an unintended effect to encourage bypass, but a working group has been established and we are willing to participate in that process. The other comment is that the technical group at the PUCN has looked at some changes in the language in sections 6 and 4. Our impression, after looking at that language change, is that absent any comments on legislative intent to the contrary, there is no change in terms of the standards

we use in which we evaluate and review resource plans and ultimately approve them. Absent to any changes to the contrary, that is the way we are going to go forward.

JUDY STOKEY (Director, Governmental Affairs, NV Energy):

We are in support of A.B. 387. We like the concepts and want to get more renewables in Nevada at the lowest cost. I understand the concern with NRS 704B, and I understand that is not going to change what we do now. We are working with the Chair on some of the amendments to the bill. We would also like to see the things discussed today in writing, and we are in support of those concepts as well.

JOSH GRIFFIN (Barrick Goldstrike Mines Inc.):

We are also in support of A.B. 387. Nevada's RPS statute imposes an obligation to providers of electrical service. Under the stipulations authorizing the exit of Barrick Goldstrike Mines from the retail system of NV Energy, Barrick has to comply with the RPS. Since December 2005, which was when Barrick exited the system, we have worked to comply with the unbundled portfolio energy credits (PEC) from geothermal providers. We have installed thermal meters on county facilities to obtain the efficiency credits from the thermal facilities. Finally, we spent over \$10 million to build a photovoltaic field at the Western 102 site. That solar field is the largest private-sector solar unit in northern Nevada. Barrick has gone to considerable expense and showed good faith in attempting to meet the requirements of the existing statutes and gain valuable insight into the renewable market. However, Barrick is not a utility; it does not have the buying power or the natural advantages of a utility and does not want to compete with the utility. In reality, going forward, especially with the increasing standards, NV Energy and out-of-state competitors are buying every available PEC generated inside the State. Barrick's presence in the market seems to have had the consequence of sellers of PECs using one party to potentially bid up the price for the renewable credits before they sell to the utility or the out-of-state purchasers. That leaves Barrick the small units for which transaction costs are exceedingly high. It often makes it difficult to cobble together enough nonsolar PECs to satisfy our obligation. Our effort to buy small amounts is having the unintended consequence of driving up the price for all buyers to the detriment of the ratepayer. Assembly Bill 387, as approved by the Assembly, establishes the portfolio standard for NRS 704B entities at the current level or the level that will exist for the year others might depart the system.

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SENATOR NOLAN:

Where is the power plant located?

MR. GRIFFIN:

It is just east of Sparks.

LARRY MORASSE (General Manager, Western 102 Plant, Barrick Goldstrike Mines, Inc.):

We are about 13 miles east of Sparks, and about 1,500 feet from the Tracy Power Plant of NV Energy.

SENATOR NOLAN:

Are you in the Tahoe-Reno Regional Industrial Center or just outside of that?

MR. MORASSE:

We are just outside of that, but we use their sewer and water.

SENATOR NOLAN:

Is the energy you generate sold on the grid?

MR. MORASSE:

No energy is sold. We are serving the load demand of our three mines from NV Energy service. The power plant allows us to generate to serve that load, and we also go on the open market.

CHAIR SCHNEIDER:

Barrick went off the grid and purchased their own plant several years ago when we allowed that. They took advantage of the market at the time for financial reasons and were able to save money.

MR. MORASSE:

Actually, there were two reasons, one being financial. In 2003 and 2004, with Barrick operating the large mines, we looked at the total power demand and with NV Energy at that time and their financial position, which was kind of dire, we needed stable power. An interruption at a mine, even for 2 minutes will bring the entire mine down and it takes 2 to 3 days to bring it back up, so the financial impact on power interruptions at that time was something we wanted to avoid. Part of the change was mitigated by our exit fee which evaluated the impact to the ratepayers.

CHAIR SCHNEIDER:

Barrick took advantage of that and now they are in competition. Change is happening, and after we get through this Session with legislation passed on renewables, then we will come back in two years to pass more renewables contributing to the game changing. Is what Barrick needs now some relief because the competition got too intense?

MR. GRIFFIN:

The answer to that question is yes. Obviously, we need some stability and predictability, which was one of the attractions at the time of exiting the system. There were some assumptions made in 2001, when the concept of NRS 704B was created by this body, that there would be a significantly higher number of people who exited the system. We have found since 2001 that Barrick is the only one. In the scheme of the entire State, we are a small user and that predictability is easier with a larger pool, a larger market, to adjust to the growing changes in the RPS for one user. One of the things we support about this bill is the predictability.

