



NEVADA LEGISLATURE JOINT INTERIM STANDING COMMITTEE ON GROWTH AND INFRASTRUCTURE

(Section 6 of [Assembly Bill 443](#), Chapter 392,
Statutes of Nevada 2021, at page 2505)

MINUTES

March 9, 2022

The second meeting of the Joint Interim Standing Committee on Growth and Infrastructure for the 2021–2022 Interim was held on Wednesday, March 09, 2022, at 10 a.m. Pursuant to [NRS 218A.820](#), there was no physical location for this meeting.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Joint Interim Standing Committee's [meeting page](#). The audio or video recording may also be found at <https://www.leg.state.nv.us/Video/>. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (publications@lcb.state.nv.us or 775/684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair
Senator Chris Brooks
Senator Scott T. Hammond
Senator Patricia (Pat) Spearman (Alternate for Senator Dallas Harris)
Assemblyman John C. Ellison
Assemblyman Glen Leavitt
Assemblyman C. H. Miller
Assemblyman Howard Watts III

COMMITTEE MEMBER ABSENT:

Senator Dallas Harris, Vice Chair (Excused)

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division
Christina Harper, Manager of Research Policy Assistants, Research Division
Jessica Dummer, Principal Deputy Legislative Counsel, Legal Division
Julie Waller, Principal Program Analyst, Fiscal Analysis Division

*Items taken out of sequence during the meeting have been placed in agenda order.
[Indicates a summary of comments.]*

AGENDA ITEM I—CALL TO ORDER AND OPENING REMARKS

[Chair Monroe-Moreno called the meeting to order. She welcomed members, presenters, and the public to the second meeting of the Joint Interim Standing Committee on Growth and Infrastructure. Roll call is reflected in Committee members present. She reviewed virtual meeting and testimony guidelines]

AGENDA ITEM II—PUBLIC COMMENT

Chair Monroe-Moreno:

Broadcast and Production Services (BPS), do we have anyone in the queue that would like to provide public comment at this time?

Broadcast and Production Services (BPS):

Thank you, Chair. To participate in public comment please press raise hand in your Zoom window or star nine on your phone to take your place in the queue.

Kimberly Glass, Resident, Reno, Nevada:

Hello. I have lived in Reno, Nevada since 2014. I have been disabled since birth and use RTC ACCESS public transit. My public comment is specifically regarding this service for elderly and disabled consumers. I have a lot to say, and it is going to take more than three minutes. I offer my contact information, I sent it to the email I was advised to, if anybody wants to further hear this. The main thing is last April 2021, I suffered a very severe accident due to ACCESS not providing door-to-door service, like they state they do. I can tell you they do not, along with a lot of other untruth or falsifications. The way they handle their consumers is borderline inhumane and inconsiderate. We are left to stay and wait for hours or sometimes in extreme weather. And nobody in that company, that I have talked to thus far, which has been a customer service manager, upper management, and people at RTC care about the issue that my peers and I are seeing. It is actually kind of a liability because some of the individuals have had accidents and incidents like mine. I fractured numerous bones last April, and I still suffer consequences. I rely on ACCESS to get to many things; doctor's appointment primarily and some of the times I do not even make it on time. I know I am not the only one that faces that. I saw there is a lot to be discussed in regard to this service. I feel that we should have better services, and have someone hear our voices, and the concerns that we have as consumers. It is money motivated, and I do not feel they take into account the consumers they serve. I will close with that, and I hope that I get contacted by a few people interested in maybe hearing anymore. I have worked in transportation for many years. I have offered my help in training their drivers for disability awareness. I have not yet been taken up on that, and I offered this service for free. That just further attests to, I feel the lack of care in serving the community in a humane manner. Thank you for your time. I look forward to having further discussion about this issue.

Chair Monroe-Moreno:

Thank you, Ms. Glass for joining us and for your comments. I am sure that you will get a few calls from members on this Committee. BPS, do we have another caller?

Dora Martinez, Disability Peer Action Coalition:

Good morning, Chairwoman Daniele Monroe-Moreno, and Committee members. Kimberly Glass, the prior caller is part of our peers. I echo a lot of what she said, agree 100 percent. It says on the agenda on their presentation for RTC that they are door-to-door, when in fact in their regulations, if there is a step going up even a curb, the drivers are not allowed to take that step to open the door to a customer who is not non-ambulatory or maybe ambulatory or not, but they are not allowed to do that. It is kind of an oxymoron because there are steps going down the bus, so I do not know how they do that. They were required to do that, and also, they are not allowed to help a lot of disabled folks and people who are elderly using the paratransit. I sat there and I hear them, because I am truly blind, I hear them, the drivers are not allowed to help a woman or a man with his or her groceries, which defeats the purpose of paratransit. Before the strike started or during the strike, a lot of people with disabilities were left for three hours waiting for the bus. We found out the reason is because RTC had our ACCESS trained and certified driver go on flex and serve the general public while disabled people were left in the heat or the cold, and were late for the dialysis, and some of them sat in their diapers. I am just being really raw here, sat in their dirty diapers for four to five hours waiting for a bus that never came on time. We schedule three days in advance for these trips. Like today, I was picked up an hour later even though I scheduled three days in advance, it is always like that beginning of the month, and their excuse is always there are not enough drivers. Well maybe if they stop paying their drivers \$9.50 less than \$10 an hour to start, then it would not be a problem. Right now, my son earns more than \$15 an hour, and he just presses buttons. These essential drivers for RTC RIDE and RTC Paratransit are essential. They need to be paid a respectable wage; \$9.50 an hour is not respectable wage; it is not enough to pay rent. And then they say that because of COVID there are not enough drivers. Well maybe if they gave the drivers what they needed in order to survive in the city, they would not have a shortage, because they had a lot of drivers before COVID, and there were three strikes happening. While there were three strikes happening, they still charged Paratransit riders tickets while the regular RTC RIDE passengers were riding for free. And only this during the second strike, the Paratransit riders were given the privilege of riding for free for 30 days, but we were still stuck on the bus for three hours, which is illegal according to the Americans With Disability Act (ADA). So, we are always last to be considered and first to go. We just we do not know where else to go, Chairwoman Monroe-Moreno. So, we are here and please hear our voice and our cries because we do want to be independent. We do want to bring our kids to school, work, and our doctor's appointments. Right now, with the school district no busses, some of us are stuck and Administrator Bill Thomas eliminated some of the routes. So now the Paratransit cannot service those areas because the RTC RIDE are not serving those areas. That really leaves us in a bind. So, please hear us. There are American Rescue Plan (ARP) money out there, use them and help this community be more inclusive, accessible, and adequate ride for all. Because we do matter. We do matter as a person with a disability because we are trying our best. Thank you so much for your time. God bless you guys and appreciate all you do chairwoman and your Committee. Take care.

Chair Monroe-Moreno:

Thank you so much, Ms. Martinez for joining us today and for the information. Please know that we know that you all matter. Next caller.

Tony Simmons, Nevada Resident:

Hi, this is Tony Simmons. I would just like to express my appreciation to the Legislature for their efforts to get just and reasonable rates for all customers of Nevada Power, NVEnergy. Anyway, I really think you guys have done a great job trying unfortunately, as you know, it has not worked out very well yet, but we will get there soon. Thank you very much for your efforts. ([Agenda Item II](#))

Chair Monroe-Moreno:

Thank you, Mr. Simmons. Do we have any other callers?

BPS:

There are no more callers for public comment at this time.

Chair Monroe-Moreno:

Thank you so much. As I said, we will have another section for public comment at the end of today's meeting. We will close that agenda item.

AGENDA ITEM III—APPROVAL OF THE MINUTES FOR THE MEETING ON JANUARY 12, 2022

Chair Monroe-Moreno:

We will move on to our third agenda item, which is the approval of the minutes for the meeting on January 12, 2022. You should have received the minutes from our January 12th meeting, emailed to you. Hopefully, you had an opportunity to look them over. Are there any question?

ASSEMBLYMAN WATTS MOVED TO APPROVE THE MINUTES FOR THE MEETING ON JANUARY 12, 2022.

SECONDED BY ASSEMBLYMAN MILLER.

THE MOTION PASSED UNANIMOUSLY.

We are going to take things just a little out of order due to some scheduling conflicts today. I apologize, but we do try to accommodate. We know that everyone has a work schedule and sometimes our schedule will conflict with that. Instead of going to [Agenda Item IV](#), we are going to jump to [Agenda Item VII](#).

AGENDA ITEM IV—PRESENTATION ON THE STATUS OF SELECTED LEGISLATION FROM THE 2021 SESSION PERTAINING TO THE DEPARTMENT OF MOTOR VEHICLES, TRANSFORMATION EFFORTS CURRENTLY UNDERTAKEN BY THE DEPARTMENT, AND EMERGING ISSUES THAT MAY COME BEFORE THE 2023 LEGISLATURE

Chair Monroe-Moreno:

We have invited the Department of Motor Vehicles (DMV) to provide the Committee with an update of the status of select bills that were passed during the 2021 Session, transformation efforts currently undertaken by the Department, and issues that may come up before the 2023 Legislature. This morning, we will hear from Ms. Tonya Laney who is the Deputy Director from DMV; Molly Lennon, Administrator with DMV; Suzie Block; and Sean Sever. The floor is now yours.

Tonya Laney, Deputy Director, Division of the Office of the Director, DMV

Good morning, Chair Monroe-Moreno, and members of the Committee. Thank you for letting us make this presentation to you today. As you stated to the Committee, we do have a brief overview of DMV for you; an update on our transformation; a report on how we are doing with implementing legislation from the 2021 Legislative Session; and issues that may come before the Committee in the 2023 Session ([Agenda Item IV](#)).

The DMV's vision is as a national leader in DMV services. Our mission is to provide efficient motor vehicle solutions for the identification, licensure, and protection of all we serve. We have more than 1,200 employees in eight divisions. The DMV collects \$1.5 billion in revenue and conducts 5.7 million transactions yearly. We are funded through highway fund appropriations, fees, transfers, cost allocations, reimbursements, and commissions. Our number one goal over the next four years is our transformation to move the majority of our services online so people are not required to come into our offices. We still, of course, will have offices open for people who want to do their business in person. If you want to be the first in line though, you can go online to do most of our transactions after this transformation. We have 18 full-service offices around the state; 8 satellite locations at rural county assessor offices; and 5 AAA Insurance partner offices. We also have 34 kiosk locations, which are not included on the map, but we do have a list of those available on our website. We try to offer as many alternatives as we can for our customers. Now, I would like to turn this over to Molly Lennon, our Administrator of Research and Program Management, who will give you an update on our transformation.

Molly Lennon, Administrator, Division of Research and Project Management, DMV

Good morning, Committee members. We are leading the DMV transformation effort (DTE) for the Department. I wanted to give you a brief background on our current Information Technology (IT) System, which is a Common Business Oriented Language (COBOL) mainframe application. It is 18 years old, and it is at capacity for changes. It is unable to continue tracking and distributing the revenue we collect; no longer able to meet the growing demands of the public; and makes it difficult for us to deliver modern enhancements or respond to federal and legislative mandates, which is often reflected in the large fiscal notes we submit each legislative session. The pandemic fast forwarded our need for a new system. You probably have seen the lines of people outside of our offices when we reopened. We would like to thank you for recognizing our huge need and authorizing \$29.3 million in Fiscal Year (FY) 2022 and \$30.3 million in FY 2023 to fund our transformation. The remaining costs are estimated at \$55.3 million for the

2024–2025 biennium; for a total project cost over the four years estimated at \$114.9 million. This will transform the Nevada DMV into a twenty-first century organization that offers its services online. You can see some of the things this will do for us and our customers on this slide, it will allow us to digitize our IT platform in a secure environment comprised of business functionalities, which include financial and case management capabilities, customer relationship management, and business analytics. We will be able to make the shift to a continuous development real-time environment with automated tools for testing, monitoring, and troubleshooting. The new environment will enhance information security, replace manual processes, and give customers access to more online transactions and the ability to interact with DMV staff through online channels. The DMV's transformation effort will inform reorganization of the DMV's enterprise architecture including staffing, training, retention, and customer communications. We have scoped the project and our partners were selected: Salesforce, Slalom, and Microsoft. We have completed our alignment and discovery phases during, which we received a whopping 18,500 responses from the public. On a survey we sent out asking them what they would like to see in the future of the DMV. Discovery produced a full department capability map, including all technical operational and functional requirements which will inform completion of the delivery roadmap. The DTE roadmap will outline the order for each DMV initiative, some of which will be conducted in parallel. We will tackle work streams, for example titles or driver's license, in parallel maximizing use of our DMV resources, and by the end of the four-year program most of our transactions will be online. In April, we will begin execution of the road map. The DTE is underway and at full speed. All DMV initiatives, business lines, and transactions including driver's licenses, identification cards, vehicle registrations, titles, et cetera have been included in mapping capabilities for the delivery and planning effort. One project was prioritized. The Department of Motor Vehicles Compliance Enforcement Division's case management system replacement, which has already begun and will take approximately six months to complete and will be brought online onto the Salesforce platform. All other active projects are moving forward. Project tools have been implemented, training paths, and materials are being finalized and staff is being onboarded. This is significant progress since October. I would like to turn over the presentation to Sean Sever, our Deputy Administrator and DMV Legislative Liaison, who will update you on our 2021 legislative projects.

Sean Sever, Deputy Administrator and Legislative Liaison, Division of Research and Project Management, DMV

Hello, Committee. Just as a reminder, I am always available when you have a DMV question or need help with a constituent. Last Session we were tracking almost 200 bills, and we had about 30 of them we needed to implement at DMV; reprioritized them, combined some of them, and most of the required work on them is complete. I am going to share some updates today on the top ten major bills that came our way.

First was [Senate Bill 219](#), which required the DMV to reinstate drivers for nonpayment of court fees. This was the most challenging bill from the 2021 Session that we needed to implement. We identified tens of thousands of records that were potentially eligible, many of which were very complicated and had multiple suspensions. To avoid putting more of a load on our old IT system. It was decided to move forward with this project with the manual process. I am happy to report DMV driver's license assessment team, we call them DLAT; worked very hard in a short amount of time to reinstate nearly 9,000 individuals in Nevada. We set up a help desk, phone line, updated our website with a "how to" sheet of instructions, and the project is now essentially complete.

[Assembly Bill 116](#), which changes minor traffic violations from criminal to civil offenses does not take effect until January 1, 2023. The Department of Motor Vehicles is participating in a work group that will help determine what violations will be affected. Once those are determined, the DMV will need to make programming changes to accommodate these modifications.

[Assembly Bill 349](#) closes the classic car emissions loophole, which will prevent people from saying their old vehicles as classic to avoid the emissions test requirement in Nevada's largest counties. It requires classic car owners to obtain insurance that is designed specifically for classic and antique vehicles. It also exempts new cars from emission tests for the first three years. On this bill, DMV has held a workshop, hearing, and submitted regulations to cover the requirements of this bill. We have also changed the admission requirement for a new car from three to four years. We have a regulation hearing on Monday on this.

[Senate Bill 389](#) deals with peer-to-peer car sharing, which is much like an Airbnb for vehicles where you can rent your vehicle out to someone, much like you do with the house or apartment. The Department of Motor Vehicles is very close to closing out this project. We are currently accepting applications from companies that are currently operating using the data.

[Assembly Bill 427](#) deals with Nevada's driving under the influence (DUI) law and ignition interlock devices, or IID. The goal of this for DMV's part in this bill was to simplify our administrative hearing process and make DUI language easier to understand. The Department of Motor Vehicles' part of this bill that we needed to implement is now complete.

[Senate Bill 29](#) was a DMV bill that allows third party companies to process salvage titles for the DMV. Private industry came to us during the pandemic when we were shut down and offered to help us process salvage titles. We are still working on implementing this bill and the goal is to make participating companies into many DMV offices; much like you would see in a AAA Insurance office, where they can only process and print salvage titles. An issue that arose is that printers we utilize are very expensive that do this work, and we are trying to find an easy solution that will benefit all parties.

[Assembly Bill 188](#) was the bill that moved the duties of the Special License Plates Commission to the DMV. In implementing this project, DMV is trying to keep the same format the Legislative Committee followed. We have formed a committee that will meet once a year and other times, as necessary. We have conducted a couple of mock meetings that went very well. Once we have our first official meeting, which will be sometime in April, this project will be complete as well.

[Senate Bill 60](#) allowed DMV to streamline our special plate process and change the out of state movement permit period from 15 to 30 days, which was a friendly amendment added by the Nevada Franchise Auto Dealers Association. It also allows someone to move a vehicle three days after they buy it. So, if you buy a car from someone on a Friday evening, you have until Monday to bring it into the DMV to get a movement permit or register it. This project is complete.

Our last two, [SB 163](#) created the Divine Nine license plate, which honors nine Black fraternity and sorority organizations known as the Divine Nine. This plate has been designed. However, DMV cannot move forward on this project because the organizations

have not registered with the State Controller's Office, which is preventing DMV from setting up the accounts where the funding is distributed.

[Assembly Bill 123](#) creates a charity organization for the Golden Knights special plate. When this plate was created in the 2017 Legislative Session, a charity organization was not designated. It has been now, and the Vegas Golden Knights Foundation is now receiving funding from these license plates, and this project is complete.

Now I briefly want to touch on some issues that may come up for the 2023 Legislative Session. The first one is DMV would like to eliminate the tier system that goes along with our special plates process. Prior to 2003, the only way for a charity to get a specialty license plate was through a legislative action. Then in 2003, AB 358 established the Commission on Special License Plates, which was charged with recommending approval of special plates. Prior to the DMV designing and distributing the plate, applications were accepted from an established non-profit organization registered with the Nevada Secretary of State. The Legislature initially placed a cap on the number of specialty plates at 25; the 2011 Legislature raised the cap from 25 to 30 plates and created this tier structure with charities on the first tier, which is a total of 30 plates, must post a bond of \$5,000 and guarantee a minimum of 1,000 active registrations. Charities on the second tier, which is a total of five, must post a bond of \$20,000 and maintain at least 3,000 active registrations. When the Vegas Golden Knights plate was authorized during the 2017 Session, the Legislature exempted this plate from this tier structure, which opened the door to bypass the tier structure for those charities lucky enough to find a friendly legislator. The Department of Motor Vehicles would like to go back to the model prior to 2003, where all charities must find a friendly legislator to get their specialty plate in circulation and potentially limit the length of a time a charity can have their plate in circulation without having to get reapproved via a new bill. This would be fair to the charities, some of whom have been waiting for decades to move up the list to get their plates into production, only to see other charities bypass the process entirely.

The other issue, and this was a bill last Session to transfer the Off Highway Vehicle Program (OHV) from the DMV to the Department of Conservation and Natural Resources (DCNR). Had the 2021 legislation passed, it would have eliminated the annual DMV registration for OHVs and instead required owners to pay for an annual decal through a new OHV program administered by DCNR. I think they are going to bring this bill forward this session.

Last but not least, some housekeeping matters. The DMV needs the ability to refuse drive tests after a certain number of failures. This is based on real life experiences of staff who have seen one person, in particular, fail their drive test ten times.

Federal Motor Carrier Safety Administration audit findings may require DMV to change statutes around commercial driver's licensing and commercial motor vehicle safety. We will be able to make a lot of these changes via the regulation process, but at least one will require statutory changes.

Our staff reorganization resulting from the transformation may require some statutory changes in the *Nevada Revised Statutes* (NRS) 481.

I will turn it over back over to Tanya Laney who will share some exciting news about a new DMV office in Henderson.

