



NEVADA LEGISLATURE
COMMISSION ON SPECIAL LICENSE PLATES
(Nevada Revised Statutes [NRS] 482.367004)

SUMMARY MINUTES AND ACTION REPORT

The first meeting and work session of the Nevada Legislature's Commission on Special License Plates were held on March 3, 2008, at 1 p.m. in Room 4401 of the Grant Sawyer State Office Building in Las Vegas, Nevada. The meeting was videoconferenced to Room 2135 of the Legislative Building in Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at www.leg.state.nv.us/74th/Interim. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMISSION MEMBERS PRESENT IN LAS VEGAS:

Assemblyman Kelvin D. Atkinson, Chairman
Senator Maggie Carlton
Assemblyman Chad Christensen
Assemblyman Mark A. Manendo
Jerry Hafen, Director, Department of Public Safety (nonvoting member)
Virginia "Ginny" Lewis, Director, Department of Motor Vehicles (nonvoting member)

COMMISSION MEMBER PRESENT IN CARSON CITY:

Michael E. Fischer, DDS, Director, Department of Cultural Affairs (nonvoting member)

COMMISSION MEMBER ABSENT:

Senator Dennis Nolan (Excused)

LEGISLATIVE COUNSEL BUREAU (LCB) STAFF PRESENT:

Marjorie Paslov Thomas, Senior Research Analyst, Research Division
M. Scott McKenna, Senior Principal Deputy Legislative Counsel, Legal Division
Paul V. Townsend, Legislator Auditor, Audit Division
Rocky J. Cooper, Audit Supervisor, Audit Division
Dennis Klenczar, Deputy Legislative Auditor, Audit Division
Ricka Benum, Senior Research Secretary, Research Division

OPENING REMARKS

Chairman Atkinson welcomed the Commission members and introduced the newly-appointed nonvoting member, Jerry Hafen, Director, Department of Public Safety. The Chairman summarized the Commission's previous meeting, held January 22, 2007. At the meeting, the Commission implemented uniform standards to assess qualifications of the applicants and organizations with existing special license plates. There were four special license plates approved based on those standards, including: (1) Horse Power; (2) Nevada Carpenters Union Local No. 1977; (3) Friends of Red Rock Canyon; and (4) Douglas County Sheriff's Search and Rescue. Chairman Atkinson reported that the Horse Power and Nevada Carpenters Union Local No. 1977 plates are being produced and are in circulation; the remaining two license plates are still in the design phase. He added that since the statutory requirement allows only 25 special license plates at any one time, the Commission will not consider new applicants.

OVERVIEW OF THE RESPONSIBILITIES OF THE COMMISSION ON SPECIAL LICENSE PLATES AND REVIEW OF SPECIAL LICENSE PLATES

- Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB, outlined the responsibilities and the procedures currently followed by the Commission. Ms. Paslov Thomas addressed the following key items of information:
 1. The Commission, created by the 2003 Legislature, is responsible for approving or disapproving applications submitted to the Department of Motor Vehicles (DMV) for special license plates. The DMV furnishes the applications and the person or organization may suggest the design and color scheme of the license plate. A surety bond in the amount of \$5,000 must accompany the application to the DMV.
 2. The previous requirement of 1,000 signatures be submitted with the application was repealed during the 2007 Legislative Session; the number of active registration remains at 1,000. Senate Bill 481 (Chapter 235, *Statutes of Nevada 2007*) amended the duties of the Commission and now requires that the Commission approve or disapprove any application authorized by an Act of the Legislature; however, the license plate may not be issued by the DMV without the approval of the application by the Commission.

Ms. Paslov Thomas explained that the special license plates under the jurisdiction of the Commission are defined in NRS 482.367004 "Commission on Special License Plates: Creation; membership; term; service without salary or compensation; administrative support; duties." (Please refer to [Exhibit B](#)). She referred the members to the Special Plate Matrix ([Exhibit C](#)) provided by the DMV, and the Special Plate Fund ([Exhibit D](#)), a spread sheet which illustrates the active registrations for each special license plate and denotes the total revenue generated from each license plate.

UPDATE CONCERNING CASE LAW PERTAINING TO THE PROCESS OF DIRECT APPLICATION, PETITION, AND ISSUANCE OF SPECIAL LICENSE PLATES

- M. Scott McKenna, Senior Principal Deputy Legislative Counsel, Legal Division, LCB, discussed the history of the Arizona court case which relates to the Arizona License Plate Commission ([Exhibit E](#)). The basis of the case stemmed from circumstances in different states that have created Special License Plate Commissions, yet state laws had not provided criteria for determining whether or not to approve special plates.

