



POLICY AND PROGRAM REPORT

Transportation



April 2016

A safe and efficient transportation system is an integral part of Nevada's economic well-being and quality of life. The State's transportation system serves a growing population and economy spread across a vast geographic landscape. Nevada's boundaries cover approximately 109,781 square miles, making it the seventh largest state in the nation. In contrast, Nevada has the 36th largest population, with approximately 2.89 million residents, according to the United States Census Bureau's 2015 population estimates. Roughly 90 percent of Nevadans live in one of three metropolitan areas: Las Vegas; Reno/Sparks; or Carson City. The remaining 10 percent are dispersed widely in communities throughout the State. The diverse characteristics of the State are served by a transportation system that ranges from high-speed, ten-lane freeways to nonmotorized trails and paths just a few feet wide.

DEPARTMENT OF TRANSPORTATION

Nevada's Department of Transportation (NDOT) is responsible for the planning, construction, operation, and maintenance of transportation systems within the State. Its major responsibilities involve highways, railroads, and mass transit. Additional NDOT responsibilities include, but are not limited to, improving safety along roadways, maintaining the highways, replacing and rehabilitating bridges, establishing recreational trails, funding eligible airport improvement projects, and assisting with rail service.

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The Department of Transportation's mission is to provide a better transportation system for Nevada through unified and dedicated efforts. Each year, NDOT identifies transportation projects, programs, and funding sources for transportation facilities. Most of the projects are developed in cooperation with other transportation providers such as the regional planning organizations, local airport authorities, and local governments.

The responsibility for roads and highways is divided between local governments and the State. Nevada's Department of Transportation is responsible for the construction, improvement, and maintenance of the State's 5,937-mile highway system, which includes interstate highways and frontage roads, U.S. highways, State highways, and farm-to-market roads. In addition, local governments maintain 37,418 miles of county roads and city streets, bringing the total number of public road miles in Nevada to an estimated 42,815 miles. Nevada's maintained, functionally classified roads contain 2,503 miles of principal arterials, 1,621 miles of minor arterials, and 5,708 miles of connectors. In addition to the roadway system, NDOT inspects approximately 1,994 bridges that are open to the public. The NDOT maintains 1,164 of these bridges; the rest are maintained by counties, local agencies, or private owners.

The Board of Directors of NDOT oversees the distribution of funding for road construction and maintenance. The Board historically consisted of four constitutional officers, including the Governor, Lieutenant Governor, Attorney General, and State Controller, as well as one appointed member from each of the State's three highway districts. However, in 2013, the Legislature approved a plan to replace the Attorney General with an additional appointed member from Clark County in an effort to give the State's most populous highway district a larger voice on funding.

Funding for the State of Nevada's transportation system is derived from a variety of revenue sources, including federal, State, and local option resources. The revenues are collected through a variety of mechanisms including, but not limited to, fuel taxes, vehicle privilege taxes, licenses, registrations, and motor carrier fees.

State highways maintained by NDOT are financed with dedicated highway-user revenue and federal funds. No General Fund (general tax) revenue is used. State and federal highway funds are principally derived from vehicle fuel tax and registration fees. In addition, Article 9, Section 5 of the *Nevada Constitution* requires that the revenues from fuel taxes and other fees and charges for the operation of a motor vehicle be used for highway construction, maintenance, repair, and administration.

The following comprise the State Highway Revenue sources:

- Federal Highway Trust Fund—Fuel tax and other highway-user revenue collected by the federal government is placed in the Federal Highway Trust Fund. The federal gasoline tax is 18.4 cents per gallon. Congress allocates these funds to the states per provisions in the “Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for the Users” and annual appropriations bills. Federal funds are available only for reimbursement of expenditures on approved projects. Federal aid is not available for routine maintenance, administration, or other nonproject-related costs. To acquire federal funds, the State generally must pay 5 percent to 20 percent of the project's cost.