Ms. Laney:

We are getting a new building at I-15 and Silverado Ranch that will replace our Henderson DMV and the Donovan commercial driver's license (CDL) office. The construction budget is \$56,580,458. The Donovan location is not easy to get to for truckers, it is not in a secure area, and the facility is showing its age and the building has structural defects. The Henderson DMV has no parking and no ability to expand. We are excited to get our new building which will look a lot like our Reno facility, for those of you that have had a chance to see that. Construction will start in Fiscal Year (FY) 2024 and will open on Nevada Day 2025. I want to thank the Committee so much for your time today. We are happy to answer any questions that you may have.

Chair Monroe-Moreno:

Thank you all for the presentation. Members, do you have any questions? Senator Brooks.

Senator Brooks:

I want to thank the DMV for their efficient implementation of a lot of the programs that we created, legislation that we passed in the last Session, and for an update on their modernization efforts. I think that is going to help serve Nevadans very well.

I have a question around an issue that has come to light on how the offices are working around the state. I had a Nevadan approach me about making an appointment to get some services from DMV at the Ely office and driving four and one-half hours to that office. Then when DMV found out that Nevadan was from southern Nevada, the Ely office canceled his appointment, and cited a policy the DMV has in place where rural offices are not to serve southern Nevadans. I am wondering how that policy was created, not through statute, but was it any sort of Nevada Administrative Code (NAC)? Is that something that was put into place as NAC and brought before the Legislative Commission, or is it an arbitrary policy statement? The second part of the question has to do with the southern Nevada offices have that same policy in place, where they would not serve a rural Nevadan.

Ms. Laney:

Thank you for the question. The Ely office is a great example. We have three full-time staff that work at that location. This is not regulated by statute or legislative mandate. Many years ago, legislators reached out to us in our small rural locations with concerns from their constituents that they could not get into their local DMV because those offices were being bombarded due to wait times that we are seeing at that time in our metro office locations. A great example would be primarily our drive test and written testing, there has been a longstanding misconception that if you take your driving test in a rural location, such as Ely, that it is going to be easier to pass than it is to take that test in the metro location. We very quickly started to see that our rural offices were serving primarily metro area customers, and not able to take care of the local jurisdiction that did not have another office to go to. But are those rules reversed? No, our metro offices will if you make an appointment, it does not matter what area you live in Nevada, we will see you. That rule was made internally to protect our smaller communities that we are seeing 60-, 90-, 120-day waits because there were individuals from the metro's taking up the spaces in those smaller offices.

Senator Brooks:

May I respond, Chair.

Chair Monroe-Moreno:

Yes, please.

Senator Brooks:

I appreciate how that could over tax our smaller offices, but I mean 60-, 90-, 120-day waits are common in southern Nevada as well. The last time I visited the DMV it was quite a wait and to be expected. There are a lot of people in the state, and we are trying to do a lot of different things. I did not ask the person in front of me what kind of Nevadan they were, I assumed they were a taxpaying individual, like I was trying to get service from a state tax-funded program. And so, while I completely understand the issue you are trying to address, I think this might not be the best policy. I cannot imagine how frustrated I would be after spending nine hours of my day driving through beautiful Lincoln County, up into Ely from southern Nevada; how frustrated I would be that office took an appointment and then canceled the appointment when I got there. When it seems as if that was the only Nevadan in that office looking to get service that day. I understand what the intent here is, but I think there needs to be modifications of that policy. I cannot even imagine the uproar that I would get from some of my colleagues in rural Nevada, if their constituents were turned around after driving four, five, or ten hours to seek service in a southern Nevada office. I am not exactly sure what the solution is, but I would love to have a conversation on modifying that policy.

Ms. Laney:

I thank you for bringing this concern forward. We will absolutely look at it. As far as coming up with the solution to that issue, I do think transformation is going to help tenfold with everything that we are seeing. We think DTE in moving our transactions online are going to help in all of our offices to where we see a decrease in wait time for the customers that do have to come in; because either the transaction can be completed online or they may have some sort of special assistance they need to do the transaction in person, or we need to see-touch-feel the documentation they have to do their transaction. We do think the transformation is going to free up a lot of resources to allow our staff to better serve the customers that do have to come in. I apologize on behalf of the agency that the customer that ran into that situation, especially if they were the only one in the office. I will definitely reach out to the offices and remind them that if they have the capacity and somebody has traveled to one of those locations to please try their best to get them in.

Senator Brooks:

I appreciate that. I agree wholeheartedly that this transformation to a more automated system is going to help all Nevadan and would address this issue as well with most cases, but sometimes you have to go in-person.

Chair Monroe-Moreno:

Assemblyman Ellison.

Assemblyman Ellison:

I am glad Senator Brooks brought this up. We are having the same problems in Elko; people from Wendover and around the areas, it is months to get in there. I think what they need to do is look at privatizing and putting that out to individuals to do that for the state. Because when it takes months to take a driver's test, either we need more people, or we

need to privatize it. I am hoping this will help resolve some of these issues. I had a woman that drove all the way to Elko ten times, and I think probably the same woman that flunked her test every time. But she could drive, she understood that the problem is—her English was not very good—she is a Filipino and that created a problem. I am hoping that maybe we can look at, in the future, privatizing some of these areas and put it into the private business. Thank you, maybe you could respond to that.

Ms. Laney:

We did come forward with some language change last legislative session that does allow us to start creating a privatized third-party testing for non-commercial driver licenses. We have already had hearings on that, and we are working very closely with the drive schools that conduct driver training currently. It is something we will be able to move forward with.

Chair Monroe-Moreno:

Thank you, members any other questions?

I have two, for SB 163 in the presentation, you stated you were having trouble with that plate because they were not registered with the state controller's office. Have the organizations been informed of what the problem is? Could you give us a little more detail on that?

Ms. Laney:

Yes. I will try my best to answer it. Yes, my understanding is that we have worked closely with the different subsidiaries in the Divine Nine Organization and have had a constant communication and given very clear instructions on what they need to do to move forward. I do not know if Sean has more of an update than that, but we have worked very closely with them.

Mr. Sever:

We have worked closely with them. We have even offered to walk them through the process on how they register. It is the only thing that is holding up us implementing this bill.

Chair Monroe-Moreno:

Perfect, thank you. My last question, for the drive test failures, you had mentioned that there was one individual that may have failed the test ten or more times, what would the ideal number that you are thinking of? Would that be three, five tests, just a ballpark?

Mr. Severs:

We are not sure. We are going to do some research on it, but we have had an individual do ten. What happens a lot of times is they are learning how to drive through us; it eats up a tremendous amount of our time. We will land on a good figure when we bring something forward. We are not even sure we are going to bring this forward. It is an idea, at this time, sharing some problems we are having right now.

Ms. Laney:

Madam Chair if I may elaborate a little bit further. We do, once we get to three failures, we do recommend that customer go through a driver training course before coming back to the

DMV. As Sean stated, we do see occasionally that is exactly what happens. They will actually be coming to the DMV to learn how to drive versus coming to get their driving ability tested. We do make those recommendations. It is a very small group of individuals that we do see that get the training and then coming back to the DMV, but still do not have the skills necessary to obtain a driver's license. We do take every step we can to try and get them educated before we bring them back in and test them again.

Chair Monroe-Moreno:

Thank you. I appreciate that. Senator Spearman.

Senator Spearman:

I can probably shed a little bit of light on SB 163. One of the things that happened when we did the bill was the requirement for the local chapters and for some of them, they have not received permission from the national chapter to accommodate what the law says. They have been trying to find out how they might be able to do that. At the very least, a last-ditch effort would be to try to come back next session and change that, so that it will accommodate the various levels of "government" in each of those organizations. Most of them have permission, they can already do it from an autonomous standpoint. They can already go and register, but then there are some who have to go through their national office before they can do that. That is where the holdup is; trying to get the national offices to reconcile what the law here in Nevada says.

Chair Monroe-Moreno:

Thank you, members any other questions? Seeing none, I thank you both for the presentation, the information, and the updates. Enjoy the rest of your day.

AGENDA ITEM V—PRESENTATION ON THE FEDERAL INFRASTRUCTURE INVESTMENT AND JOBS ACT WITH AN EMPHASIS ON TRANSPORTATION AND ENERGY INFRASTRUCTURE

Chair Monroe-Moreno:

Moving on to our next agenda item, it is a presentation on the Federal Infrastructure Investment and Jobs Act (IIJA) by the National Conference of State Legislatures, also known as NCSL. As you know, President Biden signed the bipartisan \$1.2 trillion Act into law on November 15, 2021. President Biden noted it would rebuild our roads, bridges, rails, expand access to clean drinking water, ensure that all Americans have access to high-speed Internet, and to consider the climate. We have Mr. Ben Husch with us from NCSL. He will provide an overview of the IIJA and how it affects Nevada. Welcome to our Committee.

Ben Husch, Federal Affairs Advisor, Natural Resources and Infrastructure, NCSL

Good morning. I would like to thank both Chair Monroe-Moreno and Vice Chair Harris for inviting me to brief you the IIJA. The Infrastructure Investment and Jobs Act is a voluminous piece of legislation—it is around 2,700 pages. I am here today to talk with you about some of the key provisions relating to transportation and energy, but the bill also has provisions on four other core areas of infrastructure: water, broadband, cyber, and disaster mitigation.

Before I get into the nitty gritty of the bill, I wanted to share what I think at least are a few helpful resources on the bill. The first link you can see at the top is the guidebook that was

put out by the White House, is itself nearly 500 pages long, but is a good resource for a quick overview of every program, organized by different issue areas. There are a ton of resources online from the United States Department of Transportation (DOT). I do want to commend them on everything that they have put out to help folks, like me and legislators like yourselves, to better understand the bill. The two links at the bottom are summaries that NCSL staff have put together. If you are looking for my presentation in a bit more concise but visual, you can click on those links as well.

Before I get to the transportation details of the bill, I think it is important to maybe set a bit of a baseline and provide background on how existing federal funding for surface transportation works. I apologize this is a repeat for some folks, but generally the federal government attempts to pass multi-year transportation authorizations that cover the gamut of transportation modes. You have surface; water; aviation—of course, surface includes roads, transit, and rail is significantly larger than those other two. These authorizations then provide appropriations on an annual basis.

For surface transportation, Congress last passed a five-year bill in 2015, known as the Fixing America's Surface Transportation Act. In 2020, Congress extended that for another year when it was not able to reach an agreement on a reauthorization.

Back to the IIJA, as you may remember, the bill was put together solely by the Senate, and was approved without changes by the House of Representatives. So, unsurprisingly, the infrastructure bill fully incorporates the Senate's version of a transportation reauthorization that the Senate Committee of Jurisdiction had previously approved in the Spring of 2021.

If I can summarize the transportation portion of IIJA. It is a very strong bill for states. It provides a significant percentage of its funding through formulas to states, rather than competitive grants to states or competitive grants to local. However, there are a number of new competitive grants, but when you look at the total funding for those competitive grants, they are considerably less than the formula programs for states.

Let us get to the numbers. On the right side of this chart from an organization called Federal Funds Information for States, which gives a state-by-state total for the Federal-Aid Highway Program. The Federal-Aid Highway Program is made up primarily of a few core programs that provide funds to states through formulas. The Federal-Aid Highway Program is what Congress reauthorizes when I was talking about reauthorizations every few years or so. These formula funds are provided to states generally through reimbursement with each of these kind of core programs having a slightly different goal. There is some overlap and states can transfer some funds from one program to the other. But why I really like this chart is it shows how significant an increase in federal funds that states are going to get through the Federal-Aid Highway Program. From Fiscal Year (FY) 2021 to FY 2022, we see about a 20 percent increase. Then in each of the next subsequent four years, we see about a 2 to 2½ percent increase. If you look at the total length of the bill, that is about a 30 percent increase, which is substantial. However, what this chart does not include are some of the new formula programs that are outside of the Federal-Aid Highway Program but were included in the IIJA such as a new \$40 billion bridge repair and replacement program.

This new \$40 billion dual-track bridge program has two distinct parts. The formula portion that sends money directly to states and the competitive portion that is open to states but also to local and regional government entities. Thankfully from our perspective, the formula track is much larger at \$27.5 billion or nearly two-thirds of the entire program. The amount that Nevada will get is going to be based on the condition of your bridges, and how many of them are in a state of repair will determine the amount a state receives to either rehab or

replace those bridges. An important thing to know is that regardless of if the state had zero bridges, there is a minimum amount that a state will get every year: \$45 million per year or \$225 million over the course of the bill. The key takeaways that I want to highlight from the formula part, the details of the competitive program have not actually been released yet, but of the formula part it is important to look at bridges from what is known as an on-system or off-system point of view. What I mean by that is the bridge "on" the National Highway System or is it "off" the National Highway System. The reason that is important is for bridges that are "on" the National Highway System, these federal funds can be used to cover 80 percent of a project's cost. Whereas if a bridge is "off" the National Highway System, these tend to be more local sometimes even county or township owned bridges, federal funds can be used to cover 100 percent of a project's cost. The federal government is clearly trying to incentivize states to spend more of the funds on smaller, locally owned bridges more so than bridges "on" the National Highway System itself.

In addition to the new bridge program, the bill also includes a \$5 billion National Electric Vehicle Infrastructure Formula Program. The acronym for this is known as NAVI. The key thing to understand about this is it is a \$5 billion program. On an annual basis you would think a five-year bill, \$5 billion/\$1 billion a year; it is a little less this year, the bill provided a few \$100 million to the DOT itself to set up a program, but generally then in the other years it is a billion dollars a year for this program. The DOT issued a guidance document for this new program, about a month ago at this point. The key things to take away are that any projects that are funded with these funds have to be public chargers; they obviously cannot be private. But although they cannot be private, the projects can incorporate the private sector to either build, operate, or even maintain the chargers. Federal funds will cover 80 percent of a project's cost. But the program does allow if a state wants to, or it can reach an agreement with a private sector entity, for that private sector to cover the 20 percent non-federal share cost. That was a big thing with this program.

A couple other new state formula programs, I want to mention though the rules or guidance has not actually been released. There is a new formula program that is geared towards our surface transportation infrastructure resiliency; that is the PROTECT Program. Another one is the Carbon Reduction Program. It is another formula program; it provides funds to states to help reduce carbon emissions through projects as traffic management or additional funds for public transit and many other eligible uses. When you combine the Formula Bridge Program with these additional bridge programs, you get a sense of what Nevada is going to get as a minimum from this bill. I say minimum because once we receive more details on all the new competitive programs, obviously the Nevada Department of Transportation (NDOT) will be able to apply for those depending upon certain eligibility.

Public transit. The primary point I want to leave you all with is both the scale of the investment with \$40 billion of the \$90 billion in total investment in the bill being new, but also the fact that \$90 billion is the largest ever investment in public transit. However, for states it is important to know that much of the federal funding for public transit operates on a federal to local structure versus highways that is more geared towards federal to state. The chart provides all the public transit funds that will go to Nevada, but not necessarily the State of Nevada, so Las Vegas will receive federal public transit funds irrespective of the state. You can see this highlighted on the left-hand side, where you can see those programs that are significant; the local programs are significantly larger than those state formula programs.

Similar to public transit, the amount of funding for passenger rail is substantial; \$66 billion in total with a slight preference for the national network versus what is known as the Northeast Corridor. Of the \$66 billion included in the bill; Amtrak itself would receive

\$22 billion directly. The other very large pot is a \$36 billion competitive pot known as the Federal State Partnership for Intercity Passenger Rail brands. Amtrak itself can apply for these grants but so can states, local and regional governments. About half of the total funds are available for states; it is competitive versus formula. There is also another \$5 billion competitive grant program that is primarily focused on rail safety infrastructure.

Aviation was another area to receive funding in the bill about \$15 billion through the Federal Aviation Administration (FAA) airport improvement program. This is aviation infrastructure that is generally focused on nonterminal infrastructure at airports. Whereas there is a \$5 billion program for airport terminal development projects. There is also another \$5 billion for FAA facilities.

For water transportation infrastructure, which is an area I realized is not that important to Nevada, but I want to mention it. The inland waterway system will receive about \$9.5 billion, most of that flows through the Army Corps of Engineers. There is an additional \$6 billion for ports of entry, split 60/40 for land ports versus water ports.

I am going to transition now over to energy provisions. The bill covers a number of areas within energy infrastructure. I want to start with a provision in the bill. There is a section in the bill that would reduce state authority when it comes to electric transmission infrastructure siting that would potentially allow the Federal Energy Regulatory Commission or FERC to overrule a state's decision if the United States Department of Energy (DOE) determines that a transmission line is part of the National Interstate Electric Transmission Corridor. I am trying to use the technical terms, even though I know sometimes they can be a bit long winded. Thankfully, a commissioner on FERC said, about two months ago, the commission is unlikely to make use of that authority to overrule states, but nonetheless, the potential for that still exists.

Moving on to the dollars when it relates to energy infrastructure. On the transmission front, the bill would authorize a small amount, but about \$10 million per year for electricity transmission, but it would also authorize \$2.5 billion in loans. This generally is because energy infrastructure, at least on the transmission side, tends to float to the private sector. More directly for states, the bill provides a one-time \$500 million award for the DOE's State Energy Program. Now \$500 million may sound small, especially given some of the billion-dollar totals that I had mentioned when I was talking about transportation, but I want to put this in perspective, that prior to this bill, the annual appropriation amount for this project was generally around \$50 million. This is a substantial increase even though it is considerably less than say what Nevada might get from the Federal Highway Administration (FHA). One new state energy infrastructure formula program the bill establishes is a new formula program for electric grid resiliency that is primarily aimed at helping to prevent outages. It is authorized at \$2.5 billion, so \$500 million per year. But we are awaiting further guidance from DOE. What I can tell you is that for any projects that are funded with these funds, it would require a 15 percent state match. States will receive \$3.5 billion for their weatherization assistance programs, and \$500 million for state low-income home energy assistance (LIHEAP) programs, but I will return to those in a second.

However, unlike transportation, for energy infrastructure the majority of the funding in the bill is actually directed at research and development. Specifically, the bill provides \$6 billion relating to batteries; it provides \$6 billion for research into carbon capture; it provides \$8 billion for research and demonstration for hydrogen; and just over \$3 billion for advanced nuclear reactors. In addition to that \$3 billion, there is also a \$6 billion pot to help fund and maintain the country's existing fleet of nuclear reactors, and to put that into perspective that fleet of reactors provide 19 percent of total electricity production in the

country, and of course, since they are nuclear—zero carbon emissions. I am going to leave aside the issue of the waste that goes with that because that is, I realize, a very different conversation.

Going back to the state energy program. The reason I bring this up is obviously because it is both a substantial increase in what a state normally receives, but also because it is one of the few formula programs that run through the DOE. The state energy program generally provides funding for technical assistance to states to enhance energy security, advance state led energy initiatives, and what I would say is maximizing the benefits of decreasing energy waste. It is really geared towards the state's role as a decision maker and administrator for program activities within the state that are tailored to their unique resources.

On weatherization and LIHEAP. The weatherization assistance program aims to provide funds to states to help reduce energy costs for low-income households by increasing the energy efficiency of their homes providing it provides funds to all 50 states. Similarly, the LIHEAP program, which is technically administered by the United States Department of Health and Human Services, but obviously it focuses on energy bills. It provides funds to low-income households to help reduce the cost of their monthly energy bills.

This is a quick summary of the funding that we know at this point Nevada will get as it relates to energy infrastructure. We are still waiting on allotments of LIHEAP for that new transmission formula program. I have not mentioned the energy efficiency revolving loan fund. It is generally considerably smaller than some of the other programs, but generally geared towards providing funds to states to start a revolving loan fund aimed at energy efficiency projects.