The Nevada Commission on Special License Plates and later the Nevada Legislature adopted organizational criteria under subsection 1 of NRS 482.367002 “Submission of application; qualifications of certain organizations that will receive financial support by way of special license plate; contents of application; authority of Department; surety bonds and release thereof; retention or return of plates upon disposal of vehicle.”

Mr. McKenna reported on the most recent development from January 28, 2008, in which the United States Ninth Circuit Court of Appeals overruled the U.S. District Court in Arizona on the following grounds: (1) Arizona had created a limited public forum under First Amendment purposes and could not make a decision to deny a license plate that was not “viewpoint neutral”; and (2) the Arizona statute as written states that if an organization meets the listed criteria, and then applies for a special license plate, the Commission shall approve the special license plate. Mr. McKenna stated that unlike Arizona, Nevada statutes are written in such a manner that the approval or disapproval of any special license plate is at the discretion of the Commission.

REPORT BY THE LEGISLATIVE AUDITOR CONCERNING CHARITABLE ORGANIZATIONS RECEIVING REVENUE FROM SPECIAL LICENSE PLATES (AS REQUIRED BY NRS 482.38278)

- Rocky J. Cooper, Audit Supervisor, Audit Division, LCB, outlined the required reports to be presented to the Commission under NRS 482.38278 “Legislative Auditor to present final written report to Commission on Special License Plates; distribution of report; contents of report,” ([Exhibit F](#)). Mr. Cooper briefed the Commission on the status of the organizations that were not in compliance with the filing requirements of September 2007. He stated that Senate Bill 451 (Chapter 239, *Statutes of Nevada 2007*) requires certain organizations receiving revenue from special license plates to provide information to the Commission on Special License Plates. In accordance with S.B. 451, the Audit Division reviewed the financial information relating to the: (1) adequacy of forms and records filed with the Commission; (2) evidence of improper financial administration; and (3) methods and procedures used to ensure the fees are expended solely for the benefit of the intended recipient. The report is based on the review of statistical information provided by the DMV. Mr. Cooper noted that the following two organizations did not comply with the information deadline:

1. The Nevada Ducks Unlimited did not comply with the request for information deadline of July 30, 2007; and
2. As of September 28, 2007, Hot August Nights had not provided adequate forms and records with its response for information.

Mr. Cooper explained that the extent to which methods and procedures are needed varies considerably from one organization to the next. He cited as an example that the use of license plate fees by the Future Farmers of America is broadly defined in statute. On the other hand Hot August Nights, Inc. must use the fees for a specific purpose. Procedures are therefore necessary to ensure that the funds are applied to children in need and scholarships.

In addition, Mr. Cooper explained that the revenue from the Animal Appreciation License Plate is distributed to each county in the State based on the sales of the plate in that county. The Audit Division found that certain counties have not received any funds and others only a small amount annually. Several counties were not familiar with the requirements for proper use of this license plate revenue and did not have adequate methods or procedures in place for use of the fees. Therefore, the Audit Division recommended the Commission send a letter to all counties receiving funds regarding the requirements to be followed.

Addressing the issue of the Nevada Ducks Unlimited, Inc. organization not complying with filing requirements, Mr. Cooper referred to the requests and timeline set forth in the February 19, 2008, letter ([Exhibit F](#)). He reported that since August 2007, the Audit and Research Divisions of the LCB have made numerous attempts to obtain accurate and complete information regarding the funds received from the Nevada Ducks Unlimited special license plate fees. The Audit Division determined the Nevada Ducks Unlimited, Inc. as unable to comply with the filing requirements under NRS 482.38277.

- Chairman Atkinson stated that the Commission will send a letter to the Nevada Ducks Unlimited, Inc. and the National organization of Ducks Unlimited informing them of this determination.

The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR CARLTON MOVED TO SEND A LETTER TO THE NEVADA DUCKS UNLIMITED NOTIFYING THE ORGANIZATION THAT IT HAS NOT ADEQUATELY FILED FORMS AND RECORDS WITH THE COMMISSION AS REQUIRED UNDER NRS 482.3827; PROPER PRACTICES OF FINANCIAL ADMINISTRATION HAVE NOT BEEN FOLLOWED; ADEQUATE METHODS AND PROCEDURES ARE NOT IN PLACE TO ENSURE SPECIAL LICENSE PLATE FEES ARE USED TO THE BENEFIT OF THE INTENDED RECIPIENT; AND THE ORGANIZATION'S STRUCTURE WITHIN NEVADA DOES NOT

ENSURE PROPER ACCOUNTABILITY OF THE MONEY RECEIVED FROM THE SPECIAL LICENSE PLATE FEE. ASSEMBLYMAN MANENDO SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

- Chairman Atkinson clarified that the representatives from Nevada Ducks Unlimited may provide a written request for a hearing within 20 days from receipt of notice, and the Commission must schedule a hearing within 30 days following a written request for hearing.