CHAIR SCHNEIDER:

Have you thought about getting out of the power business and selling the plant?

MR. MORASSE:

No, we have not thought about that. It is always in the foreseeable future.

TOM CLARK (Sempra Energy; Cogentrix Solar Thermal):

We are in support of the bill with the proposed amendments.

CHAIR SCHNEIDER:

We will close the hearing on A.B. 387 and bring it back on Tuesday to vote it out then. With that, we will go to the work session and take up A.B. 510.

ASSEMBLY BILL 510: Revises various provisions governing the Public Utilities Commission of Nevada. (BDR 58-1140)

CHAIR SCHNEIDER:

Committee, there is a job description for the executive director provided by the PUCN with an organizational chart (Exhibit C). There were no proposed amendments.

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SENATOR CARLTON MOVED TO DO PASS A.B. 510.

SENATOR BREEDEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR SCHNEIDER:

Assemblyman Atkinson prepared a mock-up of A.B. 25 that is in the workbook ([Exhibit D](#)).

ASSEMBLY BILL 25 (1st Reprint): Revises provisions governing examinations of applicants for a Nevada driver's license. (BDR 43-343)

SENATOR CARLTON:

Does someone remember what the \$50 administrative fee for the return to a different jurisdiction of a driver's license is for?

ASSEMBLYMAN KELVIN ATKINSON (Assembly District No. 17):

This fee was developed because of the out-of-state people coming to our State who have not paid any taxes or other things. The Department of Motor Vehicles (DMV) is having a challenge with out-of-state people getting a license, and many of them do not stay, and this higher fee compensates for expenses.

SENATOR CARLTON:

People coming from other states are charged \$50 to surrender their driver's license and then we are going to charge them ...

ASSEMBLYMAN ATKINSON:

We are not going to do both. We are not going to be double-dippers. They are going to pay one \$50 fee to allow them to surrender their out-of-state driver's license and get their Nevada driver's license; it is for everything involved in the process.

SENATOR CARLTON:

How much is it to get a driver's license now?

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ASSEMBLYMAN ATKINSON:

It is \$22. They are not taking the test or anything. This fee is just to surrender their license and get a Nevada identification. As I said, in a lot of cases, they do not stay and take our license with them, and we never see it again. It is twofold.

SENATOR CARLTON:

Do know about how many people this fee would apply to?

ASSEMBLYMAN ATKINSON:

I do not have the information with me, but it is about 7,000 people a year.

SENATOR CARLTON:

If they do not have a license from another state or surrender their license from another state, they take the driver's test and pay the \$22. If they do not want to be tested, but surrender their out-of-state license, they pay the \$50 and out they go.

ASSEMBLYMAN ATKINSON:

Correct.

SENATOR CARLTON MOVED TO AMEND AND DO PASS AS AMENDED
A.B. 25.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR SCHNEIDER:

We will now take up A.B. 503.

ASSEMBLY BILL 503 (1st Reprint): Creates an advisory committee to develop recommendations for the funding of highways in this State. (BDR S-954)

CHAIR SCHNEIDER:

Discussions between the houses may be different as some were about the Speaker of the Assembly and the Majority Leader of the Senate appointing

people to this advisory committee. Senator Carlton and Senator Cegavske had questioned whether the minority party should appoint a person. Under the current bill it is a six-member committee, and I offered an amendment to take it to eight members ([Exhibit E](#)). The minority party of each house gets to appoint a member. The Senate Majority Leader and the Speaker of the Assembly would still pick one Legislator from each house and two citizens, and the minority leaders from each house would pick a citizen. Because of the State's financial status and because this committee would meet every three months, we added on page 2, line 18, "To the extent practicable, conduct its meetings via video conference." Also on page 2, line 4, "The Majority Leader of the Senate, the Speaker of the Assembly, the Minority Leader of the Senate and the Minority Leader of the Assembly shall, to the extent practicable, ensure that the members appointed to the advisory committee reflect the geographic diversity of this State." That was added in response to a question from Senator Lee regarding balanced representation from the north and south parts of the State.