I want to conclude with a quick note about one of the most common questions that we get asked, and that is to discuss the role of the Legislature when it comes to spending these funds. To answer that, I often use the analogy of how different the IIJA is than the American Rescue Plan (ARP), which was passed in March of 2021. That is because with the ARP states essentially got a bucket of money, but the question of how best to spend it was left up to each state. With the infrastructure law, a large majority of the funds are coming through existing channels, meaning many of these programs have been in place prior to the bill, but what the bill did was it substantially increased the amount of funding that those programs received. This is especially true for transportation, where the Federal-Aid Highway Program has existed for many years, and many of the programs that received funding through this infrastructure law have been around for years now. The other big difference is that for transportation, the funds are generally provided on a project-by-project basis. So, a state can access a bucket, but they are generally reimbursed on a project-by-project basis. Unlike the ARP where the federal government, for lack of a better analogy, gave states access to a large bucket of funding all at once.

That is my presentation on a 2,700-page bill. Happy to answer any questions at this time.

Senator Brooks:

Thank you, Mr. Husch. Chair Monroe-Moreno had to step away for a second, so I will be taking over for a few minutes. Do any of the members have any questions? Senator Spearman, please go right ahead.

Senator Spearman:

Thank you for that presentation. I have a couple of questions because I know when the bill was first being discussed and deliberated in Congress, we were not in the middle of Ukraine, and we were not really in the middle of a geopolitical environment that virtually we have no control over. The first thing I want to ask is when you talked about infrastructure for electrification, and I saw the \$8 billion for hydrogen, is there any wiggle room for other opportunities with respect to renewable energy resources that we might be able to access or might be able to lay the foundation to access in the next round?

Mr. Husch:

On the renewable question, I would say the bill is a bit more focused in the energy sector, not so much on renewable when it comes to say solar and wind. That is not to say that there will not be funding for research and development of more advanced solar panels or wind turbines. But I would say that it was not a focal point as we saw with the \$8 billion for hydrogen or the \$3 billion for advanced nuclear reactors. Within the transportation bucket, the \$5 billion for the electric vehicle (EV) charging infrastructure program is unlike anything we have seen on a federal scale in terms of federal dollars for EV charging. Of course, just because it is an EV does not mean it is powered by renewable power. But I think we can all agree that an ICE vehicle or an internal combustion engine vehicle is definitely not powered by renewable power.

Senator Spearman:

The next question is when I start talking about other options, when the President was in Michigan, and he drove the Jeep—I think it was hydrogen fuel cell Jeep—and he mentioned the fact that our dependency in China; I think we have got 70 to 75 percent of our lithium comes from China; that could really compromise all of the plans that we have moving forward with EVs. Is there anything in the bill that would allow states to explore other options? Just so we are not caught in a cramp, three or four months, down the road because nobody knows what the guy over in Russia is going to do.

Mr. Husch:

My answer is going to be a bit broader than this, because I would say within the past few months, we have seen a number of announcements from the Administration that are really looking to develop a homegrown supply chain for battery production. So, not only the batteries themselves, but also the materials that go into the batteries. The drive to create that national supply chain has given rise to a conversation around climate versus conservation and balancing the need to build up or in some cases build up/increase the supply chain of those materials versus conserving certain lands where those materials may be able to be mined. I would say it is an ongoing conversation. I do think to your point though, certain world events of the past two weeks have changed the calculus for maybe how dependent we are or do not want to be going forward.

Senator Spearman:

The last thing would be, you mentioned grid resiliency, does that include distributed generation?

We had a bill, I want to say it was in 2017, to start being implemented by our [inaudible].

Mr. Husch:

That program, we have not, at least I have not seen the details from DOE. It is with one of the new programs. With that said, I would be very surprised if an eligible use of those funds was not for distributed generation projects. I do not want to say with 100 percent certainty, but I think to your point, they tend to line up very closely together.

Senator Spearman:

Thank you.

Chair Monroe-Moreno:

Members any other questions. Senator Hammond. Thank you, Senator Brooks for taking over for that moment. I appreciate it.

Senator Hammond:

The question I have in your presentation is about some of the guidelines that have come out. I was not aware of them. I know that we have six separate categories of money that is coming into the state, which will be in different buckets. Broadband for one, I was told that the guidelines for broadband do not come out until May. Could you tell us the timelines for some of those that you do know about?

Mr. Husch:

Sure, so the month ago was in reference to the EV charging program, I apologize if I have confused with broadband. The broadband guidance to my knowledge has not been released yet and is probably going to be a bit longer. Even though it is an, broadband is not my area of expertise, but it is a huge amount of money; I think it is like \$42.5 billion for states but we are still awaiting a number of things when it comes to broadband. To the larger question about guidance for new programs, so I apologize in advance if my answer is a bit confusing, so going back to the bill itself and when the bill was signed. The bill did two things: it authorized programs and to be appropriated at a future date by Congress. Certain programs were authorized and then needed to wait on future appropriations. Separately, the bill provided appropriations in other areas. The reason that has been an issue is because Congress has not yet passed in FY 2022 appropriations package. Any program that was authorized, even if that authorization was a substantial increase over the past year because it was authorized and not appropriated, it has not received those additional level of funds. It was not able to put out guidance about that new level of funds. I say that, in that we expect Congress to pass an appropriations package later this week for FY 2022. I am expecting a number of announcements about the new programs, especially on the transportation side where you have, in the area of 20 plus new programs, a number of announcements announcing how to apply for those funds, the rules, and the guidelines for how to spend those funds.

Senator Hammond:

But you do not have an idea of the timeline. I talked with a couple other sources that I have. For example, and I go back to the broadband, they believe they are looking at towards the end of May; that this is tentative. I want to get an idea from you, tentatively May or June, or maybe over the summer. Is that what we are looking at?

Mr. Husch:

I would be excited that they got them out by May.

Senator Hammond:

So probably not May, nobody wants anybody to be excited.

Mr. Husch:

The issue that they are running into is that they have to redo the maps of where broadband service is not, where it is, and where it is say provided, but it is not at certain speeds. The older maps have proved incorrect in a number of instances. That is step one and step two would be related to the funds, to states, to undertake projects in the areas that do not have service or have lower levels of service.

Senator Hammond:

Madam Chair, just a follow up to this because I do not want to get stuck on the broadband because there are six buckets of money with different programs, so not just broadband. Do you suspect that there will be any guidance from any of those categories in June or July? Do you have any insight whatsoever of some of the other ones?

Mr. Husch:

Sure, I would say so. I will start with transportation because I think it is important to understand how much of the bill is transportation funding. Almost half of the bill is transportation funding. And thankfully on the transportation side much of that funding is through existing programs. The bill does create a number of new programs, but the total dollar amount of those programs is significantly smaller than the programs that already exist. The rules around eligible uses already existed. I am happy to talk with you offline if you have any kind of specific project questions. The same goes for the water or environmental funding. A lot of those funds are coming through state revolving fund programs that the Environmental Protection Agency (EPA) administers, and those revolving funds have been around before this bill. Most of the funding that is going to states coming through programs that already exist where there is not as much of a need for new guidance or rules.

Senator Hammond:

Thank you, Ben. I appreciate it.

Chair Monroe-Moreno:

Thank you for the questions. Assemblyman Ellison.

Assemblyman Ellison:

I have a couple questions. Right now, some of the rural airports cannot get the funding so they are losing—it is not the Airport Improvement Program (AIP) grants—but it is losing the companies to come into rural Nevada that supply aircraft inputs. Like SkyWest that used to fly into Salt Lake City, Elko, and Reno. And then they cut Reno, now it is Elko to Salt Lake and that is going to go down to one plane a day. It creates a real problem with them getting out of there. They are trying to work through some of these issues. It used to be that there

was funding out there to help subsidize some of these programs. That is my first question. The other one is my colleague, Senator Spearman, brought up about batteries. We have got the best lithium in the world; some of the best lithium in the world right here in Nevada. The problem is restrictions on permitting, so maybe you can hit that if you could.

Mr. Husch:

Two things I will say. I think you are referring to the Essential Air Service Program. I do not believe there was any funding for that program in this bill. On the AIP Program, to put it in perspective, over the past few years the average annual level of funding for that program is just over \$3 billion. This bill alone provided \$15 billion. So, while I cannot say for sure that one of those airports that you mentioned would receive funding through the AIP program. It is more likely that a significantly larger number of airports will receive funding through the AIP program, based on the amount of funding provided by the bill.

Assemblyman Ellison:

If I may Madam Chair. If you do not have planes coming in, you do not need AIP grants other than a small aircraft. This creates a real problem for somebody that used to have a lot of planes back into Elko; they were full 90 percent of the time. I do not know if it is because of the airlines cannot get pilots, or it is the cost of fuel, or insurance. I have no idea, but I know that they had a big meeting in Elko last night and I missed it. Maybe I can get the information to you, Madam Chair, and you could forward it. It creates a real problem for one half of the state, if they cannot get the planes in and cannot get people in and out; driving in the wintertime makes it almost impossible sometimes to travel over some of the passes. I appreciate that. If you could discuss the lithium.

Mr. Husch:

I would refer to what I had said previously to Senator Spearman's question about world events impacting the potential need for developing a more homegrown supply chain. I do think it increases the likelihood of that, but it is part of a more national conversation around balancing the need for conservation while balancing alongside with the materials that go into the batteries that power EVs. I do not know that I can say anything more specific than that, other than it is a cost benefit question of which the equation itself has been substantially altered in the past two weeks based on world events.

Chair Monroe-Moreno:

Thank you. Assemblyman Ellison if you do get that document, if you would mind sending that to our committee secretary and she can distribute to all of us, that would be great.

Assemblyman Ellison:

I appreciate it. Thank you.

Chair Monroe-Moreno:

Next, I have Assemblyman Miller and then Senator Brooks.

Assemblyman Miller:

Thank you for the presentation. I have a question regarding the transmission lines and the potential federal oversight or overrule, what is happening within the state in that regard.

Would our Greenlink Project then be subject to that potential federal oversight of being able to overrule or change our proposed plans?

Mr. Husch:

I do not know specifically, but I can look into it and follow up with you. What I want to point out—and I did not mention this in my presentation—is although that preemption provision that was in the bill, it was essentially in response to; back in 2005, Congress thought that they had passed a provision—that did what they just did—but a court case then ended up telling them they did not actually pass that preemption. It was a response to an issue that has been around for almost two decades. I would generally say it does not sound like there is that much of a desire at this point. I think it was an attempt by Congress to give federal energy regulators a tool, should they need it at some point in the future. But Assemblyman Miller, I will follow up with you offline and we can chat about the specific project you mentioned.

Chair Monroe-Moreno:

Senator Brooks.

Senator Brooks:

My question is regarding infrastructure banks at the federal level, but the state infrastructure bank that we have, and other states have similar. Most of this funding is formulaic and goes into existing programs based on population and some other things. But some of it seems to be a little discretionary. Are infrastructure banks in other states being used as ways to catch the money and then leverage it for other investments and other stacks of capital that can be applied to projects? Is that something other states are doing, or will they be doing?

Mr. Husch:

I was going to say I could almost answer the question, I felt very confident that I can answer the question and then you said “will”. “Will” I am not so sure about. To more a past experience, one thing I mentioned a few times in different programs was the idea of what the federal share of a project would be. So, 80 percent of the project, federal funds could be used for, and 20 percent had to be nonfederal. Sometimes that can be a state's infrastructure bank covering that; sometimes it can be other state funds; and sometimes it is local funds. The general idea around an infrastructure bank is to loan out funds for projects that have a very low risk to potentially increase the number of projects that can be constructed. What I would say is that the use of an infrastructure bank could potentially increase the number of projects undertaken, but I would not say it is the funds as you talk are about geared towards the state and whether or not the state wants to make use of those federal funds for a project is up to the state DOT, as guided by the Legislature and the governor.

Chair Monroe-Moreno:

Members, any other questions for Mr. Husch? I see none. Thank you for your presentation and joining us today.

AGENDA ITEM VI—PRESENTATIONS ON THE CURRENT TRANSPORTATION INFRASTRUCTURE IN NEVADA, MAXIMIZING INFRASTRUCTURE FUNDING, TRANSPORTATION SAFETY INITIATIVES, OPERATIONS DURING THE GOVERNOR’S EMERGENCY ORDERS IN RESPONSE TO THE CORONAVIRUS DISEASE OF 2019 PANDEMIC, AND EMERGING ISSUES RELATED TO TRANSPORTATION AND INFRASTRUCTURE

Chair Monroe-Moreno:

Our last agenda item are presentations by NDOT, the Regional Transportation Commission (RTC) of Southern Nevada, and RTC of Washoe County. These agencies will provide an overview of the current transportation infrastructure, maximizing transportation funding, safety initiatives, their operations during the Coronavirus Disease of 2019 (COVID-19) Pandemic, and emerging transportation and infrastructure issues. First up we will have NDOT. We have Director Swallow from NDOT joining us.

A. Nevada’s Department of Transportation

Kristina L. Swallow, P.E., Director, Director’s Office, NDOT

Good morning. Thank you so much Chair Monroe-Moreno for inviting us and facilitating these conversations and to the hardworking LCB staff who make sure we get you all the information you need; whether it is at these meetings or afterwards when we need to follow up.

I am going to focus and provide a summary of the funding coming our way. I am going to give a brief overview of NDOT where we are, where we have been, what has changed, a summary of the IIJA, and a little bit about safety ([Agenda Item VI A](#)). Nevada’s Department of Transportation is responsible for the planning, construction, operations, and maintenance of 5,400 centerline miles of roads and highways in the State of Nevada, and over 1,000 bridges throughout the state; it is about 15,000 lane miles, but 5,400 centerline miles. We are made up of about 1,800 construction, preconstruction planners, administrative personnel, maintenance, and other team members who help contribute to our program each and every day. I should note that we generally operate at 15 percent or more—it is generally 10 to 15 percent—right now, we are seeing 15 to 20 percent vacancy rate. Total on staff is closer to 1,500 of that 1,800 on any given day. Throughout the pandemic our essential personnel have continued working diligently to build and maintain the infrastructure that keeps Nevadans and visitors safe and connected. As we look to the future, we are focused on equity and safety for all users on the transportation system regardless of their geographic location, background, or preferred mode of transportation; because we know that access opens our worlds.

Let us look at our funding briefly, as an update this funding is our FY 2021; as we close FY 2021, it was still an odd year—FY 2021 was the bulk of the pandemic—these numbers are lower than what we would normally have anticipated for FY 2021. As you know, our highways that we design, build, and maintain are primarily funded with highway user revenue and federal funds. Those federal funds are primarily highway user revenue as well. They are primarily gas taxes and registration fees, they are collected; the taxes and fees collected by the federal government, are then placed in the federal highway trust fund. The federal government accounts for about a third of our overall revenue and the remainder is state resources. I should note that we do get more back in federal funding than we send to the federal government. It is something that we should all note and be proud of and recognized as important. The State Highway Fund is a special revenue fund established to

account for the receipt and expenditure of dedicated highway user revenue. The majority of the State Highway Fund support NDOT, and unlike the federal highway trust fund and many other state agencies, NDOT is not supported by the General Fund at all. A significant amount of the operating costs of DMV and the Department of Public Safety (DPS) - primarily the Nevada State Police - are also supported by appropriations from the Highway Fund. Typically, there are some minor appropriations or transfers to other agencies. As I said, this is not indicative of a normal year; 2019 was our last normal year due to the impact of the pandemic. In 2021, our Highway Fund revenue amounted to roughly \$1.2 billion which included about \$287 million in federal aid reimbursements. It is important to note, as Ben mentioned, we are on a reimbursement basis with the federal government so that fluctuates based off our project delivery and project expenditures. That is different than obligations, which I will talk about later in the presentation. Roughly \$323 million of the total is directly fuel taxes, whether it is gas taxes or special fuels—that is roughly, if you include the federal funding, it ends up being roughly 52 percent of our total revenue is fuel taxes. In FY 2021, there was a one-time redirection of government services taxes (GST) to the State General Fund due to the COVID-19 impacts. The legislature took that action recognizing that revenue redirection was going to be offset by Coronavirus Aid, Relief, and Economic Security (CARES) Act funding; the CARES Act funding did help offset that. In addition to the above, NDOT received \$842,000 in FY 2021 in federal CARES Act reimbursement for COVID-19 related expenditures, as had to do with the cleaning and safety protocols that we had to put in place to keep our team functioning and moving forward. There was an additional \$21.8 CARES Act funding for rural transit. It is entirely a pass through from our program. A little bit later, I will talk about one other bucket of relief funding that we received late in Calendar Year (CY) 2021, and how we are looking at spending it.

You will see how we spend that money. The majority of it is NDOT, a little bit to the Nevada State Police and DMV. To note in comparison to other states, we are very efficient in how we allocate our resources. In 2020, the *USA Today* ranked Nevada as having the best overall transportation infrastructure in the country. It is not just NDOT, it is all the locals, the transit, it is everything; despite spending less per licensed driver than all but four states. We are very efficient in how we allocate our resources. As we look at this, this is how that concept of obligations versus reimbursements. On an annual basis, how much we spend goes up and down. Roughly 76 percent over the last ten years—roughly 76 percent is going towards construction and engineering; 17 percent towards maintenance and operations and equipment, and then 7 percent towards administration and support services. The reason why that changes so much on an annual basis is we let a project out in January or February but how that is the construction curve, if it is a four-year project; how they spend those resources over that four-year time frame does fluctuate on an annual basis. In comparison our regular federal highway obligations stays stable, and we do obligate all our federal dollars every year. There is extra money or extra obligation authority that we are given. Federal highways have a process by which in August, if there is additional funding available to be obligated across the nation; they redistribute that funding to organizations, departments of transportation that have the capacity to still deliver and obligate projects in that federal FY; it is a one-month process once you get that additional money. We generally compete well. In the last couple of years, it has gone up and a significant boost to helping us deliver our program. We also received some additional federal COVID-19 funding to ensure that we could deliver our program; that was \$70.4 million provided to NDOT with an additional \$19 million that went distributed between Las Vegas, Reno, and South Lake. We are working to make sure we fully obligate all that funding as well.

The big question, and I will touch on this when I get into the IIJA as well, is how do we prioritize our projects? We have a data driven prioritization process that was approved in concert with a stakeholder engagement across the entire state in 2018. It has six goals, and

we are looking at how do we enhance the safety by making sure the system itself is safe, preserving our infrastructure, optimizing mobility, making sure people can get to where they want to go in the most efficient manner, recognizing the economic development opportunities that are associated with the transportation system while considering the sustainability impacts of our communities, and the impact of transportation on sustainability really thinking through that, and then how do we make sure everybody is connected to where they want to go? It is a long process. We go through it every year to develop our annual work program. On a four-year basis, we develop our state transportation improvement plan, which is in coordination with the local metropolitan planning organizations (MPOs). They do local MPOs so the RTCs do a regional transportation improvement plan that feeds up into ours; we update that roughly every two years. It is a long process. We look at needs further out than that four-year process because some projects require a lot more work than a four-year timeline would give.

Let us talk about our infrastructure. We are fortunate. We have the best bridges in the country, this is eight years running in a row; this year we were tied in a three-way tie, but we are generally always at the top of that list, and we are very fortunate. It is in part because our bridges are very young, and we recognize that we have a preservation shortfall exceeding \$200 million. We also know that as a fast-growing state, we need to continue to figure out how we build the new infrastructure that is needed as our communities continue to grow. When you combine the capital needs with the preservation needs, our shortfall on an annual basis is over \$500 million. That is roughly equivalent, as I mentioned earlier, to the fuel taxes collected for our program; roughly 80 percent of our capital program. We know that shortfall is only going to continue to grow related to some of these challenges I am going to be mentioning shortly. I should note that we are increasingly required to spend our money on preservation, 86 percent of our roads are located in rural Nevada. As we start shifting more to preservation the need to increase revenue to address the growing needs in our urban communities is going to become ever more necessary.