REQUEST TO REDIRECT REVENUE GENERATED BY THE NEVADA CARPENTERS UNION—LOCAL NO. 1977 SPECIAL LICENSE PLATE

- Dan Dyrdaahl, Financial Secretary-Treasurer, Carpenters Local No. 1977, Southwest Regional Council of Carpenters, Las Vegas, requested the organization's fees from the special license plates be redirected to the Nevada Community Foundation and submitted information on the Foundation ([Exhibit G](#)). He explained a change of vendor form was provided to the DMV and, in addition, offered to submit the necessary bylaws and paperwork to establish the Foundation.
- James Sala, Representative, Southwest Regional Council of Carpenters, supported the request to redirect the revenue from the Carpenters Union special license plate to the Nevada Community Foundation.
- Chuck Salter, Director of Development, and Interim President, Nevada Community Foundation, explained that organization's role is to administer, facilitate, and provide staff services for organizations wanting to provide charitable gifts through the Foundation. As a registered 501(c)(3) corporation, the revenue from the license plate fees is listed as a charitable donation to the Foundation. Mr. Salter added that the agreement with the Carpenters Union is one of advisement to the Foundation on where the funds are to be granted. He noted the Foundation's charter only allows for the grants to be given to other charitable interests.
- Chairman Atkinson requested the amount of revenue received from the Carpenters Union special license plates.
- Ginny Lewis, Director, Department of Motor Vehicles, responded that according to the DMV records, \$2,357 had been distributed through December 31, 2007.
- Mr. Dyrdaahl explained that during discussions to redirect the revenue a check was received by the Carpenters Union, but was not deposited until the designee was officially changed.

- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYMAN MANENDO MOVED FOR APPROVAL TO REDIRECT REVENUE GENERATED BY THE NEVADA CARPENTERS UNION LOCAL NO. 1977 SPECIAL LICENSE PLATE TO THE NEVADA COMMUNITY FOUNDATION. THE MOTION WAS SECONDED BY SENATOR CARLTON, WHICH PASSED UNANIMOUSLY.

PRESENTATION OF THE FEASIBILITY OF SPECIAL LICENSE PLATES FOR MOTORCYCLES AS REQUIRED BY ASSEMBLY BILL 278 (CHAPTER 88, *STATUTES OF NEVADA*) OF THE 2007 LEGISLATIVE SESSION

- Chairman Atkinson reminded the Commission that during the 2007 Session Assemblymen Ruben J. Kihuen and Tick Segerblom introduced Assembly Bill 278 (Chapter 88, *Statutes of Nevada*), which required the DMV to issue special motorcycle license plates for the five categories of veterans of the U.S. Armed Forces. It was ultimately determined that in all likelihood other organizations with special license plates may want their license plates available for use on motorcycles. Therefore, the DMV was asked to determine the feasibility of producing all special license plates as motorcycle plates.
- Ginny Lewis, previously identified, reported on the process used by the DMV to determine whether the license plates would accommodate the required information necessary on a motorcycle-sized license plate. Ms. Lewis explained that with current technology for the digital license plates, the DMV has the ability to maneuver the placement of “NEVADA” and the decal on the motorcycle-sized plates. The different graphic details on individual special license plates will determine what maneuvering needs to be done. Ms. Lewis emphasized that the DMV needs to consult with representatives from law enforcement agencies for their approval. She testified that the Department can issue all the special license plates to fit motorcycles at no additional cost.

FUTURE MEETING DATES

- Chairman Atkinson tentatively scheduled the next meeting of the Commission for January 2009.

PUBLIC COMMENT

- There being no public testimony, Chairman Atkinson submitted for the record a letter from Kelli Howe ([Exhibit H](#)), recommending that the number of active registrations for a special license plate be changed from 1,000 to 3,000. Ms. Howe also recommended that the cause of the charitable organization should be evaluated on the grounds of worthiness. Chairman Atkinson noted there may be challenges with rule changes in the current process, since the Commission and existing organizations with special license plates have already agreed to the required number of active registrations.