- **State Highway Fund**—The Fund was established in *Nevada Revised Statutes* (NRS) 408.235. It is a special revenue fund established to account for the receipt and expenditure of dedicated highway-user revenue. The Highway Fund primarily finances NDOT. However, the bulk of the operating costs of Nevada’s Department of Motor Vehicles (DMV) and the Department of Public Safety are also financed by appropriations from the Highway Fund. Typically, there also are minor appropriations or transfers to other agencies for their services, including the Department of Administration, the Office of the Attorney General, the State Public Works Board, and the Nevada Transportation Authority. The Fund is composed of the following taxes and fees:
 - **Gasoline Tax**—The Nevada Legislature first enacted a gasoline tax in 1923. The balance of these revenues went to the counties and was based upon the number of licensed vehicles in each county. Today, the statewide tax on gasoline is 24.805 cents per gallon, with 17.65 cents going to the State Highway Fund, 6.35 cents going to cities and counties, 0.75 cents to the State Petroleum Cleanup Trust Fund, and a 0.055-cent inspection fee directed to the State Department of Agriculture. Additionally, certain counties impose up to 9 cents per gallon in optional fuel taxes.
 - **Special Fuel Taxes**—Taxes on special fuels are distributed to the State Highway Fund. Currently, the State taxes diesel fuel at a rate of 27.75 cents per gallon; propane (liquefied petroleum gas) at a rate of 22 cents per gallon; and methane (compressed natural gas) at a rate of 21 cents per gallon.
 - **Vehicle Registration and Permit Taxes**—The annual registration rate for a vehicle varies depending primarily on the weight of the vehicle. The rate is \$33 for passenger cars, recreational vehicles, and motor homes and \$17 per 1,000 pounds of declared gross vehicle weight for large commercial trucks.
 - **Driver’s License Fees**—The fee for a driver’s license varies depending on the type of vehicle: \$23.50 for operating a passenger car; \$108 for operating a commercial vehicle; and \$5.50 for a motorcycle endorsement. The non-commercial driver’s license fee decreases to \$18.50 for people over 65 years of age.
 - **Governmental Services Taxes (GST)**—The basic GST rate is 4 percent of the vehicle’s depreciated assessed valuation. Initial valuation of the vehicle is 35 percent of the manufacturer’s suggested retail price, without accessories. An optional supplemental rate of 1 percent of the vehicle’s depreciated assessed valuation is assessed in Churchill, Clark, and White Pine Counties. The supplemental GST funds are returned to the counties to be used for road construction and maintenance. For vehicles registered at a DMV office, 94 percent of the GST is distributed to school districts and local governments and 6 percent to the Motor Vehicle Fund as a collection commission to support the operations of the DMV. For vehicles registered at a County Assessor’s office, 94 percent of the GST is distributed to school districts and local governments, and 6 percent is retained as a collection commission (5 percent to the county general fund and 1 percent to the Motor Vehicle Fund).

DEPARTMENT OF MOTOR VEHICLES

The State controls the manner and use of the highways by the public through the DMV. The DMV maintains 18 offices Statewide and is organized into the following eight divisions:

1. Division of the Office of the Director;
2. Division of Compliance Enforcement;
3. Division of Field Services;
4. Division of Central Services and Records;
5. Division of Management Services and Programs;
6. Division of Information Technology;
7. Administrative Services Division; and
8. Motor Carrier Division.

Nevada's motor vehicle laws are primarily contained in Chapters 481 through 486 of NRS, which address: vehicle registration; vehicle titles; consignment of vehicles; licensing and regulation of vehicle manufacturers, rebuilders, distributors, dealers, brokers, salespersons, and lessors; special license plates; antitheft laws; operators' licenses; vehicular accidents and financial responsibility; civil and criminal liability with regard to vehicle operators; vehicle size, weight, and load restrictions and limits; vehicles and the powers of State and local authorities; driving schools and driving instructors; body shops; garages; and salvage vehicles.

Under Chapter 483 ("Drivers' Licenses; Driving Schools and Driving Instructors") of NRS, the first accumulation of 12 demerit points in any 12-month period will result in suspension of operating privileges for 6 months. Demerit points are assessed for moving traffic convictions based on the violation conviction date. When 12 months have elapsed from the date of a conviction, the demerits for that violation are deleted from the total demerits accumulated. Convictions remain part of a person's permanent driving record.

DRIVERS' LICENSES AND DRIVER AUTHORIZATION CARDS

Drivers' Licenses

To obtain a Nevada driver's license, it is necessary to be at least 16 years old and have completed an approved driver education course. An exemption is available if a driver education course is not offered within a 30-mile radius of a person's residence, and if the person completes an additional 50 hours of supervised driving. Driver education is not required for a beginning driver 18 years of age or older. A person 18 years of age must obtain an instruction permit before taking a skills test; complete the application form and provide proof of full legal name, age, and Social Security number; and pass the knowledge, vision, and skills test. A new driver is issued a driver's license, which is valid for four years and expires on the person's birthday.

Nevada uses the graduated driver licensing (GDL) system for new drivers under the age of 18. The GDL system is a program that allows novice drivers to gain knowledge and driving experience while under the supervision of an experienced mentor as they progress through the learning stages of driving. Under the GDL system, a novice driver needs to be accompanied by a qualified instructor, parent, or legal guardian over 21 years of age. A person must complete a course in driver education. In addition, 50 hours of behind-the-wheel experience, which must include 10 hours of night driving, is required prior to applying for a license. Finally, a number of passenger restrictions and instructional permit holding periods are required for drivers under the age of 18.

Two versions of driver's license are available in Nevada: a "REAL ID" license and a standard license. In 2005, Congress passed the REAL ID Act, enacting federal law that sets identification standards for state drivers' licenses that are used for boarding an aircraft, entering a federal building where identification is required, or entering a nuclear power plant. States were required to implement a minimum set of national standards for issuing a REAL ID, and Nevada came into compliance with the Act on November 12, 2014. Nevadans currently may choose to obtain a REAL ID driver's license or identification (ID) card, or they may choose a standard license or ID card marked with "Not for Federal Official Use." The latter meets Nevada's proof of identity standards and will be accepted as identification for all uses until October 1, 2020, when it will no longer be accepted for boarding aircraft or entering federal facilities.