Why are we facing these challenges? We are one of the states that is benefiting from a fast-growing population, but the amount of driving is growing at a rate faster than our population. You can see that is 16 percent from 2012 to 2020 on population; the 23 percent in vehicle miles traveled (VMT). It is not sustainable. How does the VMT relate to our highway fund revenue? The VMT is increasing at a rate faster than our revenue growth, and why is that? It is because of fuel economy; it is linked to fuel economy. The majority of our money is coming from gas and special fuel taxes, but the funding model is based—it is old school—it is based on a high gas consumption. Cars today are more efficient than they were when this model was established—in Oregon in the early 1900s. It is time for us to start looking at how do we reset that, and how do we look at future funding models going forward? I will talk briefly about that. It is not EVs, all cars are becoming more fuel efficient, so we need to figure out what to do to address the decreasing revenue while VMT goes up. Another challenge that we face is construction costs and inflation. Since 2003 construction costs have nearly doubled, the gas taxes have not, and the needs continue to grow, outpacing that. We feel it on a regular basis - inflation generally, even in the last couple of years, has skyrocketed and so our buying/purchase power is not as strong. Yesterday I had a conversation with one of our team members and we are very concerned about what the cost of asphalt is going to be in the next couple of months, in that piece of our construction costs, as the cost of oil has significantly gone up. We are worried about that and watching it. There is not a lot we can do though; we still have to pave our roads.

We need to talk and think about how we grow in Nevada; how we move, and how we live in our communities. We have established this pattern where we grow further and further out. Single-use zoning is pretty much all residential; there is a park or school and some reserved

areas for commercial perhaps, but those are not bike/pedestrian accessible. You have to have a car to live in Nevada—if you do not have a car—your transportation challenged. Having to have a car can significantly economically burden a family. We saw during the pandemic, families who knew they needed a car, were sitting in lines to get food because they could not afford food, but they could not afford to get rid of the car as that was more important. We really have to think about how we build our communities. This is not an NDOT space except for elevating and starting the conversation. So, everybody understands how these are so closely linked. I should note that when we start to look at how we build our communities, it will help NDOT because it will help us hopefully allay some of the increasing growth in that VMT but will help us achieve our climate goals by reducing greenhouse gas emissions. It will help with community vibrancy. If people do not have to pay for a car, they might be able to pay for other necessary goods for their houses, or even some unnecessary goods—little splurges here and there—it will provide better access to affordable housing and system that works for everyone, not just those who can afford to own and able to operate a car.

And then climate change. I do not think we always instantly think about how climate change can impact the transportation system. What some of our neighboring states saw last summer windows in that epic heat wave in June—that was primarily in the Pacific Northwest—they had bridges popping their concrete panels; because the concrete is designed to expand during the summer and during warm days, it is not designed for what reasonable limits are, not for these extraordinary temperature swings that we are seeing across the nation. We are also seeing epic rainfall, epic fires—after the fire happens—you have to worry about the storms the next summer and landslides; we have seen those and impacted by them. We have been impacted by the fires. These things are happening at an ever-increasing rate. It is challenging, our ability to deliver and maintain the program because it is an additional cost that we need to anticipate and be prepared for.

I mentioned sustainable transportation funding. The chair has been working with us on the [advisory working group](#); there are 29 people on it; we have been meeting almost monthly—there are some months where we skip—so the consulting team can do a little more work. I am going to talk to you more about this in June; so, you know where we are going, what we are thinking, and what those recommendations are going to look like. Our report is due to the Legislature in December. I am looking forward to working with you to figuring out how we implement those recommendations. As I mentioned, it is at least a \$500 million annual shortfall and I increasingly need to invest my resources and ensuring the current network stays in good condition. How do we work together to ensure that we have the capital needed to grow the system as our communities continue to grow?

Before I get to the IIJA, I wanted to talk to you about retention and pay. One of our biggest challenges, I would argue maybe our biggest challenge is recruitment and retention of our employees. I want to say our team members are amazing. I joined this team in 2019, and I did not realize how incredible they were. We do an annual employee engagement survey; and have been doing it for years. When I got here in 2019, I saw the results of that in the summer. The number one concern of our team members was low pay. This is not new; it did not happen only in 2019. It has been a concern that they have had for years. I understood and heard them, but I recognize that is not something that is particularly in my space to change. And so, I said, “All right, let us talk about the things that I can change.” How can we work on morale? What are the other things that we can do? As we started having those conversations, it kept going back to pay and they were asking me, “Well what are you doing? And how are you elevating this conversation? How are you working for us to make sure that everyone knows the challenges we face?” I started focusing and thinking about it. I recognize and this is something we all know; our

NDOT team members are critically important to maintaining the safety of the network. When we see fatalities go up in some cases, those could be related to a lack of our ability to maintain the systems the way we want to. Our team members remove roadside objects, they conduct speed studies, they maintain safe work zones which increases pedestrian safety, they design the roads for all users, and a lot of other things. We are one of the largest state agencies with 1,500 to 1,800 employees—we have a lot of vacancies—that salary impacts a lot of people across the state, not just those individual team members but their family members as well. I wanted to provide a few statistics for you for awareness. The starting salary for a highway maintenance worker I at NDOT is \$31,000. About a quarter of our workforce makes under \$40,000 per year, and almost 60 percent of our team members make under \$50,000. These are highly skilled employees who cannot feed their families. According to a 2021 salary study, NDOT employees from highway maintenance workers to administrative assistance to engineering techs make anywhere from \$15,000 to \$25,000 less on average than those same positions that other Nevada public agencies. That is just looking at salaries; when you factor in benefits, the statistics are even worse and that employees, like all state employees, have to contribute to their Public Employees Retirement System (PERS) benefits. In contrast, local public agencies frequently fully pay for those pension contributions and the health premiums, including subsidizing a much larger percentage of dependent premiums. I am losing team members to local agencies. I am losing team members to the local industry—mines. I have to tell you, they do not want to go, they love working for NDOT and proud of the work they do at the state and that state service, but they cannot afford to stay with us. In addition to maintaining our roads and bridges as well as implementing our critical safety measures, they are on-call—our team members are on call 24/7 to respond to whatever comes their way, including often being the first to respond to crashes, floods, wildfire, snow, earthquakes, mudslides, and even stranded motorists on the side of the road through the Freeway Service Patrol. I should note, I received a notice last fall of one of our crews in rural Nevada who put out the fire; because they were there, and the fire response was still an hour away. They are critical aspects of our team across the entire state. When our team is understaffed, it has dire implications for public safety. In neighboring states, frequently, highway patrol assists with traffic control during emergencies. But in Nevada, it is NDOT, we are there right alongside the firefighters and the police officers supporting their response during emergencies and providing critical access to refueling stations during wildfires. During winter storms, which as I mentioned, have become increasingly more severe, we are tasked with plowing the roads to keep the public and the supply chain moving. Our maintenance crews often work in staggered 12-hour shifts for 24-hour snow removal during storms. During the week of Christmas, alone, they dedicated more than 6,000 work hours to clearing snow and ice, ensuring there was a clear path for drivers and their families stuck on I-80. The following week, they battled walls of snow and wind gusts up to 100 miles per hour (mph) through the Washoe Valley to make sure the highway was safe for the traveling public. Providing safe and clear roads during winter has become more challenging with the vacancy rate of 55 percent for snowplow drivers this season. I should note we are even called in to support other things. We help support significant road closures for major events like New Year's Eve in southern Nevada or during the times of political unrest as during 2020, in Reno; they called on us and asked if we help them control the roads and access to their community to make sure that area was kept as safe as possible. We show up when asked every single time despite the fact that we are facing significant vacancies, and despite the fact the team members, we do have, are frequently exhausted, not just from the overtime they are working with NDOT, but from the 2nd and 3rd jobs they sometimes have to take to feed their families. I should finally note that during the peak of the pandemic our maintenance crews never left their posts ensuring that essential goods, medical supplies, and vaccines could get to our citizens, including delivering vaccines themselves to outlying rural areas. They kept our supply chain moving, allowing countless businesses to hold on during a period of

enormous economic activity. If we are ever faced with another crisis on that scale, we will again be on the front lines. They always show up and perform our civic duty to keep the public safe and our economy moving. Despite our team's essential service status and the critical and highly skilled services they provide to our first responders during emergencies, they simply are underpaid. I understand there are multitude of challenges associated with raising state government pay, but after three years of telling our team—and I did for quite some time say I cannot, it is not mine to change—I cannot tell them that anymore. I am telling you the story of our team members. I can tell you that I have many personal stories that I can share if I get the opportunity. I have asked them to be able to share them directly with you during the 2023 Session hearings. I will do what I can to make sure you have the information you need to work with me to fix this.

I am going to get to IIJA, it is a multi-year bill, long-term investment over five years. We are super excited about it. It is the biggest that we have seen, largely because of inflation and because the needs continue to grow; the bill has to be bigger. Our formula funding, which is not as formulaic as it used to be—the formula changed—its formula is \$2.5 billion in guaranteed surface transportation funding. It does not include the extra programs, including the bridge program or the EV program. When you include those programs, we are closer to \$2.7 to \$2.8 billion; money we know that is coming to our transportation program. There are also the discretionary grant programs that are on top of that. We need the federal appropriations bill passed; I know Congress is working on it. Our federal FY 2022 funding will increase roughly 21 percent over last year; last year's federal funding was \$397 million in obligation authority. This year when that appropriations bill gets passed it will be \$481 million; a 21 percent increase in federal funding, roughly a 10 percent increase in overall funding. So, it is a big boost—not a gigantic boost when we talk about inflation. The bill has other policy initiatives in it that we have been advocating for years, and we are excited about it. It increases the maximum number of highway miles we may designate its critical rural freight corridors from 150 to 300 miles, and its critical urban freight corridors from 75 to 150. As the seventh largest state in the nation this is important—being able to designate longer corridors there. The bill also provides flexibility for states like ours to designate as critical rail freight corridors a maximum of 600 miles or 25 percent of our primary network; that is a positive. There is some additional bridge funding to help maintain our state's 2,100 bridges; we have \$171 million bridge backlog in preservation funding. We are working on figuring out how we make sure to keep those bridges viable and extend their lives as much as possible. We are one of those states though, that is getting the minimum funding on bridges because our bridges are in such great shape. We are going to get \$45 million per year, for a at the end of the five years. Most of existing programs are going to continue with an increase but we have already prioritized projects to go with that. We are looking if there are any nuance and the guidance that comes out and maybe changes those priorities, but we have already prioritized and have projects ready to go to use that additional funding. The bill restores some flexibility to non-infrastructure activities and behavioral safety projects such as the Vision Zero campaigns and training opportunities for young drivers. Many of the safety challenges on the network, have occurred in the last couple of years, as those numbers have skyrocketed are related to behavior. We are excited to focus a little bit of our resources on that. What we are most excited about in this bill is it will continue to fund jobs throughout our state. Not only the jobs of those who are delivering the program, but all the people who are supported by that investment who are delivering the materials. My job helps me make sure we have jobs for the grocery store workers, the doctors, the lawyers, and everybody. We are excited about that potential impact.

We are going to talk about increased funding for programs in the bill. While overall, it is roughly a 20 percent increase in the bill, not all the programs received the same levels of

increase. The National Highway Performance Program, it is roughly at 18 percent. The Surface Transportation Block Grant Program is the most flexible program, and a significant amount of that money is sub allocated to our urban areas, which received a 14 percent increase. The Highway Safety Improvement Program received slightly larger than a 24 percent, recognizing the Administration's interest and focus on how critical we need to work on safety. It appears the National Highway Freight Program received a decrease in funding, which we are confirming as we talk about supply chains and some of those impacts, we are looking and trying to figure out why is that? It may be because others are flexible. But having a decrease in that means that now in order to fund this program, those projects will have to compete at a different level with other projects that might rank as higher priorities. Mr. Husch mentioned two programs that we are still waiting for full guidance on: the carbon reduction program, which will receive roughly \$11 million; and the resilience program—The PROTECT—we are looking at receiving about \$12.5 million. We are working to be ready to deliver those projects.

When we talk about the EV Program; this is not new. I am excited about delivering the EV Program and providing a way to reduce the carbon imprint and carbon effect of our transportation system, in Nevada, we are the largest contributor—EVs are critical to do meeting that goal. We are going to be receiving roughly \$38 million over five years including the \$5.6 million for this fiscal year. I should note the federal guidance that came out a month ago, requires NDOT to submit a plan by August 1, which may be approved by September 30 before any money may be spent. Staff, along with a consultant, are already working on delivering a plan. The plan they are going to deliver is a full carbon reduction fuel plan. The first phase is going to be focused on EV and then we will start working on how we invest those EV funds best across our state.

As I mentioned previously, we have more than 2,000 bridges. Most of them are in very good condition, but we do have a few that are structurally deficient. We have some off-system bridges that will benefit from that 15 percent, which is dedicated funding to off-system bridges. This money is a little bit different than some of the other programs. Most of these programs we have to obligate on an annual basis the full amount or whatever they are limited to. We have to obligate on an annual basis and if we do not obligate it goes away. This bridge funding, we are allowed to collect it during the timeframe, so we are trying to figure out how we best use this? Do we collect it for a year or two to spend on a bridge program where we deliver three or four bridges or for one bridge? We are working on making sure that we maximize and leverage that bridge funding and the flexibility that they have given the states.

I am touching back on One Nevada Transportation Plan (One Nevada). How are we going to spend all of this or invest? I should say all this additional funding is going to go through a data driven process looking at how these projects achieve the goals. When we receive requests—and we do receive requests—from local agencies to deliver projects that maybe we had not considered. We are going to put those through the One Nevada process as well, so they know and understand why and how our prioritization is working and they can see what other projects might be more of a priority. We can have a conversation around that, and we often do when the local agency says, “Well I really want this.” and we can go back and say, “Well this one has a higher priority because of x, y, and z.” We can go in eyes wide open and understand why what is being built and when.

We need that omnibus bill passed since continuing resolutions hurt. One of the things I have told our team because we are afraid that we will be under continuing resolutions for a long time, is let us plan on delivering the full program so when that appropriations bill gets

passed were already ready to go—we are not caught on our heels. We are working on it; we are going to be ahead.

Then bigger picture funding awareness. As I mentioned, we have a \$500 million annual shortfall, bigger than that. We are looking forward to seeing the recommendations of the advisory working group as they finish their work later this year. I am looking forward to working with you on that.

Let us talk about safety. This is probably the most important thing we can do as transportation professionals is really looking at safety on the system. Every year more than 300 people die and over 1,000 are seriously injured on our roads. Since 2015, it has not always been this way; our crashes have been less; our crashes can be less; our fatalities can be less. 2021 was the deadliest year in Nevada's history, not just in the decade, but in 14 years. From 2016–2019, there was maybe a slight downward trend, but when you look at the full decade, you can see that the trend never really went down, it is continuing to increase. These are 382 in 2021, these are people; they represent families, friends, brothers, sisters, nieces, co-workers that did not make it home. Where are these crashes occurring? This is the total crash counts over the last six years, it goes to 2020; it is only nine months of 2020—the data always lags. When we start doing analytics, we do it with the data that has been confirmed. So, 2020 is not that low—it is only nine months of 2020. Primarily the crashes occur on the local roads, and that would make sense because our road network is 14 percent of the total. It would make sense that we would have fewer crashes, but if we are 14 percent and we carry 50 percent of the crashes—we need to work on that. If we look at statewide fatalities, more fatalities occur on our network than occur on the local network, which can be largely attributed to the fact that if you are on an NDOT road, it is probably a higher speed facility. Most of those local roads—when we are talking about over 100,000 miles of local roads—are the roads right in front of your street that are lower volume roads and lower speed roads. The probability of having a fatality in a crash on one of those corridors is much lower. The leading contributors to the number of fatalities and crashes is speed and speeding. In the last two years, there has been an epic increase in speeding on our network. There is the increase in citations issued to drivers who are traveling over 100 mph. We do not have a road in Nevada that is posted over 80 mph, and in southern Nevada we do not have a road posted over 75 mph. These are citations for people going at least 20 mph over the speed limit. It is alarming because it only acknowledges those that got a citation—those where the police were there to catch them. The incidence of speeding is—and at this level—probably far higher than what we have seen. I mentioned it is not just speeding, it is also speed. As we look at this, speed matters. The faster you are traveling on the road, the higher the probability that you will hurt somebody—not in a vehicle, that they will die. And it is not at 80 mph, it is at 40 mph—if you hit a pedestrian there is an 80 percent chance of fatality. Think about the corridors you drive on; is it McCarran up north, Veteran's Parkway, Charleston, Flamingo, Rainbow, or Nellis? They are not posted at 40 mph; they are posted often at 45 or higher. If we want to address the fatality crisis that we have on our network, we are going to have to work together across all agencies to reduce the speed of travel, including the posted speed on the majority of our roadways. In the spring of 2021, NDOT launched a speed management action plan to look at strategies to better manage the speed on all roads and corridors across Nevada. We are working with not just our local public agency partners, but law enforcement partners, courts, and everybody.

I am going to talk about all the aspects of designing a safe system. When we start thinking about a safe system—it used to be three "E's"—we have added some "E's" because we recognized there are things that we were not thinking about—that we need to be thinking about—and working towards as we strive to get to zero fatalities. Critical on this, we are not

necessarily looking for zero crashes, we are looking for zero fatalities. In some cases, the effort to reduce fatalities might result in more rear end collisions, but if it results in less fatalities, which is the goal. Something to think about, you may hear or have questions and we are happy to always answer any questions you have, but we are looking at how we use these six “E’s” [equity, engineering, enforcement education, emergency response, and everyone]. How do we work together and think about these together?

The first one is—and this one is new—came when we updated our strategic highway safety plan in early 2021. We added equity because we recognize that the safety outcomes on our network are not equitable. They do not impact us all in the same way. We wanted to make sure that we put this as one of our guiding principles and really thinking about including equity in all aspects of the plan. Who will benefit from the implementation of an action step? Who may be negatively impacted by that implementation? Is there a demographic or socioeconomic data that was considered in development of our action step, as we start to make these recommendations; and who was involved? Were we listening to the same people who are listening to everyone? Were we listening to people who are most impacted? Considering equity as we work to make sure our system is safe for everyone.

Engineering—the roads we build. How do we build them in the first place? Did we design them to be safe in the first place? What are the things we are doing to make sure people stay in their lane? What are we doing to make sure that if they leave their lane in rural Nevada that they can get back on the road, and they are not off in a ditch somewhere? How are we working to increase pedestrian safety? This is a Boulder Highway, and those of us in southern Nevada, it has a posted speed limit of at least 45 mph; there is three travel lanes, plus a wide shoulder, plus a bike lane, it is scary to cross. We are working with our local partners to fix that. The City of Henderson received a significant federal funding grant to help deliver a program to make Boulder Highway safe within the limits of the City of Henderson. We are working on a safe systems approach that reduces fatalities—not necessarily reducing all crashes—a Safe System should prevent all crashes. The system is designed so it is safe for everyone, even if a mistake is made. What you are looking at is humans are humans and they are going to make mistakes.

The next “E” is enforcement. We cannot do this alone. It is not just about the engineering; it is also our law enforcement partners. They are critical in making sure that people are using the system the way it is intended to be used. It is not just the law enforcement out on the street, it is also in the courts and ensuring that the courts are maintaining and holding up the structure and the intent of the law.

Education—the IIJA funding allows us to start flexing some of those funds back to behavioral programs. I talked about engineering and the engineering system that Boulder Highway—when you look at that road in the middle of the night, there is no one on it. You might be tempted to drive a little bit faster. How do we design it? So, it tells you what speed you should be driving on it. You do not have to look at a speed limit sign. That said, not a single corridor in our statewide network has been designed for 100 mph. That is a behavior; that is an education; and is something that we need to all work on together to make sure everybody understands that you should not use our roads in that manner. We have a beautiful racetrack out of the speedway in southern Nevada; go use that if you want to test the speed on your car and never ever operate a vehicle impaired.