- Assemblyman Manendo concurred with Chairman Atkinson’s position not to alter the number of active registrations.
- Senator Carlton also concurred with Chairman Atkinson and noted that there are many worthy organizations. She suggested as a possible future solution to “freeze” an extremely successful special license plate that has generated a large amount of charitable revenue and the Commission could then approve an additional special license plate.

WORK SESSION—DISCUSSION AND ACTION REGARDING RECOMMENDATIONS CONCERNING SPECIAL LICENSE PLATES

The following “Work Session Document” ([Exhibit I](#)) was prepared by staff of Nevada’s Commission on Special License Plates (*Nevada Revised Statutes* 482.367004). The document contains recommendations within the scope of the study that were presented in hearings or submitted in writing for the Commission’s consideration. The document also may contain supplemental information as referenced in this document.

The possible actions listed in this document do not necessarily have the support or opposition of the Commission. Rather, these possible actions are compiled and organized so the members may review them to decide if they should be adopted, changed, rejected, or further considered. Individual or joint sponsors of recommendations may be referenced in parentheses. Please note that specific sponsors of the recommendations may not be provided if the proposals were raised and discussed by numerous individuals and entities during the course of the interim.

The members of the Commission may vote to send as many Commission statements or letters as they choose; however, pursuant to NRS 218.2429, the Commission is limited to ten bill draft requests (BDRs), including requests for the drafting of legislative resolutions. For purposes of this “Work Session Document,” the recommendations have been grouped, in part, by topic and also by possible Commission action. They are not preferentially ordered. Finally, it should be noted that many of the recommendations may contain an unknown fiscal impact. Commission members should be advised that LCB staff will coordinate with the interested parties to obtain detailed fiscal estimates, where appropriate (for inclusion in the final report), and that all recommendations may be considered within available funding limits.

RECOMMENDATIONS FOR LEGISLATIVE MEASURES

Recommendation No. 1—Draft a bill amending Chapter 482 of NRS to allow the Department of Motor Vehicles (DMV), with respect to any special license plate that is issued pursuant to NRS 482.3667 to 482.3825, inclusive, and for which an additional fee is imposed for the issuance of the special license plate to generate financial support for a charitable organization, to issue a special license plate for a motorcycle upon application by a person who is entitled to such a plate. However, a special license plate for a motorcycle may not be combined with a personalized prestige plate.

- Ms. Lewis recounted her earlier testimony that DMV will need to confer with representatives of Nevada law enforcement agencies.
- Senator Carlton expressed concern with possible future requests to redesign special plates and with the Commission moving forward too hurriedly, which may create prospective problems by trying to allow special license plates for everyone. She stated that the DMV may want to start with a small group of special license motorcycle plates to ensure success of the program.
- Chairman Atkinson agreed and reiterated his objection to allowing special motorcycle plates for certain groups and not others. He added that with the Commission's approval to move forward the specifics could be determined during the 2009 Legislative Session.
- Senator Carlton requested that the law enforcement agencies begin their visibility and other necessary testing in preparation to determine exactly which plates will be acceptable.
- Ms. Lewis committed to meeting with Colonel Christopher P. Perry, Chief, Nevada Highway Patrol, Department of Public Safety, or other law enforcement representatives to anticipate the workability of special motorcycle license plates.
- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYMAN MANENDO MOVED FOR APPROVAL OF RECOMMENDATION NO. 1 STIPULATING THE APPROVAL OF THE NEVADA HIGHWAY PATROL AS STATED DURING TESTIMONY. THE MOTION WAS SECONDED BY ASSEMBLYMAN CHRISTENSEN, WHICH PASSED UNANIMOUSLY.

Recommendation No. 2—Draft a bill amending Section 3 of NRS 482.367004 to require that legislators serving on the Commission be paid a salary and compensated for their travel and per diem expenses.

A general discussion ensued regarding concerns that an identical bill had failed during previous sessions. It was noted that the Commission on Special License Plates is the only interim committee that does not receive compensation.

- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYMAN CHRISTENSEN MOVED FOR APPROVAL OF RECOMMENDATION NO. 2. ASSEMBLYMAN MANENDO SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

Recommendation No. 3—Draft a bill amending Chapter 482 of the NRS to require that each charitable organization, not including a governmental entity whose budget is included in the Executive Budget, that receives revenue from a special license plate provide a list of officers, current mailing address, and current telephone number to the Commission on Special License Plates and the DMV on or before September 30 of each year. If the organization fails to provide this information to the Commission on Special License Plates or the DMV, the Commission may require that: (a) the DMV suspend the collection of all additional fees collected on behalf of the charitable organization; and (b) the DMV suspend the production of the particular design of special license plates from which the charitable organization receives additional fees, if the DMV is still producing that design.