SENATOR NOLAN:

I know the purpose of the committee is to create an advisory ballot question that I agree with. I do not know, since there are that many people on the committee whether they may come up with some bill draft request (BDR) recommendations. Of course, those can always go back through the chair of transportation, if they want to. Or it may be something the chair of the Assembly Committee on Transportation gives them for the ability to have a BDR in addition to the ballot advisory question.

ASSEMBLYMAN ATKINSON:

The thought was to develop this advisory committee so it would not be viewed as the Legislature putting forth this question; it would be more citizen-driven than legislative-driven. As for coming up with a BDR, I do not have an opinion one way or the other on it. I am sure there is going to be some type of transportation interim committee from us, so I do not know if it would be more appropriate to come from there or from here. In my opinion, I would be more inclined to have it come from that transportation committee as opposed to this advisory committee.

CHAIR SCHNEIDER:

This advisory committee will probably stay together over the interim, and there will be 2 Legislators who will be on this committee with 30 BDRs available between the Legislators.

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JEFF ALLEN (Global Crossroads Capital):

I am working in conjunction with Rick Horn with the Nevada Procurement Outreach division, and I am also known at the Nevada Film Commission and the Nevada International Trade Office. I am an advocate for A.B. 503. I have been in enough states and countries as a veteran-owned business, and have seen that private-public partnerships do work. When you have the term sheet on the table, you do have to look at it. In this instance, I would offer my services to represent the State in making sure they get the proper term sheets. My purpose today is to indicate that I have already sent postal correspondence to most members of this Committee. The issue is whether or not I can come up with substantial funding for the State for not just toll roads, but for refineries, bridges, airports, alternative-energy plants and so forth. It is whether or not I would be authorized to do so. One source has approached me indicating they would be willing to offer industrial revenue bonds beginning at \$200 million. I will also address this issue with U.S. Senator John Ensign at the upcoming Federal Procurement Conference in Las Vegas on May 29. I welcome any of the members of the Senate and Assembly to contact me with any questions they may have regarding my procedures and abilities to address this issue.

CHAIR SCHNEIDER:

Assemblyman Atkinson will probably be in touch with you to notify you of the hearings when this advisory committee is put together.

ASSEMBLYMAN ATKINSON:

For the record, the Chair did see me last night about this, and I am sorry if I misunderstood where we were going with the minority party. It was easier when the minority party had the Senate, and you could say the Senate Majority Leader and then the Assembly Speaker and you usually had someone from both. Your concerns are right that if we did it the other way, they would not be able to capture that. It made sense.

SENATOR CARLTON MOVED TO AMEND AND DO PASS AS AMENDED
A.B. 503.

SENATOR NOLAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHNEIDER:
We will take up A.B. 186.

ASSEMBLY BILL 186 (1st Reprint): Revises the definition of “public utility” and “utility.” (BDR 58-189)

I know it is not on our agenda. There is an amendment on section 9 by NV Energy ([Exhibit F](#)).

MS. STOKEY:
This amendment clarifies the intent of the bill that if someone were to put a system on their property, they could only supply power to their load on their property. Mr. Clark spoke to Assemblywoman Leslie, and I am getting this third hand that she is okay with this amendment.

MR. CLARK:
I have had extensive conversation with the bill’s sponsor and Assemblywoman Leslie is fine with the amendment.

SENATOR TOWNSEND:
I am familiar with the bill and the amendment.

SENATOR CARLTON MOVED TO AMEND AND DO PASS AS AMENDED A.B. 186 WITH THE AMENDMENT PROPOSED BY NV ENERGY.

SENATOR BREEDEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR SCHNEIDER:
Committee, we will now go to A.B. 291.

ASSEMBLY BILL 291: Revises provisions relating to motor vehicle registration. (BDR 43-919)

There is a proposed amendment from Senator Townsend in your workbook ([Exhibit G](#)), and Assemblywoman Spiegel has two conceptual amendments

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[\(Exhibit H\)](#). Assemblywoman Spiegel is testifying in another committee right now. We will put off this bill until next Monday to give her a chance to speak to her bill.

There being no further business before the Senate Committee on Energy, Infrastructure and Transportation, we are adjourned at 10:21 a.m.

RESPECTFULLY SUBMITTED:

Laura Adler,
Committee Secretary

APPROVED BY:

Senator Michael A. Schneider, Chair

DATE: _____