Emergency response. Whether or not you survive a crash has a lot to do with how fast you get access to emergency care; whether that is the ambulance that shows up on the site or whether that is getting to the hospital. We have a traffic incident management coalition, which works together across the state, and this is a training they are doing. We have seen

significant positive outcomes of those. By responding faster, we reduced the incidence of secondary crashes, which are also potentially fatal. We are working on making sure that we get everyone who needs medical care to that medical care as fast as possible. We clear the road faster reducing the incidence of secondary collisions and make sure everybody can get to where they want to go as they had intended.

The last "E" is everyone. We are not going to do this alone, every single one of us that enters the transportation system, be it in a car, be it on foot, being on a bike, be it on a scooter, or a mobility device; we all have a role to play in making sure the system is safe. We are going to have to work together to achieve those outcomes and make sure that every single one of us gets home every single night after we leave the house in the morning.

As I wrap up, I wanted to say our team is amazing; they are highly skilled; they are passionate; they are committed. It has been a privilege to be able to work with them and we all face, and the state faces big challenges, but we are looking forward to the future with hope. We have seen over the course of the last two years that connectivity and keeping Nevadans safe and connected is so critically important. We are humbled and honored to face the task ahead, and we recognize that having a reliable connected network will continue to help pull Nevada out of the pandemic; help keep our workforce vibrant; and help fortify a healthy future for Nevadans. I would like to thank you for giving me your time today. I am happy to answer any questions. I know you gave me a lot, but there was a lot in there, so hopefully you got some good information. Let us get some questions.

Chair Monroe-Moreno:

There was a lot of good information. Thank you for the presentation. I have a few questions. We are going to start with Senator Brooks and then we will go to Assemblyman Ellison.

Senator Brooks:

My question is, and first it is great to hear, that Nevada has made the top of some good lists, and that we are performing above most of the rest of the country on some of these important metrics, as far as providing infrastructure to Nevadans. I think that you should all be very proud of that NDOT should be proud, and all of us.

You identified your biggest obstacle, and it is a common theme; your biggest obstacle to success is retention and recruitment. The number one issue probably associated with that is pay and benefits. As a cabinet member and we just kicked off our budget building process today, what suggestions do you have to address that? What are you going to be doing to try to address that issue?

Ms. Swallow:

I have been elevating the conversation to the governor's office, and I have been working with other local agencies. One of the key barriers initially was really understanding the scope of the problem. How significant was it and understanding that state agencies pay less than local agencies? We went back and looked at a thread going back to 2009 and have found that the state agencies are falling further behind than they were back then. In my meetings with the governor's office, I have provided suggestions on potential paths forward. I am not the one that can generate revenue, but I am able and interested in having those conversations with the departments that work in that space and letting them know where we have ideas that might be worth considering. We recognize, and I will own it, this is not

easy. There is a reason why we are in this position. It is because in order to address it, you have to address revenue and I am happy to have the conversation. I am happy to help walk the path with you. I do not know if that is a good enough answer, Senator Books, but this is not something as I told you, I talked about it with the team a lot and I said "hey, let us focus on things that I can change." Back last fall they were like, that is not working; it sounds like you do not care; it sounds like you are not working on our behalf. And I am, I am. How do we fix it? I know this coming legislative session is going to be tough. There is a lot on the plate to be addressed, including my own funding strategy for our capital program and our maintenance program. I am talking about it with everybody I can, and I am open to ideas. If somebody says, "Well, have you thought about this?" I think that it is good, I pass it on to the people who I think might be responsible for helping figure out how to implement it.

Assemblyman Ellison:

It was great information. I am glad you mentioned the 100-mph speed limit because on I-80 you can go for hours, never see a policeman and see cars doing well over 100. I have two questions for you. Number one with the cost of fuel going up the way it is—it is dramatically, that is going to have a large impact on your asphalt costs. Is that not?

Ms. Swallow:

It is. It is interesting, when we do bids the contractor is stuck with what they bid on all but a couple of items. On a couple of items, we recognize the prices fluctuates so dramatically that we come to the table, and one of those is asphalt—it is oil. So, if that asphalt cost, when they buy is significantly more than what they bid, we do pay that difference. It is in our contracting documents. We are concerned that we are going to start seeing a significant impact. Then again, that goes back to we do not have enough revenue and it could impact our ability to deliver the full program. I am hopeful that between IIJA and inflationary costs of the fuel will be able to balance out. That said, we all want fuel costs to go down.

Assemblyman Ellison:

The other thing, we have been bringing this up for a long time. I have seen more and more electric cars on the highway. The problem is, how do you receive fuel funds to pay for the highways? How do you off-set for what you are losing with electric cars on the highway? Should that be addressed with the Legislature on when they purchase electric cars; that they have to have a special tax or something. There are a lot of cars that are not paying any road tax at all; maybe I am wrong. But I am looking at it as a business sense and if somebody is using something they need to pay for it.

Ms. Swallow:

It would be like turning on the tap and drinking water you were not paying for. I think we all get that. I am happy with the work the Legislature initiated back in 2019, with the Senate Concurrent Resolution 3 and looking at how we address the long-term viability of the State Transportation Fund. That was prompted, I think, because of EVs, but not solely because of the EVs. As I mentioned, the large part of the degradation of our revenue has been because of the increased fuel efficiency of cars overall. In 2021, the Legislature passed [AB 413](#) and at your June meeting, I will provide information to this committee on the advisory working group. The advisory working group tasked with looking at not just the couple of programs we looked at with SCR 3, but all the funding options that are on the table that other state agencies possibly use—other local agencies use to figure out how we best crack the nut on funding, and part of that is EVs. I think when we started this effort there was a thought

there would be one answer; it would be do this thing and it is going to solve the problems. As we have gone down this path, we have realized that it is probably going to be a suite of recommendations; recommendations to address the short-term problem as well as recommendations to address that longer term problem, which is increased adoptions of EVs. Right now, there are not a ton of EVs on the network but with fuel prices the way they are and with battery costs going down; and the overall EV cost coming down with more diversification of the EV fleet. We do anticipate that is going to point to increase at a significant rate. So, hold tight in June I hope to have more information. Yes, I am looking for the Legislature to help get it over the finish line once we have those recommendations.

Assemblyman Ellison:

I want to say, thank you for the work you guys did on Immigrant Pass, the truck passing lanes up along that whole road; what a difference that it makes it is night and day and then plus 93. Thank you so much.

Assemblyman Watts:

Thank you for the presentation, there is a lot in there. I think you did a great job of explaining some of the guaranteed funds that are coming to Nevada. My first question would be, could you talk a little bit more about some of the competitive grant funding and your plan to make sure that we go after as much of that as possible. I know that some of those come with match requirements as well. If you could just give a little bit of high-level background on that, I would appreciate it.

Ms. Swallow:

There are a couple of pieces to it. There are the big grants, the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant program; the Nationally Significant Multimodal Freight and Highway Projects (INFRA); with significant money—for example we received \$50 million for Tropicana a couple of years ago. There are also many smaller grants. Several of these grants do not even have their programmatic requirements written yet. It is a whole extra bonus challenge right now in this new system. We have a consulting team that is helping us track and evaluate the grants as they come out. We work together with our local agencies to determine which grants are most appropriate for us versus them. In some cases, we all compete against each other. I will give you an example, the RAISE grants are due in mid-April. We are going to submit one and we know that several local agencies are also going to submit grant applications, and we are going to write letters of support for some of those. We work with our federal legislative delegation to help them understand where we see the differences in them. The goal is to get the money to Nevada. It is not necessarily to get the money exclusively to NDOT. A good example is the Boulder Highway project. The City of Henderson applied for the money and received it even though it is a NDOT corridor. We will work with the city and make sure they can deliver the program because we have got to come to the table with some money too, it was not everything. Another example is the RTC of Southern Nevada applied for an Advanced Transportation and Congestion Management Technologies Deployment Program (ATCMTD) and received money; that is one of the smaller programs. It was for U.S. Route 95 (US 95) in Las Vegas. We all work very closely together. We wrote letters of support for the two grant programs the City of Reno and Carson City applied for and received for the Arlington bridges and for Williams Parkway. We constantly work together with the local agencies to ensure we receive the money based on the specific requirements of the grants. We are great when it comes to programmatic matching because so much of our state is federal land, our match requirements on most of the federal funding

is programmatic. It is the lowest in the nation—it is 95 percent on many of those funds. On those that are 80/20; we are definitely the 80, but anything that has a somewhat flexible funding because our state is so federally owned, we have the lowest match requirements which helped us weather the COVID pandemic. When our state revenue fell, we had still enough to make sure we used all our federal funds. On the other hand, in terms of competitive grants, there is frequently a request to meet the minimum amount as well as provide extra funds. Again, we work with the local agency to develop a revenue package in order to leverage federal funding—and show that it is not the Feds paying for 95 percent, but rather the state or local agency will provide 30 percent. We work together to make sure that we use our money as much as we can to leverage federal funding and get more dollars into the state; whether it is to me at NDOT—which we love winning, we love celebrating. We are like, yay!!!, we got the money, but I also love it when the local agencies receive it because it is still meeting the needs of Nevadans.

Assemblyman Watts:

Thank you, I appreciate that. The next question I had, and you mentioned this I think in a couple of points in the presentation, I think this was brought up last session and want to applaud your agency for being a leader in incorporating climate considerations into your overall agency strategic planning process. As we look at bringing in an increase in resources from IJJA, some of which are earmarked towards more carbon reducing things such as supporting EVs, some of which are more open ended. Could you speak about how you are applying the climate lens to utilizing those funds to try and maximize that benefit wherever possible.

Ms. Swallow:

There are a couple of things we are doing. I think on a high level it is important to note, we are one of the lead agencies in the state on addressing the climate challenge because transportation is a leading contributor in the state. Unfortunately, I am a driver just like you; we are drivers. We picked where we live, and we have to drive. There is not a lot, as NDOT that I can do to change how much people drive, but where we can, we are working on doing that. What we are doing internally is we are looking at what our climate footprint is. I challenged our team to look at our projects. How do we reduce the project climate footprint? That is harder. It may come with costs and at some point, we may have to justify that we spent 30 percent more on this material because we wanted it to be local, so we could reduce its greenhouse gas footprint of transportation. We are looking at that and we have not developed it yet. There are programs that we can adopt “lead-by-example (LEAD);” it is not intended for transportation, but like that, we are looking in the space, which is how we are looking to reduce ours. But when it comes to delivering our projects, I mentioned the ONE Nevada Transportation Plan and those six goals; one of those is climate and sustainability. We have criteria. When I started in 2019, we had this plan we adopted in 2018 and I was like, great, what happened? You have six goals. They are fantastic. How do we develop projects? And they said, “we have got to work on that.” I am like, “alright, can we do it tomorrow?” And they said “no,” but I am learning patience. The first year they developed the criteria, by which the first round, I would even say of criteria by which we would measure those goals and measure our projects. I think there are 17 different criteria in there. The criteria—I am going to go with preservation because it is easier. What is the asphalt condition? Do we have a bunch of potholes or not? It is those types of criteria. When it comes to climate, we are not just looking at greenhouse gas emissions, we are also looking at runoff generated from our projects. Are we impacting our local streams and waters? We are looking at all those things and developing new criteria. The other thing we are doing is we are developing—really looking at how do we weigh those

criteria against each other. I will give an example of access and providing mobility. A lot of developments are now occurring on the outer regions of our community. If you build a new interchange, you created access for a whole bunch of people, but you also made a whole bunch of people drive. You added all these cars onto the interstate and so we are working to figure out how do these criteria work against each other? The good news is we are not the only ones working on this. A lot of departments of transportation are working in this space, but we are working to try to use our project prioritization and planning process to drive the outcomes we want to see as a state. Overall, particularly in that climate space, but also in safety, in preservation, and all those six goals.

Assemblyman Watts:

Thank you. I really appreciate the background on how that is being incorporated into your processes. Madam Chair, I have one more question. The last question I have is around safety. I really appreciate that run down through the "Es" and clearly there is a role for infrastructure to play in safety and clearly there is a role in driver behaviors. One thing I wanted your perspective on, is the role that vehicles themselves play. This is something that was brought up in earlier presentations today. The condition of the vehicle and its safety equipment. Of course, we make sure new vehicles have certain safety equipment installed and built in, but then there are certain things like condition of tires, conditions of breaks that can impact some of those stopping times and contribute to injuries—even fatalities. It is something that I do not see as often in the discussion of the vehicle element in safety. I was wondering if you had any thoughts on that topic. I know that is not maybe necessarily as closely connected within your agency's perspective, but since you are participating in a lot of these conversations about safety, if you had any feedback on that.

Ms. Swallow:

I do not know that we have that data. That would be a fascinating as a Ph.D. study; for somebody to go and look into that—what is the impact, and you are right, there is an impact. I was even thinking about it in relation to equity. If you have less resources, you are less likely, not only is your car older, so it does not have all those safety features in it; but you are less likely to have the resources to replace your tires or do your brakes. So, are you more inclined to be in a crash in your neighborhood now? You also probably have people who are biking and walking. There is an equity piece of that too. I do know that it plays a role, and we are looking at these safer vehicles, but the safety of the vehicle can still be subject to the programming—still subject to users because we are using them. This is why largely I am more focused on, do we design a road that tells you what speed you are driving or are we relying on the sign on the side of the road because people do not look at the signs unless I am looking to figure out where I am going or I just passed a cop and I am like, "oh my gosh, am I going the right speed?" I think a lot of us do not look at the signs unless you are lost or going somewhere—and now with navigation, you do not have to do that. The road should tell you what speed to travel. If you travel to these other communities, lived in any other communities, there are roads. I lived in Washington DC for three years and you cannot go in the city more than about 25 mph on many of those roads because they are built differently. Our roads—that road right in front of my house—is not a lot smaller than some of the arterials that we drive on, but it is posted at 25; it does not tell me to go 25. We are looking more at the engineering, but you are right. I think it is important that we also consider what the impact of the vehicle itself is. And how we might be able to work towards ensuring that we are addressing that as well.

Assemblyman Watts:

Wonderful. Thank you for your thoughts on that.

Chair Monroe-Moreno:

Thank you. Members, any other questions. [There were no further questions.]

Ms. Swallow:

Thank you and if there is anything else, never hesitate and we are always happy to work with any member of the Legislature when it comes to issues regarding transportation.

Chair Monroe-Moreno:

Thank you, and we look forward to seeing you again in June with that report.

Moving to the second portion of this agenda item. Next up, we will have Ms. M.J. Maynard, who is the Chief Executive Officer (CEO) of the Regional Transportation Commission also known as RTC here in southern Nevada. She will make a presentation of what we are doing here in southern Nevada when it comes to transportation, traffic management, transportation planning, and funding. Ms. Maynard the floor is yours.

B. Regional Transportation Commission (RTC) of Southern Nevada

M.J. Maynard, Chief Executive Officer, RTC of Southern Nevada

Thank you, Madam Chair Monroe-Moreno, and members of the Commission. In the interest of time today, I will be very brief in terms of who we are and what we do. I am going to discuss RTC's efforts to maximize the infrastructure funding effort, potential topics of discussion during the next legislative session, and then briefly touch on the impacts; both challenges and opportunities in terms of the pandemic ([Agenda Item VI B](#)).

We wear a lot of hats here at the RTC. We are the public transit provider; the metropolitan planning organization (MPO)—the regional transportation planning agency; the roadway funding and planning agency; traffic manager for the region; and we implement and oversee the bike share program in downtown Las Vegas. The RTC is run by a regional board; two members are from Clark County; two members from the City of Las Vegas; the vice chair from the City of Henderson; we also have representation from Boulder City, Mesquite, and North Las Vegas—excellent board by the way, I feel pretty fortunate.

As the traffic manager for the region, we continue to manage during the pandemic; the very traffic flows on the arterials and in partnership with NDOT on the freeway system. Overnight, thousands of southern Nevadans found themselves unemployed and so we were very sensitive to ensuring that as those food distribution sites were set up that we were able to effectively manage the traffic volume around those sites as well as the vaccination sites. I will tell you that the traffic, if you are driving here in southern Nevada, you are already aware that traffic volumes are where we were prepandemic, particularly at the California-Nevada interstate border.

We did not anticipate receiving stimulus funding, so prior to that, we had made up almost \$10 million worth of fixed route service cuts. When we received the stimulus money, we were able to not only implement service levels back to where they were prepandemic levels—but we did it in a different way. We took advantage of not necessarily putting the service back the way that it was, we are looking for opportunities to potentially do

something different, like implementing an on-demand service in the southwest part of Clark County that had never seen transit service. As well as west Henderson in northwest Vegas, we added a brand-new route; another brand-new route in the southwest—West Henderson, Boulder City area. We increased frequencies on all of our routes for particularly folks that have no other options to move about, that use public transit, the number one thing that our customers want us to spend money on, if they are using public transit, is frequency. So, we listened to the customers and implemented more frequency and brought back weekend service—because we had made a cut to that during the pandemic.

[Audio from the presentation.] I am going to show that the last two years brought unexpected ups and downs throughout the world. But one thing remained constant, we kept moving; moving the moms, the dads, the essential workers, students, fans, and those who love what Vegas has to offer. Moving to evolve from the traditional transit some have come to know us for to a new transportation form for new audiences. Thanks to federal stimulus funding, we expanded to new neighborhoods in the valley booming with economic development.

As we have seen from the introduction of the bus route, it has opened more resources for people to come here and choose Amazon as an employer of choice. I think what it means to us from an employer standpoint is we want to make sure that we keep people here. We want to make sure that we retain our associates and we do not want to spend additional costs in trying to find someone else. Because if we consider everyone a member of our family, then we do not want our family to leave us.

When our community was challenged with getting our kids to schools, we launched the RideOn Program to provide students with new options. The RTC RideOn Program helps students get to school on time by using the regular public transportation system by a student having a bus pass that they can use whenever they need it. It gives families a lot more freedom and flexibility, and parents do not have to worry so much about whether or not their kid has the transportation they need for both school or employment.

Regional Transportation Commission is great because it has helped me get to places, I need to go in a timely manner, and it is as simple as pressing a button and just going. I ride it Monday through Friday every day to school. I do use it occasionally on the weekends to go to work, get groceries, go to certain appointments of some sort, and it is overall a great experience; even getting my driver's license using RTC-OnDemand, I would probably end up using that to go there and even after getting a driver's license I would still use it.

I think as a parent my own child uses RTC to get back and forth from school, not through the RideOn program, but through RTC. What I like about it is that I know where he is, I know what he has access to and that it allows him to be more independent.

We did some of that with RTC-OnDemand. A new door-to-door micro transit service in the southwest and west Henderson parts of the valley.

My name is Zak. I used the RTC-OnDemand and saved so much money in my gas in my car. I can open the app, get a ride, I can get to and from work and get from work to go hang out with friends. It just makes everything easy. I do not worry about gas. Before RTC-OnDemand, and then to RTC Express, I had not used any of the RTC

services, and it has been amazing. I am super impressed with the Wi-Fi. It is easy to stay in touch on the bus. Air conditioning is great in the summer. It has been a great experience.

And thanks to the Clark County Department of Environment and Sustainability. Our Game Day Express was there for all the Sunday and Monday night football too. But that is not all. In continuing our commitment to transition to a zero-emissions fleet. We are excited to welcome our first two hydrogen fuel cell electric busses later this year. We are going places southern Nevada. Let us go together.