- The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR CARLTON MOVED FOR APPROVAL OF RECOMMENDATION NO. 3. ASSEMBLYMAN MANENDO SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

***RECOMMENDATIONS TO DRAFT A LETTER
OR INCLUDE A STATEMENT IN THE FINAL REPORT***

Recommendation No. 4—Draft a letter to each County Treasurer informing them that they may, on a quarterly basis, receive fees collected for animal appreciation special license plates for vehicles registered in that county (pursuant to Section 5 of NRS 482.379175).

- Senator Carlton requested that the letter to the county treasurers include instructions to outlining the proper procedures for distribution and utilization of the revenue.
- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYMAN CHRISTENSEN MOVED FOR APPROVAL OF RECOMMENDATION NO. 4 WITH THE ADDITIONAL LANGUAGE AS STATED ABOVE. SENATOR CARLTON SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

ADJOURNMENT

There being no further business to come before the Commission, the meeting was adjourned at 2:23 p.m.

Respectfully submitted,

Ricka Benum
Senior Research Secretary

Marjorie Paslov Thomas
Senior Research Analyst

APPROVED BY:

Assemblyman Kelvin D. Atkinson, Chairman

Date: _____

LIST OF EXHIBITS

Exhibit A is the “Meeting Notice and Agenda” provided by Marjorie Paslov Thomas, Senior Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

Exhibit B is a copy of *Nevada Revised Statutes* 482.367004, “Commission on Special License Plates: Creation; membership; term; service without salary or compensation; administrative support; duties,” dated February 26, 2008, submitted by Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB.

Exhibit C is document titled “Special Plate 25 Design Limit” presented by Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB, and submitted by Virginia “Ginny” Lewis, Director, Department of Motor Vehicles.

Exhibit D is an informational spread sheet titled “Department of Motor Vehicles, Special Plate Funds” presented by Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB, and submitted by Virginia “Ginny” Lewis, Director, Department of Motor Vehicles.

Exhibit E is a copy of the United States Court of Appeals for the Ninth Circuit, Case Number 05-16971, titled *Arizona Life Coalition Inc., et al., v. Stacey Stanton, et al.*, 515 F.3d 56 C.A.9 (Ariz.), 2008, submitted by M. Scott McKenna, Senior Principal Deputy Legislative Counsel, Legal Division, LCB.

Exhibit F is correspondence presented by Rocky J. Cooper, Audit Supervisor, Audit Division, LCB, which include:

1. A letter dated September 28, 2007, to the Members of the Commission on Special License Plates (NRS 482.367004) from Paul V. Townsend, CPA, Legislative Auditor, LCB; and
2. A letter dated February 19, 2008, to the Members of the Commission on Special License Plates (NRS 482.367004), from Paul V. Townsend, CPA, Legislative Auditor, LCB.

Exhibit G is a packet of information regarding the Nevada Community Foundation, submitted by Daniel Dyrdaahl, Financial Secretary-Treasurer, Carpenters Local No. 1977, Southwest Regional Council of Carpenters, which includes:

1. A letter dated September 26, 2007, to Daniel Dyrdaahl, Financial Secretary-Treasurer, Local Union 1977, United Brotherhood of Carpenters, from Bret N. Bicoy, President, Nevada Community Foundation;
2. An Agreement dated September 11, 2007, titled “Community Supported Fund Agreement” between the Carpenters Local 1977, and the Nevada Community Foundation, Clark County, Nevada;

3. A copy of the Web page from the Nevada Community Foundation available at: <http://www.nevadacf.org>;
4. A letter dated October 6, 2006, to Senator Dennis Nolan, Chairman, Commission on Special License Plates, from Frederick L. Wilkening, Senior Business Representative, Southwest Regional Council of Carpenters; and
5. A letter dated October 6, 2006, to Rick Wilkening, Carpenters' Union Local 1977, from Linda Smith, Chief Development Officer, Opportunity Village, Las Vegas.

Exhibit H a letter dated February 19, 2008, to Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB, as staff of the Commission on Special License Plates, from Kelli Howe, Reno, Nevada.

Exhibit I is the "Work Session Document" submitted by Marjorie Paslov Thomas, Senior Research Analyst, Research Division, LCB.

This set of "Summary Minutes and Action Report" is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.