I did want to make a comment about, the fact that Director Swallow talked about labor and the labor shortage. This has been an issue for the last two years here in southern Nevada. We have seen the labor shortage here in terms of how we provide our transit service. We thought it was just the pandemic; there was a labor shortage because of that, but it has been sustained and ongoing. So much so that we had to, as a February 22nd, reduce our transit service to a Saturday schedule. What does that mean? It means that we are providing a substandard service right now to our community—particularly those folks that rely on us. We also worked in conjunction with the school district. Their labor shortage was more severe than ours. So, we identified 15 high schools that are aligned on one of our transit routes. We were able to assist. Today, there is about 1,000 students that are utilizing RTC to get to school. But what has been interesting and exciting is that these students we can track, not the individual student, but we can track how the student travels. We are seeing that the students are utilizing transit systems to not only get to school but also, they are using it on the weekends, at night, for after school activities, and get to work. I feel like we are sort of developing our young transit riders. You heard the young man say he never used transit until he had the opportunity to. Then we listened to our customers and worked with Clark County. As a traffic manager of the public transit agency, the ability to get everybody to leave their cars at home in the outlying areas, put them all on one bus and get into the Allegiant Stadium or T-Mobile. Not only does it help that customer experience, but we move almost 3,500 Raiders fans to the game each Sunday, and if each Raider fan or as a couple decided to drive to the stadium rather than get on our bus, we probably eliminated at least 1,600 vehicles in and around the state—and for that Game Day service. We feel like it is a home run both from keeping cars in their garages at home, for not only sustainability sort of climate action opportunity, but also as a traffic manager it really helps the congestion.

To move on to Maryland Parkway. We have been working closely with our contractors, we are working on the engineering and final design for the proposed Maryland Parkway Bus Rapid Transit Project; final design should be completed in early 2023. We are also applying for federal funding this year to pay for a portion of the project; construction, which is anticipated in early 2023. The system should be up and running. The new Bus Rapid Transit (BRT) project as early as 2025. I forgot to mention, and I think it is noteworthy that during the pandemic, while ridership around the United States dropped significantly, every single system here in southern Nevada—we probably saw the lowest drop in ridership—that speaks to the number of essential workers that we moved in and around our service economy. We continue, the most recent national transit database as of 2019, we are number one in lowest and operating cost and number one in lowest subsidy; less taxpayer money goes into providing each trip. We have the highest farebox recovery ratio. What does that mean? We are collecting more money in the farebox than 98 percent of our transit peers. People are always surprised to learn that we have the 12th busiest bus system in the U.S.

Moving on to the roadway side of the house. This is what we are doing with the money that many of you supported as of January 20, 2022, 583 projects have been awarded; 330 have

been completed; 78 local small businesses have been put to work. Nearly \$1.85 billion has been spent in roadway projects and that has created more than 13,000 jobs. Through fuel revenue indexing (FRI), we are working the local entities with the contractors, the unions, and others like NVEnergy to help fund, build, and maintain the roads that we all use every day. An FRI has not only been a critical part in improving our roadways here in southern Nevada, but it has also helped create thousands of jobs and we think that is probably the best benefit. Some background, of the tenure extension to index steel tax inflation will end in 2026, so there is an opportunity; actually, legislatively we were required to go back to the ballot in 2026, by way of the county commission. The RTC, and thanks to Director Swallow—her emphasis on safety, it is a big deal—our roadways are getting exceedingly more dangerous every single year and so we are working closely with many partners on a variety of safety and technology projects; Director's Swallow mentioned what is happening on US 95. We are working, it is a grant—she writes a ATCMTD grant—the US 95 integrated safety technology corridor between I-15 and Summerlin Parkway is a joint project between the RTC, NDOT, Nevada State Police, UNLV, and a private partner company called REKOR. Key components included in this grant funded project will include wrong way driving warning systems and strategic traffic management sites for law enforcement. We are also pursuing funding to upgrade and modernize the central traffic signal consult control software. We work closely with the jurisdictions, it is their equipment, there is over 1,600 signalized intersections here in southern Nevada. We managed all the cities in the county with their equipment, there is a hodgepodge of outdated equipment. We are looking for funding in IIJA to upgrade the entire system. We are looking to test new technologies and in something called advanced intersection analytics. We are going to be putting out a request for information this year to the industry. There is an opportunity to use artificial intelligence and deep learning technology to collect traffic data in real time and collect insights into the intersection; whether they are near misses, there are red light running, there is speeding, all those things will be able to take that data and provide that data to either all of the jurisdictions that are potentially looking for a roadway safety design upgrade or providing that data to the Nevada State Police or in this case Metro, where they can help them to implement more of their enforcement efforts.

The RTC safety is for all road users. It is not about the car or the transit rider, it is about pedestrians and cyclists. We are parting with local jurisdictions to implement complete streets projects throughout southern Nevada that will improve walkability and cycling opportunities along key roadways. Over the next few years, the work will continue with over 20 bike and pedestrian projects totaling more than \$80 million planned or in progress. As I mentioned earlier, we also operate the bike share system in downtown Las Vegas. During this pandemic, I think everyone took advantage of the fact that there were not many cars on the road, and we saw a dramatic increase in the bike share usage that continues today.

Finally, looking long-term, we have identified several new planning studies that will inform where and how we build new bike and pedestrian infrastructure, such as the Southern Nevada Vision Zero Action Plan. We are also working on a regional walkability plan and an update to the regional bicycle plan.

I am going to provide a brief overview on our funding sources, expenses, and financial forecast over the next few years. We had no idea that relief was on its way in terms of federal stimulus funding. I have two huge shout outs to our federal delegation. They worked hard to deliver this federal funding to our state at a critical time, and so between CARES and ARP, we anticipate receiving \$303 million. We have drawn down, quite frankly, almost all of it, we were the first transit agency in the United States to obligate our ARP money. When people hear RTC received over \$303 million, so where is my light rail system? It is important to note that this stimulus money is very prescriptive in how we use it and when

we use it. The Federal Transportation Administration (FTA) said RTC we are going to give you this money, but you have to make sure that you bring your transfer service levels back to prepandemic levels. We did that, as I mentioned; we added new routes in the OnDemand service and FTA said to use that money to bring back all the employees that were laid off and furloughed; we did that as well. The funding is to be used additionally to continue the sanitization efforts that are currently underway and will continue; that will part of our operating business standard going forward. Once the funds are obligated, we have five years to spend this stimulus funding.

Other things have changed, not only did we receive the \$303 million in stimulus, but we also have seen—every business, public, or private sector here in Nevada—an increase in sales tax. A sales tax, by the way as a reminder, to fund public transit here in southern Nevada there are two main sources of funding: one sales tax and the other are passenger fares. We have seen a much-needed increase in sales taxes up over 21 percent compared to 2019. We normally anticipate about 3½ percent increase in sales tax every single year—very significant. Then the bipartisan infrastructure bill, we anticipate receiving \$150 million in new funding over the next five years. About \$80 million in new funding for transit, and \$70 million dollars in new funding for MPO—planning and roadway projects.

Briefly, our FY 2022 budgeted funding sources; we are primarily funded by fuel taxes and sales tax made up of grants and various bond proceeds. Total funding sources for FY 2022 is \$662 million. Then our funding uses consist mainly of capital out lay of 44 percent, contracting services at 37 percent, and the rest is made up of debt service at 12 percent, and salaries and benefits at 7 percent. This graph shows how the queue of dollars under contract compared to arterial roadway revenues and expenses. This is since the inception of the fuel revenue indexing program back in 2013. As of the second quarter in FY 2022, the total revenue is more than \$2.1 billion; these revenues include bond proceeds; the total expenses are more than \$1.3 billion, the total amount under contract is about \$1.8 billion. A very healthy program and many thanks to all of you that were involved in ensuring that we have the ability to go out and index fuel tax to inflation. Our projected budget deficit prepandemic and we were looking at a shortfall beginning as early as 2020. For the RTC we had to manage to the businesspeople; we had to manage the budget; and we had to address that \$30 million deficit; we had to lay off 15 percent of our workforce; everybody took a pay cut; we cut contracts; we eliminated capital projects; and of course, we unfortunately had to reduce our transit service. But the good news is that we have, because of the system being funded—increased sales tax and money through the IIJA. That funding deficit that we saw it happen as early as 2020 has now been pushed off to FY 2028. It is important to note that this is what we know today. This is a projection based on what we know the deficit of \$31 million will happen in 2028. Now, we would never wait until 2028 to lop off \$31 million in transit service. We anticipate starting to make some of those reductions in transit services early as 2025. It is important to note that additional federal money and increased sales tax certainly delayed that fiscal cliff we have been dealing with for a number of years here at the RTC. The transit service levels we are offering today, even when we get back—when we are able to hire enough drivers to bring our service levels back to where they need to be—our transit service still has not been able to keep up with the population growth and demand; it is suboptimal at best. A new funding source of budget cuts, including cuts of transit service will need to be made if we are not able to identify funding.

Before we wrap up, I do want to talk about our plans with respect to federal and state legislative priorities for 2022 and 2023. As of February 2022, we have worked as a team internally and reached out to the jurisdictions because regionalism really will be more competitive in terms of receiving and being awarded money from the funding from the IIJA.

Internally, we have identified about 40 projects across 24 potential funding sources. We are currently working with local entities and NDOT to compile a comprehensive statewide list of transportation parties to identify possible partnership opportunities for the highly competitive grant programs. Aside from the \$150 million that we expect to receive from the increased formula funding, there is \$1 billion worth of competitive grants available, and we are ready to go. Which is why we have been working for the last three months in anticipation of the Notice of Funding Opportunity's (NOFO) coming out so that we can hit the "go" button and start applying for these grants. The DOT issued its 1st NOFO for the RAISE grant program, we expect to apply prior to the April 14th deadline. We are also anticipating the release of NOFOs for the busses and bus facilities grant and, also NOFOs low emissions program which is going to be critical for transitioning and maintaining our fleet to zero-emission vehicles. We have over 800 busses. We put together a zero-emission vehicle plan that if funding is available, we will be able to transition our fleet to zero-emission vehicles by 2035. Without this federal stimulus funding that we were seeing—this additional money—we would not be able to start advancing this plan. We consider ourselves very lucky, again on behalf of our federal delegation.

Looking ahead to the 2023 Legislative Session, we remain focused on short- and long-term funding needs. A variety of options are available to us to pursue legislative solutions to help address these challenges. The RTC has the authority to use the ballot process to secure funding for transit service in 2024. We are evaluating the feasibility of this option, given the current sales tax rate here in Clark County and concerns regarding using sales tax as a funding source. As I mentioned earlier, fuel revenue indexing will expire in 2026. This means we will need to go to the ballot to continue this key component of our ability to not only maintain but improve our valued roadway system. Then given the decline of purchasing power of the gas tax, Director Swallow mentioned this as well, the increasingly fuel-efficient nature of new vehicles and the shift to alternative vehicles such as hybrids, electric, and hydrogen fuel cell EVs. The long-term viability of this important funding source will need to be addressed.

Finally, we had our first Transportation Resource Advisory Committee (TRAC). I think many of you are aware that this was a committee we had in place for five years, part of the pandemic that helped us advance our FRI and all the efforts around that. We have brought them back; they are going to help us as we look to enhance transportation infrastructure in southern Nevada to accommodate the future and current growth. The TRAC members will provide their input and guidance on RTC's vision, priorities, and alignment with the region's transportation needs. They are going to help us make recommendations to our RTC Board of Commissioners. The TRAC membership consists of 33 thoughtful and committed leaders here in southern Nevada; they represent large sectors. We have businesses, unions, and community groups; businesses and stakeholders that are impacted by transportation related issues. We held our first meeting of 2022, on February 24th, and planning on wrapping up on the end of the year. The TRAC is tasked with making a recommendation to the RTC Board to address transportation funding solutions and priority projects for the community, and if approved by the Board, we may pursue one or more legislative fixes to address our funding issues in the next legislative session. That is the conclusion of my report, unless you have any questions for me.

Chair Monroe-Moreno:

Thank you for the presentation. Members, any questions? I see no hands raised, that is a good sign you covered everything, and you answered everyone's questions. You did an awesome job.

Ms. Maynard:

I am available to you all the time. We rely on your insight and your leadership. If there is anything that we can do to answer any questions you may have now or in preparation for the next legislative session, we are here to do whatever we can to help.

Chair Monroe-Moreno:

Thank you, we appreciate that. It was good to see you, enjoy the remainder of your day.

Mr. Thomas, thank you for your patience with us today. Our final presentation will be with William Thomas, he is the executive director of the RTC from Washoe County, and he will have a presentation. He is one of our four MPOS in our state. The floor is now yours.

C. RTC of Washoe County, Nevada

William A. Thomas, Executive Director, RTC of Washoe County

Thank you, Chair Monroe-Moreno. I appreciate all of you giving me a few moments.

Good afternoon committee members, I am going to do a presentation ([Agenda Item VI C](#)) that parallels what CEO Maynard did and to some degree what Director Swallow did. The thing I would say as you listen to our presentation is we are very similar to Southern Nevada RTC but obviously different in scale. We have a board similar to RTC Southern Nevada, which is made up of elected officials. Our Board is slightly smaller though; we have five members that are from the City of Reno, two from the County Commission of Washoe County, and one who is the Mayor of the City of Sparks. In addition, Director Swallow sits on our Board as an ex-official member to participate in our deliberations and in our efforts.

We have three core services we provide. I wanted to talk about those here at the beginning. But before I do, I know you started your meeting with a couple of public comments from individuals who live in northern Nevada. I wanted to share with you that both Ms. Glass and Ms. Martinez are known to us. Their comments today were things I had not heard but we will follow up with them; you may have already by now contacted them. I want to assure you their concerns will be listened to the extent there are things we can do to address them, we will. I am not going to get into particulars right now, but as I go through our presentation, I will answer some of the information that was presented that is not quite accurate in terms of how we operate. I did want to offer to anybody on the Committee if they would like to dive deeply into how we operate, particularly our access system, I am more than happy to do that either through a phone call or emails; however, you would like to dig deeper.

Starting with our public transportation portion of our business. We operate here much like southern Nevada. We have contractors that provide our service; contractors also do the design, and we oversee them for construction of the project. We are a very small organization, about 64 people that do several \$100 million worth of work each year. Our model, which has been in place pretty much from the beginning and has been very successful for the public both in terms of what the public dollar gets as well as how much gets done has been to use a contractor service provider model. This means we have a lot of people employed in Washoe County doing projects for our state.

On our Fixed Route system, which is the biggest part of our transit system, we have about eight million riders a year—that was before the pandemic. I am going to talk about what happened during the pandemic. It is the backbone of our system.

Our ACCESS Paratransit system, not unlike everybody else in the country, is driven and guided by the FTA. They lay out the guidelines for how we operate as well as the Americans with Disability Act (ADA). This service is not one that there is a lot of flexibility or a lot of opportunity to create our own version of how it works. It is very prescriptive, and I can assure you we follow all those rules. If we did not, we would not be getting FTA money.

Lastly, we have a FlexRIDE service for a few years now, which is that third leg of the public transit stool between the Fixed Route system—which is large 40 person busses that are very much fixed in terms of where they go for the most part; and then the Paratransit that is only available for people who are disabled and qualified. This third version is a version of—it is not door-to-door—best be described as curb-to-curb. If you think about it, the fixed bus, you have to go to it and it runs a route on a certain schedule, it is designed for a lot of people to use; you have to go to it. The Paratransit is designed where you call and schedule a time to be picked up at your door and then taken to the door where you are going. The Microtransit is a geographic constrained smaller area that is basically added onto the fixed route that takes you generally from the curb or in your neighborhood to another place within that service area. They are very distinct services that serve very different purposes. I would point out to you a couple of things. First, all our three transportation services are funded by the county's sales tax; this is taxpayer money that pays for these services. In our county, we are not nearly as in as good of a position as southern Nevada; we get about 7 percent of our fare from the farebox. As you can imagine, raising fares is very difficult to do because most of the people—a great portion of the people—we serve are disadvantaged. In addition, there is a lot of push from the federal level, and I say nationally to try to even provide free transit service, which while certainly it is laudable, it is still another, for us, 7 percent of revenue we would have to pick up if you did that or we would have to cut service. By way of example in our costs, the Fixed Route system, the cost is about \$8.50 per ride. The FlexRIDE, the cost is almost \$23 per ride. The Paratransit ACCESS costs \$40 per ride. You can see the difference between true mass transit and how many people can ride for lesser cost versus a very expensive, but very important access service for people with disabilities. As you can imagine, since tax dollars are defined by formula, we have to figure out how best to manage the funds we are given, which are an absolute to provide the service in our community; and that is what we struggle to do. I think we are very effective at on a day-to-day basis.

I wanted to talk again about COVID and give you some perspective on what happened to us. The maximum level of decrease from ridership that we saw during COVID was about 65 percent; so, two out of the three people that were riding along the road. As of today, we are still sitting at about 30 percent, almost 40 percent less riders than we had before the pandemic. Part of that, when you look at the world of public transportation, is the bulk of our services, the people who do not have a choice; a lot of people that are in a position either because of their physical or mental limitations or because of their income level, not only cars or not having a driver's license or not being able to get a driver's license—they use our system. So, what we found during the pandemic is it really defined the core people who use our transit system. And the big challenge, I would say, particularly when you talk about climate change, and I will mention what we have done, is we have to find a way, not only here but true to some degree in southern Nevada and across the state, how to get people onto the bus. The mere fact that we provide them is the first step, the second one is to get people to start using them and chose to leave their cars in their garages.

The last two things that I want to talk about is the drivers. We lost, as a result of COVID, over 30 percent of our drivers which as you can image in a bus system or transit system is very dependent on having drivers. That made it very difficult for us to meet the service demands, because we simply could not put the buses and the transit vehicles on the road. Since then, we have been able to add back, very aggressively, up to a point now where we are about 20 percent less. But, as you can image, we are struggling with everyone else in our economy trying to get people to come to work. We do not have a special formula to say with everyone having the difficulties of finding employees; we are in the same boat. It is something that we are dealing with and working very aggressively on, but just the reality of our world.

The other point is the increasing costs of capital needs. These numbers do not reflect what is going on with the cost of oil, and it has been mentioned that the fact that asphalt and everything that has to do with construction is going up. I would share that the latest numbers I saw earlier this month on the actual price of materials that we use in constructing our roads is up about 12 percent. So, it is very significant in terms of what our costs are going to be in the next year or two, hopefully it will not last long.

Very briefly, right now as a rule of thumb, to give you a perspective, it costs about \$10 million to build a mile of road. We have a system now that is 478 miles. It is about a \$4.7 billion system. Not saying that we have to replace that all at once, but it gives you some perspective on the fact that if you are spending \$10 million to do one mile, it is a very large issue looming in the future in terms of our ability to maintain and build the roadway network that we are going to need for roads in our state.

One of the things that was an advantage for us during COVID we had a project—our Virginia Street Bus Rapid Transit (BRT) addition—it is a critical part that connects the University of Nevada through the core of our downtown and ultimately to one of our major commerce centers and to Meadowood Mall, which is one of our two big regional malls. During the pandemic, we made a decision, consulting with some of the businesses, to not phase that project. Normally, when you build a road, you close one side—basically disrupt half the people—and then close the other side and disrupt the other half later. We met with all the people, and we said, “Well businesses were closed, business was slow, this would be the perfect time to shut down the road totally and get it done.” And we were very lucky that the business community was very supportive of that. It allowed us to build that road, not only 17 months ahead of schedule, but we saved over \$28 million, which we have been working with the FTA to be able to repurpose back into our community. So, not everything bad about the pandemic was painful, this one was good. I wanted to share that with you to show that we got creative in figuring out how to deal with this once in a lifetime hopefully crisis.

I put together this graph, which is the next five years of major projects in Washoe County. The color code shows, the projects in red are projects with qualified census areas, the blue ones are ones that either touch or are in partially qualified census areas, and the dash black ones are outside. And the point being that we have been talking a lot about and it is the right thing to do about how we invest our infrastructure money. This graphic shows you that we are spending 77 percent, over the next five years, within qualified census tracks or adjacent to or next to. So, I would say very proudly, we here in Washoe County are spending the money where we think the federal government, the state government, we know our local community wants to spend it. I wanted to share that with you.

Very quickly, on the COVID money, we received about \$45 million, in total in three tranches. As of this month, we will have spent all of it. And I think it is something that

you may not know, but I think you should be proud of us here in Nevada, including Southern Nevada RTC, because it is atypical for public agencies to have spent all of their COVID funds, and we both have done that, or will have done that very soon. So, what did that mean to us? Here at RTC Washoe, it allowed us to not lay off any of our drivers. We kept the drivers working through that 65 percent ridership drop off that I mentioned; and typically, what you would do is cut back the service if people were not riding. We did that intent—both from the standpoint of keeping people employed, but also and just as important, we wanted to make sure that people were not crowded on buses. We intentionally left our system running through the pandemic as if nothing had happened and it gave us more capacity on each bus for people to separate and to feel more comfortable. What we were trying to do was make sure that people continued to ride the buses. Because it is important to them—it is an essential trip to them—and important to us that we maintained the ridership the best we could during this unique time.

A couple of different things that we have done as far as federal money because I know that is one of the topics of conversation here. We have a DOT grant for one of our bridges, \$7 million RAISE grant. Hopefully, we will be getting some money earmarked soon to also go towards that bridge. We also have a grant—we are a bit behind, but we are on a parallel track with Southern Nevada RTC—to get two hydrogen fuel cell busses and refueling. We have moved down that path. I would share with you that we have had electric buses since 2014, we are a very early adopter, hopefully in the next couple of months we will be 100 percent alternative fuel for our whole fleet. We are very much an early adopter of alternative fuels and the benefits to the environment. We will continue to do that. The good thing is that we are well ahead of most places in the country. The bad thing in terms of some of the money that we really do not need more buses right now, so we are going to pivot other things that we need the money for but at least for the next five years we are in a good position in terms of having vehicles that are low or no emissions in terms of what the federal government is looking for funding. I would point out that we got a grant for \$300,000 to extend our BRT system further to the south and work with local governments to figure out how we can do a better job to having development in support of fixed route transit.

You heard some of these funding sources, these are some of the funding sources we use through formula funding. We are very in tuned to how that money flows; and Mr. Husch discussed the federal dollars and how the majority is going to come out through processes already in place. I can assure you, I know the state, and I know Southern Nevada RTC, and the MPOs are very much in tune to how to use those processes to get money into our state, all of ours that is equitably ours as well as those competitive grants.

On terms of how we are funded. Forty-five percent of our operation—our capital—is funded by the fuel tax. We have had an index fuel tax since 2009, again an early adopter in having index fuel tax. It has allowed us to do many of the things that we needed to do. We are strong supporters of that and if asked by the Legislature, we would highly encourage all other counties in the state to index their fuel tax so they can help themselves help all of us. It has been a very wise decision by the voters in our county because they are the ones that imposed that upon themselves. It has allowed us to do a lot of the things that we have done to keep our network operating. About 17 percent of our operations and all the money goes to public transportation comes from sales tax. As you have heard, during the pandemic we have budgeted that to go down significantly, assuming that there would be a recession at the same time, that did not happen people spent much more than they did before hand, so that has been good for us in terms of our public transit funding help. Lastly, about a quarter of our revenue comes from federal funding. I would point out, if you are not aware, that the way that the federal funding works for transit is we get money for capital and we get money

for maintaining the facility; we do not get any federal money—except during the pandemic was a three-time/one-time thing that has been changed back to way they have done it in the past—all of the operating costs of our transit system, including Paratransit and FlexRIDE is funded by the local sales tax. We do not get any state money for those operating services. That is all local money that funds the public transportation system.

This graphic shows what will likely happen—depleting as it goes to the right—we modeled if the governor's efforts for changing to EVs were successful, it is our estimation of what it would like in term of fuel consumption simply by the fact that more people would be driving alternative fuel vehicles that are not using gasoline. We also looked at some of the trends right now in terms of the miles per gallon increasing and you can see that for the societal standpoint of that conversion is a good thing, but it does come at a cost of having a lot less money to take care of our roads; not only for building the ones that people will still be driving all of their EVs on, but also the ones that are there today because people do not want to drive through potholes regardless of what their source of energy is for their vehicle. And the red line is what vehicle miles per traveled, and you heard that from Director Swallow. You can see people of driving much more as our communities grow, and we have got this gap here between the two that we need to deal with. Hopefully, in the near term, but certainly in the long term.

As far as federal priorities, I wanted to touch on the six we are putting out there. The first is Lemmon Drive, is our RAISE grant application; it is about a \$45 million project, and we will probably be asking for around \$25 million. This particular road is in what is called a closed basin, which is pretty prevalent in Nevada. Those are areas where whenever we get the rainstorms—we do not have a lot of rivers that drain to the ocean, the water stays there until it evaporates. We had in this particular neighborhood, which is one of the qualified census tracts, two atmospheric river storms come one right after the other, and it filled in this terminal basin with water, put houses under water, put this road under water. This is our most important resiliency effort to be able to build the road back so that some point in the future, possibly sooner than later with what is going on with the climate, which happens. People are not precluded from getting to work, getting to the grocery store, getting their kids to school, because they were basically trapped for the most part and could not get out of their neighborhood. This is why it is our top priority in terms of the RAISE grant.

The other two, Keystone and Sierra are our two worst bridges. Those will be our request, as you have heard, of the bridge bucket. And then we are working on three other projects that have to do with important capacity needs in some of our most critical areas which are the Spanish Springs areas in the northeast part of the community. Lastly looking to replace our bus facility which will be eliminated in the future—not near term, but longer term—but we are going to take advantage of this once in a lifetime opportunity to do something we are eventually going to have to do which is replace our bus maintenance facility.

The last thing I wanted to talk about in this area is an effort to try to see what we can do. It will take RTC, local, state, and federal governments all getting on the same page. This graphic shows you our existing and proposed bus rapid transit facility. We have spent about \$150 million on it, likely it will to be close to \$200 million investment in by the time it is completed. The blue on the map lines, those are lands that are within one-quarter mile of that fixed route, 10-minute service bus system. This is perhaps the best way if we want to deal with that issue of people having to drive or choosing to drive all the time. We need to figure out how to get people to where the transit is; this type of transit, which is \$8 a ride—the most efficient and effective, is not very portable. We have to figure out how do we get the people because we are going to have people moving here and we need to find

places for them. How do we get them in these areas? It is a big different way of doing business, but one that certainly I think will address not only the suburban sprawl but also the supporting of transit to make it optimally utilized.

Transportation safety: we do a lot in terms of pedestrian safety. We have been very active with the zero fatalities effort and RTC leads that for our community. We work very closely with southern Nevada and NDOT on it. A quick example of things we have done. We have six rapid flashing beacons installed and eight that are underway. We also use one of our specific federal programs where we have money that is from the state that we have portioned out to build bike paths, pedestrian paths, bike lanes, and solar powered traffic calming devices. All this money is programmed specifically to these kinds of improvements in our community that benefit not only safety but also pedestrians and bicycles directly.

This is our public engagement effort to talk to the community about changing their behavior so they can do their part to be safe on our roadways system. We have—with the Legislature's great wisdom—approved the ability for local governments to implement pedestrian safety zones. I am not an expert, but I believe what it does, it allows us to ratchet up the fees on which somebody would pay that violates the rules or the ability to drive in these areas. We have one of those in place, we have four of them in place now. They have been very productive in our community in terms of making it safer around schools. Those I would say from a pedestrian safety standpoint in Washoe County, that is where we started our focus, it is around schools and as we sort through that and learn some good lessons on how to manage speed, we would try to maybe move that to other places where it is critical for the safety of people in our community.

I am not going to be labor this one because we do not have anything specific, but I would share with you one of the possible pieces of legislation that we are talking about bringing to the Legislature is the ability to use enforcement cameras in school zones. The way we are envisioning it—when I say we it is a lot of local partners, it is a lot of people who are engaged in the zero-fatality program that are contributors and supporters of realizing that—we need some new tools to be able to make our school zone safer. In this case, what we are considering bringing forward— again we have not formally, our board has not voted on it and has not turned anything in writing—would be asking the Legislature to enable local governments to possibly use that tool in school zones where it was warranted based on the safety.

I will conclude my comments and available to answer any questions.

Chair Monroe-Moreno:

Thank you for joining us and for the presentation. Mr. Thomas. Members, do you have any questions?

Assemblyman Ellison:

After you implemented the indexing in the fuel cost in Reno, have you noticed how many cars are going out of town to fill up? Have you done any study on that?

Mr. Thomas:

We have not, we know that it is certainly something we hear, because it is very easy to drive down to Carson City to get gas. I would be lying if I said, I did not say sometimes when I am down there, I do not fill up at the Costco; but I do not have a number. It has not

seemed to make a difference in terms of our ability to collect revenue, but it certainly is something that a lot of people in the community talk about.

Assemblyman Ellison:

I think maybe in the future you might want to take a look at that. I think you would gain more money by looking at the indexing versus what the other counties are doing. Because I live right beside Costco—when I am here—I see it a lot and talked to a lot of people there.

Chair Monroe-Moreno:

Thank you, any other questions from the members. I am seeing none. I thank you again for joining us this afternoon and for your patience.

**AGENDA ITEM VII—PRESENTATION ON MOTOR CARRIER
TRANSPORTATION AND SAFETY IN NEVADA**

[This item was taken out of order.]

Chair Monroe-Moreno:

Agenda item VII is a presentation on the motor carrier transportation and safety in Nevada. Commercial vehicles as we all know, play an important role in the nation. We have seen the importance as we go through this pandemic and coming out of this pandemic situation, and it is important for Nevada's economy. Large trucks move billions of tons of goods each year. The daily uninterrupted flow of goods and services and passengers throughout the country and our state are made possible by the safe and efficient delivery of goods, services, and passengers. Today's presentation will provide more information on motor carrier transportation and safety. We have Mr. Paul Enos, the chief executive officer with the Nevada Trucking Association and Mr. Bill Bensmiller with the Federal Motor Carrier Administration of the United States Department of Transportation. They will make the presentation. Gentlemen, welcome to Interim Growth and Infrastructure. The floor is yours.

Paul J. Enos, Chief Executive Officer, Nevada Trucking Association

Madam Chair, very nice to see you, members of the Committee. I am very pleased to be before you today, virtually, presenting with my good friend, and somebody who I like to call my partner in safety here in the State of Nevada, Bill Bensmiller who is the administrator for Nevada Federal Motor Carrier Safety Administration. He is going to be presenting some data and statistics as we move forward through this ([Agenda Item VII](#)).

I want to give everybody a quick reminder of the trucking industry in Nevada. Madam Chair, I really appreciate your opening about the industry. I love it when there are other people talking about the essentiality of our industry. Unfortunately, I think it has come to the forefront over the last couple of years, not because we are doing things right, but because of world events put a lot of challenges on our supply chain. Here in the silver state, trucking moves 95.3 percent of all our manufactured tonnage right here in the silver state. That is up from what we do nationally, which is 72 percent, and that makes sense because we do not have a Mississippi River or an extensive rail network like we do in some other states. We employ, I would tell you these numbers are a little old, although it has been harder and harder for us to get drivers; 54,350 that is from 2019, about 1 in 23 jobs in the state. Most of our drivers are men; 92 percent of our drivers are men, but we have made some strides of late. We have doubled the amount of female drivers we have had over the last decade; we are now at 8 percent. So, we are making some progress there. For us as an industry, it

does not matter what you look like, what your background is, where you were born, what your religion or sexual orientation is; as long as you are coming with that attitude of safety, which is important. It is interesting, we do find, especially in the younger drivers, some of our women drivers are the safest ones out there on the road; they do not take a lot of unnecessary risks. We are really trying to do some more outreach to get more female drivers in the cab, something that is very important to us.

Where are we traveling? We are sharing the roads with everybody else. All motorists in the State of Nevada on the 47,731 miles of public road. All motorists do 28.8 billion miles and trucks are about two billion of that. So, we are sharing the road with everybody. We can do a lot in terms of making sure that our trucks are safe, and our drivers are safe. But when we are out there on the road, just like all of us, we can make sure we are not distracted, and make sure our tires are full, and our vehicles operating properly; but we do not always have control of what everybody else does out there on the road. It is one of the issues that we have in our industry. Here in Nevada, we have seen this number go up tremendously over the last few years. We have 7,602 carriers in the silver state. This data comes from the Federal Motor Carrier Safety Administration. This is every entity with the Department of Transportation (DOT) number about a little over 31,000 drivers and over 28,000 vehicles that are registered here in Nevada. Most of those folks are crossing state lines, 4,817 are crossing state lines; 2,615 just stay within the State of Nevada.

What do those operations look like? Trucking companies here in Nevada are overwhelmingly small. As you can see in this graph, the lion's share is under ten trucks; 4,033, I think we are about, it is almost 60 percent of our trucking companies in Nevada are one truck operators. So very small operations, and most of those folks are for-hire. We do have 2,220 that just haul their own freight. That is if you think about that is McDonald's hauling for McDonald's, or Walmart hauling for Walmart, or a construction company that is hauling their own product. In terms of the type of carriers, you can have some different classifications. Most of our folks here in Nevada haul freight - 7,352; we have a few passenger operations - 250; in terms of the big busses - 17; with 55 - household goods movers that are registered right here in the silver state. Here is that five-year trend, that I was talking about, in 2017, we were just under 5,000 motor carriers. You have seen this proliferate over the course of a year. We will talk a little later about where we are seeing some of this proliferation. What types of trucking operations we are seeing spring up? We will talk about a little bit of a safety gap that we have unfortunately.

In terms of fleet size. This shows those power units, which is those 4,537 carriers with only one truck operation. In Nevada, the trucking industry, while we have very big carriers that operate here, most of our folks are small. One thing all our folks have in common is every day when they get out and get into that truck, they are doing a checklist. They are looking at the truck, making sure that everything is functioning properly. You have what they call a daily vehicle inspection report. So, they are looking at the air compressor, air lines, brakes, batteries, steering, and windshield wipers. Just like a pilot will sit down before they decide to take that plane up into the air. A truck driver is doing the same thing before he or she goes out on the road. It is really one of the best things we can do for safety; make sure that truck, which is typically moving 80,000 pounds and sharing the road with everybody, are safe. In the last few years, a lot of technology has become available and more accessible to the industry. This represents a forward collision system where you have computer systems in the trucks that are looking forward. They can apply the brakes before the driver can, if they see something out—and we are sharing the road with whether it is a biker, whether it is a pedestrian—this kind of technology provides that safety cushion for our drivers.

Cameras have become extremely important for our industry in the last few years. For us not just to monitor the driver, but for us to see what is going on, what is going on around us.

I was having lunch with one of our members the other day and there was a hard break with one of his truck drivers in the Bay Area. He was able to pull it up on his phone and see what had happened. This gives us the ability to manage folks remotely. This was an incident, and in this case, it was not where the trucker reacted poorly; you can bring him in, you can provide coaching. This was one where he absolutely had to do it; so, he gets kudos. Of course, the last thing anybody wants is a driver to be tired while he or she is moving 80,000 pounds down the road. Since 2017, we have been required to have electronic logging devices in every single truck that monitor when a driver is on duty; when he or she is taking a break; and when a truck is being loaded. This provides our drivers with that compliance tool to make sure they are safe. Every driver can only be on the road for 11 hours a day driving. They have to take a half hour break sometime within that first 8 hours. All of this is monitored, and we upload this to the system. Two of our most essential partners in safety, the Federal Motor Carrier Safety Administration and the Nevada State Police, are out there making sure that our trucking companies; that our drivers are doing the right thing.

Every single trucking company has a scorecard. I pulled this up the other day from one of our trucking companies; and they are looking at have they been put out of service? They have they got a ticket where they have to say; hey, you cannot move forward until you do something different. For this company, 11.8 percent of their violations were out of service. So, compare that with 21.1 percent to the national average; .2 percent of drivers out of service. This company is performing better than a lot of their compatriots all over the country. Those scores are determined on seven factors they call the basic scores. Where they do an analysis based on roadside inspections, citations, and when somebody pulls into a port of entry and gets inspected. How are they doing in terms of unsafe driving? Are they speeding? Are they making unsafe lane changes? Are there flags that are going to say this is a carrier that could be in a crash. Hours of service? Are they driving past those 11 hours, or they are not testing their brakes? Are they doing proper vehicle maintenance? Controlled substance and alcohol; we are going to talk about that a little bit more. But every truck driver is required to pass a drug test and is enrolled in a drug testing consortium. Even if you have one truck, you have to be in a consortium that can call you up any time for a random drug test. And then hazmat and driver fitness. Is the driver properly qualified? Do they have their medical card? Anybody can look this data up on any carrier. We can take a look at this carrier. Here are their violations. This is on unsafe driving. You have a driver that was speeding or violating the lane, not supposed to travel in a particular lane, they all get a score. That is a great thing. Our highway patrol sees this. They have all this data so they can decide who they want to target based on all the scores off all these violations. This is very data intensive. The Federal Motor Carrier Safety Administration; they are the ones who manage and regulate this data, but it has really been a great tool for us to find out who those safe companies are, as well as those folks who may need some extra help.

I love this chart, because it shows the partnership that we here in the State of Nevada have with the Nevada State Police. This number, which is just a little over one; that is the number of violations versus clean inspections. Because in terms of truck safety, the relationship we have with the Nevada State Police. It is a carrot and stick. If you are a good carrier who does not have any violations, they will give you a clean ticket. If they find a violation, they give you a citation. And you can see here in the silver state, our State Police gives out as many clean inspections as they do violations. I really like that number that helps display the partnership that we have where they are awarding those folks that are safe. We did see a big spike in the pandemic when they wanted to make sure that we were getting all the freight we needed to get into our grocery stores; from meat to toilet paper to personal protective equipment (PPE). We had that violation to inspection number pop up high, the highest we have ever seen it. That was because they were looking

for those folks who had issues with their vehicle, where they would be writing a citation. So, they were not doing as many clean inspections. We can all understand why. Now, I would like to turn it over to my good friend, Mr. Bensmiller, the Nevada administrator for the Federal Motor Carrier Safety Administration, who is going to talk about some of the crash data that we have seen with trucks over the last few years.

William E. Bensmiller, Program Management, Federal Motor Carrier Safety Administration, United States Department of Transportation

Madam Chair and Committee members. Thank you for allowing me to participate today and share some of the information through Paul. Mostly you can see, I will not go over this, but we have seen increases. We saw some decreases throughout the years. You can see on crash data, but with the 2021 crash data, is actually gone up again, and that should not be a surprise to anybody on the Committee. Basically, I work closely with Paul, and then I work very closely with the Nevada State Police. We provide about \$4 million a year in safety funding for commercial motor vehicles for those types of opportunities for them. They are our main partner. We have a few other people that we provide funding to, such as the Reno Police Department and some other people that have safety programs for commercial motor vehicles. This is increasing funding along with the decrease in the number of fatalities we are seeing, and the number of crashes that we are seeing. Luckily, the infrastructure bill, which was just passed by Congress, has a lot of increases for the states. To give you an example, in 2021, we were providing about \$2.5 million to the State of Nevada for these types of safety programs, and this year, in 2022, that has risen to about \$4.1 million.

This is a chart that shows you some of the freight volume that goes through the State of Nevada; it comes out of freight waves that shows the increase in some of the freight volume versus the vehicle miles traveled in the state. It is a representation to show that there is somewhat of a correlation between these things. Obviously, most people would agree there is a correlation in exposure versus the amount of vehicles on the road, things of that nature. We see these things in a microlevel too in the State of Nevada when we compare Clark County with other counties, obviously. And that would show up in the data as well.

Obviously, most of the crash tests will come out of Clark County. We try to do as many safety programs with the State of Nevada and funding opportunities for things that you might have seen in the news such as the safe driver programs and the officer in the cab of the commercial vehicle and they will have outriders with the Nevada State Police that will look for safety movement violations around trucks and things of that nature, and outreach events that we do.

This is a chart that will show you that we have domiciled carriers in other states, such as California, Texas, Utah, and Arizona. Those carriers are domiciled in those states, but they will come into Nevada, and they get involved in a crash. The Nevada State Police and us, and Paul, we could have all these safety programs, but we are trying to find ways to approach these carriers that are from out of state that come into Nevada and experience crashes here. We are trying to influence them as well. As you can see, it is a big portion of the crashes that we have here in Nevada.

Some of the national trends as far as work zone safety involving commercial vehicles, seatbelts, vehicles under 26,000. This is something that Paul and I would like to bring up to you is, we are seeing an increase in some of these smaller, what we call hotshot type trucking companies that will come through Nevada. They may be carrying some type of smaller freight that has been purchased over the Internet. We see there is a mixed bag of safety involved with those carriers, the smaller carriers, and maybe there is not the same

level of training for the drivers and the same amount of drug and alcohol testing, things of that nature. We are kind of seeing an increase in those. We are experiencing a huge surge in new registrations. I am sure you have heard this from DMV as well. But our inventory has increased almost three times the amount at this current day. Our inventory used to be about four hundred or so, of these at any given time. Recently we are seeing somewhere in the neighborhood of 1,200 of these things at any given time of new people wanting to get into the industry. Typically, these are most the larger percentages, they are mostly the smaller type vehicles, hotshot vehicles that we were talking about.

This is the increase in registered carriers that we see here in Nevada, which this chart shows that are crashes was decreasing. That is on the move upwards. So, if we included some of the new data which showed that is trending upward, but we are doing well as far as an increase of registered companies and then lowering of the commercial accidents.

These are some of our crash reduction plans we have with the State of Nevada; the people that take our grant funding and we work closely with. Obviously, we go after high-risk companies that have data that shows they are high risk, even if they are from another state. I can contact another one of my counterparts in another state, and we can do compliance enforcement activities on them. We do regular Zoom meetings with the Nevada Trucking Association, and we do it with other safety partners. We do a lot of conventions and outreach down in Las Vegas. I am sure a lot of other people do too, but it is an opportunity for us to have a national approach down there. We have grants with the Nevada State Police and Reno Police Department. We do a lot of partnerships with the California Highway Patrol, when it makes senses for us to do that. I will mention the Badge on Board Program, which is where we use an impartial vehicle. State police go out and look for safety violations around the vehicle and has video cameras, and either does enforcement or stops people, and does an education with the driver. Also, this is another opportunity that we have is household goods. I am sure you have heard a lot of the complaints that have come about from people moving across the country. We currently are working with Nevada Transport Authority to see if we can get a memorandum of understanding or a memorandum of agreement with them to do more household goods enforcement. We also do safety and economic enforcement on those types of operations where they have not protected the consumer.

Mr. Enos:

We are going to talk about an issue that is something I know a number of us are concerned about. We have had conversations at the Legislature over the last number of years making sure that our truck drivers are not impaired while they are driving. Prior to 2020, a truck driver could have a positive drug test, go down the street and get another job from another trucking company. A drug and alcohol clearinghouse is something that we advocated for a long time, finally went into effect. Anytime there is a positive drug test that goes to the Federal Motor Carrier Safety Administration Drug and Alcohol Clearinghouse and that driver cannot return to work until he or she has completed a return to duty status. Out of the positive drug tests that we have seen, the positive tests, 82 percent of them are for drugs. We are not seeing a lot of alcohol; it is mostly violations for controlled substances. What we are seeing in terms of the controlled substances, where we have seen the greatest number of people testing positive is on the marijuana side. Over 60,500 drivers could not drive because they tested positive for marijuana. Unfortunately, we still see cocaine, we still see methamphetamine. But the nice thing about the drug and alcohol clearinghouse is it has taken 81,000 drivers that were impaired—that were using—off the road. Now you had over 104,000, almost 105,000 drivers with a violation. Those drivers after they complete a return to duty process, where they have to go to a DOT certified substance abuse program, can start driving again, but only once they have completed that program.

Now, truck driver shortage is something that we hear a lot about in the news, as part of this overall supply chain issues. Eighty thousand drivers short is the number that we typically cite. I am not going to tell you that this is the whole problem. I think we are getting these drivers out of the industry is a good thing because for safety, we do not want folks that are impaired out there, but it is one of the factors that is causing the truck driver shortage we see today. When you look at Nevada, we have 1,132 drivers that are no longer driving because they could not pass a drug test once again; I will tell you that is a good thing.

Bill talked the hotshots. So, what is a hotshot trucking company? A hotshot trucking company is somebody with a big pickup and a trailer. They move everything from cars to boats to hay to, as Bill mentioned, they could be in e-commerce. Over the last few years, I get two calls per month, people calling me asking me; 'hey, do I have to be regulated by the Federal Motor Carrier Safety Administration? Do I have to get a Department of Transportation (DOT) number? What do I have to do?' What I tell them is; are you going to cross state lines and how much does your rig weigh? An F4-50, you know might top out at 8,500 pounds, you add a trailer, and add freight, you are going to hit that 10,000-pound number that is important because that is when you get regulated by the Federal Carrier Safety Administration, if you are crossing state lines. In Nevada, we do not regulate you for drug testing; for doing your daily vehicle inspection report; all the things that you typically would be regulated under. We do not regulate you until you get to 26,000 pounds. Bill can talk about this here in a second. We have seen, unfortunately those accidents increase. We did see this horrific accident; this was that type of carrier. This was on Spooner Summit in November carrying a boat down from the lake. This carrier was crossing state lines. They were regulated. I think seeing these kinds of accidents with these types of configurations. I went to my board of directors back in December and we had a conversation; should we look at bringing that number down, marrying it to the fed's, going down from 26,000 to 10,000 pounds. Now, potentially you could capture people who are landscaping companies who are moving their things around. But I will say if you are a for-hire-entity, if you are holding yourself out there to transport freight and you are in that realm between 10,000 and 26,000 pounds; I do think there is a place for some regulation there that makes sense. Bill, I will let you speak to some of these incidents that we have seen.

Mr. Bensmiller:

All I would add Paul, is this specific picture that most of you are aware of. This happened in the south part of Carson City. The Nevada State Police and the District Attorney are prosecuting criminal charges on the driver. Obviously, people have seen in the news, this was a company out of Florida, a marine hauler out of Florida that took this load. It was a young man in a Ford F350 and this boat up in Lake Tahoe was extremely large and very heavy and did not have the right braking system. We were able to this collect the data from the Nevada State Police, and we were able to prosecute this company down in Florida. We helped them down in that southern service center to take them to federal court and prosecute them as a company. That is because our rules go down to 10,001 gross vehicle weight rating. That is what Paul is talking about.

The other issue I bring up is the bike crash that we had down in Searchlight, which was horrible, it was terrible. Some of us were involved in that. We were able to go after that driver, but that driver was the driver that had past problems with drugs, and it came out of the news. Then this person left a larger company, that had good safety programs, and went into this smaller e-commerce company that was delivering smaller packages. Then you could see the chain of events that happened which were horrible and unfortunate.

Mr. Enos:

That was a 17,000-pound truck. Bill?

Mr. Bensmiller:

Correct. We are seeing an uptrend in those type of crashes. It is a big challenge for all of us.

Mr. Enos:

Madam Chair, that is all I have. I wanted to be respectful of your time, but you can see as an industry, we are very serious about safety. It is something we are concerned with, and we are an industry that spends \$10 billion a year in terms of technology, in terms of training, this is the last thing we want to see happen. I hate ending it like this. But unfortunately, this can tend to be somebody's reality. When folks do not do the right things; when they do not have the proper equipment; when they do not have a trailer brake; when they are not doing those kinds of inspections, or as Bill stated not in that drug testing consortium. That is why we think it is important for the State of Nevada to take a look at addressing that regulatory gap that we have right now with our intrastate carriers between those 10,000 and 26,000 pounds. Thank you very much.

Chair Monroe-Moreno:

Thank you very much for the presentation. I know I have a few members with questions. We are going to start with Assemblyman Ellison.

Assemblyman Ellison:

I noticed yesterday the number of trucks on the highway was more than I have ever seen. It looks like they are really getting out there and moving a lot of products across the state. It was probably the most trucks I have ever seen on I-80 at one time. I thought that was good. They stayed in the right lane. They kept their speeds up. They did everything right. But it was amazing how many trucks are out there. A question I have is Highway 93. I was up there the other day, I had to go up on a service call. The passing lanes, to me they put up there on 93 is going to save a lot of lives. Maybe you can hit on that if you could.

Mr. Enos:

Madam Chair through you to Assemblyman Ellison. Well, I love it when you are speaking about my hometown. I always love getting a question from a fellow Elko High School alumni as well. The demand it is not the highest it has ever been, but historically we are experiencing the demand in this time of year that we had not seen before the pandemic started. That demand has remained elevated. There is still a tremendous amount of freight demand out there. Is it e-commerce? Is it people still are not traveling? So, they are spending money on things. I think there are a lot of reasons and typically when you see trucks out there, that means the economy is doing well. I have the fuel prices here behind me. As you can see. I know that has caused a little bit of a cramp in some activity. I think we could see some of this stuff slow down with what we are seeing in terms of fuel prices. I do not know the truck passing lane you are speaking about on 93, but I do know truck passing lanes; Golconda or Immigrant Summit on I-80 when I am on my way back to Elko, are a great thing. We have a great relationship with our friends at NDOT who have a freight program; they have a freight advisory committee. We talk about these kinds of projects, whether it is truck parking, truck climbing, or truck passing lanes that makes sense. I am glad to hear that worked out for you on Highway 93.

Assemblyman Ellison:

Thank you, Madam Chair. I will tell you the amount of people that were in wrecks on that highway is way down, and the amount of people that NDOT saved on them passing lanes because that is a long way between Wales and Jackpot, Nevada.

Chair Monroe-Moreno:

Any other questions? Senator Spearman.

Senator Spearman:

I am wondering, have you all looked into anything with respect to what is going on in Ukraine, and the cost of fuel that would be number one. And number two, it appears there is an appetite on your part to look at some type of regulation between the 10,000 and the 26,000 pounds. So, have you looked anything that looks like maybe a tiered system that would also include tiered penalties, if you will.

Mr. Enos:

Ukraine, we have seen the cost of fuel skyrocket over the last few days with the invasion into Ukraine, fuel prices have gone up tremendously, just in this small period of time. Yes, that has definitely had an impact. We have been experiencing fuel prices increase over the last few years. I was on the phone with one of my members yesterday who told me 57 percent of his rate today is tied up in a fuel surcharge. So, we are seeing an impact on the industry. As normally happens, the smaller folks who do not have the buying power that the big carriers have, they are going to experience the brunt of it, while they do have a fuel surcharge. A lot of that is backward looking, you can end up having cash flow problems when you are putting out a tremendous amount to buy fuel for that rig. It is causing a bit of an impact for us today. The price as well as the speed of that price is probably where we are having the bigger impact.

In terms of a tiered system, this is something that I have looked at, and I want to have some more conversations about. I know the State of Colorado, when they decided to go down from 26,000 pounds, they said let us go to 16,000. There was some reasoning and rationale behind that because they did not want to hit everybody with the landscape truck. Those are not the folks that I want to hit either. But I think for somebody holding themselves out as a transportation company as a transporter, even if it is just within the State of Nevada. Once you have hit that 10,000-pound level to play by some of the rules that our other carriers play by. I do not think that is too much to ask for when you consider the damage that could potentially be done. If somebody is not trained or they are not doing those proper vehicle inspections.

Chair Monroe-Moreno:

Thank you, members. Any other questions for our presenters?

Assemblyman Watts:

Thank you, Mr. Enos for the presentation. I always appreciate when folks bring emerging issues to our attention. One thing I was wondering, if you could provide a little bit more information about, and I appreciate you sharing some of these stories of course, you know there was media attention around the crash in Colorado; I think got a lot of people's attention. I have seen some of the safety systems that have been put into place in the trucking industry, and they are impressive, frankly. I was wondering if you could tell us a

little bit more about that inspection that drivers do on their vehicles, and then how that is how the safety checks are independently verified as well. Just give us a little bit more detail on that. Thank you.

Mr. Enos:

Sure. Every driver is required to go and do an inspection of his or her vehicle every day. Where we do get that independent evaluation is when they are pulled over roadside or they pull into a port of entry. In Nevada, we do not have ports of entry here, but we do have truck check stations that do get open. We do random checks and a tremendous amount of roadside enforcement. While I appreciate doing the vehicle inspection, making sure that vehicles roadworthy; that only accounts for less than 3 percent of all truck crashes where there is a vehicle maintenance issue. I am proud of the job that our Nevada State Police. I really appreciate the job that our State Police do being out there on the road looking for those things that caused the lion's share of crashes and that is unsafe driving behavior. So, if somebody is speeding; if somebody is moving in and out of lanes; or they are changing lanes erratically, that is where Nevada State Police really, I think does a phenomenal job. Most of the citations that we see occur, I think 81 percent are on the road. To me, you look at our numbers compared to other states, at the crashes we have; I think our industry, as well as our regulatory and enforcement side, does a pretty great job of verifying folks are doing the right things.

Chair Monroe-Moreno:

Before I let you gentlemen go, either Mr. Enos or Mr. Bensmiller. In the last few weeks, I have seen some ads for new drivers for high school students. How young is too young to be a driver? And is there any additional training that would be involved in the instruction process? Because these young drivers would have less time behind the wheel of any vehicle before getting behind the wheel of a diesel truck.

Mr. Enos:

Part of the IIJA allows for a pilot program for 3,000 drivers to be able to cross state lines. Today, right here in Nevada, you can be 18 years old and get your commercial driver's license (CDL), and you can go all the way from Laughlin to Jackpot; Reno to Las Vegas and you are fine. But that same driver could not go from Las Vegas to Kingman, Arizona. So right now, we have drivers who are moving intrastate, within the state, who are in that 18- to 20-year-old realm. Part of what we did, and this was called the Drive Safe Act, we are working with the Federal Motor Carrier Safety Administration, and they are still working on the regulations, but there are a couple of requirements to be one of these drivers in this 3,000-pilot program. For that driver, you need to have 280 hours of training with an experienced driver and that is driving a vehicle 400 total hours with that experienced driver. That truck is required to have all the safety technology: cameras, forward collision mitigation, braking. So, there are more stringent requirements for that truck and that driver in that 18- to 20-year-old realm. The driver trainer has to be at least 26 years old and has to have 5 years of a clean driving record, no accidents. We are doing our best to ensure those people who are in their 18- to 20-year-old age range are when they get off the road, they are going to be safe as any other driver of a commercial vehicle.

One of our members has a truck driving school, just opened on Rancho and it has a beautiful simulator. I will invite anybody on this Committee if you want to go on over to the building and see, this is amazing. The simulator, I used to say it costs more than a truck, but I do not think I can say that today because we have seen truck prices increase too. Two hundred thousand dollars for the simulator where you have people getting some

experience before they get in that truck. That is the nice thing about a simulator. There was a 19-year-old young man and a 20-year-old young lady; the young lady was in hotshots; she was getting her CDL because she wanted to be a hotshot driver. She already had her Ford F350 pickup ready to go. It made me so happy to see serious people at that age who had a plan, and these were people when you meet them, absolutely, I trust them to drive me. So, it does take a different mentality to be a truck driver. It is not the easiest job in the world. We do not take everyone as you can see, but I was happy to see folks at that young age range who are getting their Nevada CDL, to be able to get into a career, which really is still one of the fastest ways into that middle class strata; is to get a CDL and to be able to have a career and make a living for you and your family. It really made me proud to see young people doing that.

Chair Monroe-Moreno:

Thank you for so much for filling me in on all that. It was kind of scary when you heard it on the news.

Mr. Enos:

Hopefully, you are less scared.

Chair Monroe-Moreno:

I am a little less scared, but I hear field trip to a simulator.

Mr. Enos:

I will invite anybody in southern Nevada, or if you want to come down to southern Nevada, on April 23rd, we are going to be having our truck driving championship; that is on a Saturday. You can see what the best drivers right here in the Silver State are doing. They are required as part of their test, there is a written test, so they know all the rules, regulations, and highway safety. There is a test in terms of inspecting that vehicle to make sure it is roadworthy, and then we have a skills course. We have the drivers go around a skills course, everything from how tight they can make a corner to backing up. I am opening the invitation to anybody on the Growth and Infrastructure Committee to come and take a look at this. It is going to at AXT Transportation. We will go ahead and send that out to everybody on the Committee, but love to have you down there and may not get you driving a truck, but we can at least get you in one to see what it is all about.

Chair Monroe-Moreno:

I thank you, Mr. Enos and Mr. Bensmiller for joining us here today. With that we will close that agenda item. We will go back to the top, [Agenda Item IV](#).

AGENDA ITEM VIII—PUBLIC COMMENT

[Chair Monroe-Moreno called for public comment; however, no testimony was presented.]

Written public comment was received by Katherine Duncan, President, Historic Westside Neighborhood Association ([Agenda Item VIII](#)).

Chair Monroe-Moreno:

That will conclude today's meeting. We have had some great presentations, a lot of information, and great ideas for legislation for next legislative session. Our next meeting will be in person and scheduled for May 11th at 10 a.m. in Las Vegas.

AGENDA ITEM IX—ADJOURNMENT

There being no further business to come before the Joint Interim Standing Committee on Growth and Infrastructure, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Christina Harper
Manager of Research Policy Assistants

Marjorie Paslov Thomas
Senior Principal Policy Analyst

APPROVED BY:

Assemblywoman Daniele Monroe-Moreno, Chair

Date: _____

MEETING MATERIALS

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item II	Tony Simmons, Nevada Resident	Written Public Comment
Agenda Item IV	<p>Tonya Laney, Deputy Director, Division of the Office of the Director, Department of Motor Vehicles (DMV)</p> <p>Molly Lennon, Administrator, Division of Research and Project Management, DMV</p> <p>Sean Sever, Deputy Administrator and Legislative Liaison, Division of Research and Project Management, DMV</p>	Microsoft PowerPoint Presentation
Agenda Item V	Ben Husch, Federal Affairs Advisor, Natural Resources and Infrastructure, National Conference of State Legislatures	Microsoft PowerPoint Presentation
Agenda Item VI A	Kristina L. Swallow, P.E., Director, Director's Office, Nevada's Department of Transportation	Microsoft PowerPoint Presentation
Agenda Item VI B	M.J. Maynard, Chief Executive Officer, Regional Transportation Commission (RTC) of Southern Nevada	Microsoft PowerPoint Presentation
Agenda Item VI C	William A. Thomas, Executive Director, RTC of Washoe County	Microsoft PowerPoint Presentation
Agenda Item VII	<p>Paul J. Enos, Chief Executive Officer, Nevada Trucking Association</p> <p>William E. Bensmiller, Program Management, Federal Motor Carrier Safety Administration, United States Department of Transportation</p>	Microsoft PowerPoint Presentation

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
<u>Agenda Item VIII</u>	Katherine Duncan, President, Historic Westside Neighborhood Association	Public Written Comments

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