Driver Authorization Cards

In 2013, the Legislature passed Senate Bill 303 (Chapter 282, *Statutes of Nevada*) authorizing Nevada residents to show documents such as a birth certificate or passport from a foreign government to obtain a driver authorization card. While the card only authorizes driving—it may not be used for identification, voter registration, or services—it also offers some protection for undocumented immigrants, prohibiting the DMV from releasing information related to a driver's legal presence or immigration status.

NEVADA'S DRUNK DRIVING LAWS

The drinking age in Nevada is 21 years of age. It is *illegal per se* (presumed illegal) to drive a motor vehicle with a blood alcohol concentration (BAC) at or above 0.08 percent in Nevada. In 1998, as part of the Transportation Equity Act for the 21st Century, or TEA-21, a new federal incentive grant program was created to encourage states to adopt a 0.08 percent BAC *illegal per se* level. In October of 2000, Congress passed 0.08 percent BAC as the national standard for impaired driving as part of a law providing appropriations to the U.S. Department of Transportation for Fiscal Year (FY) 2001. States that did not adopt 0.08 percent BAC by October 1, 2003, had 2 percent of certain highway construction funds withheld each year, with the penalty increased to 8 percent by FY 2007.

In 2003, the Nevada Legislature lowered the legal blood alcohol limit for drivers from 0.10 percent to 0.08 percent as a condition to receiving federal funding for the construction of highways in this State.

Driving Under the Influence

Nevada's driving under the influence (DUI) laws and their respective penalties include fine or forfeiture, jail or imprisonment, suspension or revocation of driving privileges, alcohol assessment, and demerit points. A combination of these penalties commonly is imposed for a specific offense. The following table summarizes Nevada's basic DUI penalties.

NEVADA BASIC DUI PENALTIES		
OFFENSE	JAIL OR PRISON TIME	FINE
First without injury (misdemeanor)	2 days to 6 months in jail or 48 to 96 hours of community service	\$400 to \$1,000
Second within 7 years without injury (misdemeanor)	10 days to 6 months in jail or residential confinement	\$750 to \$1,000
Third or subsequent within 7 years without injury (category B felony)	1 to 6 years in prison	\$2,000 to \$5,000
Any offense resulting in death or substantial bodily harm (category B felony)	2 to 20 years in prison	\$2,000 to \$5,000
Any subsequent offense following a felony offense of DUI	2 to 15 years in prison	\$2,000 to \$5,000

In Nevada, there is no differentiation between a third or subsequent (fourth, fifth, et cetera) offense. In addition, the time period for a subsequent DUI offense to be added to an earlier DUI offense is seven years. Nevada law does not provide for enhanced penalties if the subsequent offense occurs earlier within the seven-year period, unless a person has been convicted of a felony offense of DUI in Nevada or another state. Under this circumstance, any subsequent DUI offense is punishable as a felony regardless of whether the subsequent offense occurred within the last seven years.

"Vehicular homicide" is defined as the death of another person proximately caused by a person who has previously committed at least three offenses of DUI or a controlled or prohibited substance and drives while under the influence. The crime is a category A felony punishable by imprisonment in the State prison for life with the possibility of parole or a definite term of 25 years. The number of offenses is determined in the same manner as DUI; however, the offenses are not restricted to offenses committed within the immediately preceding seven years. "Homicide by vessel" is defined as the death of another person proximately caused by a person who has previously committed at least three offenses of operating a vessel under the influence and who operates a vessel under the influence in violation of law. This crime is a category A felony and is punishable in the same manner prescribed for vehicular homicide.

Courts may order a third time offender of a DUI to a treatment program (NRS 453.580) for a minimum of three years based on a report from a counselor or physician who diagnoses a drug or alcohol abuse problem. If the court orders the offender to a treatment program, further proceedings are suspended, and the offender is placed on probation upon condition that the treatment program is completed. If the program is successfully completed, the conviction is reduced to a second-offense violation, which is a misdemeanor. However, for purposes of additional penalties imposed for subsequent DUI offenses, the offense will count as a third offense. If the program is not successfully completed or the offender is not accepted for treatment, the sentence must be served; however, the court has the discretion to reduce the sentence of imprisonment for the time served.

Implied Consent

Nevada has an implied consent statute (NRS 484C.160) for an individual who refuses a lawful request by a police officer to submit to an evidentiary test of the individual's blood, urine, breath, or other bodily substance. This means that a person driving or in actual physical control of a vehicle is deemed to have given consent to breath or blood testing. Refusal is grounds for an arrest. A police officer may use reasonable force to obtain blood samples from such a person.

REGULATION OF MOTOR CARRIERS AND TRANSPORTATION NETWORK COMPANIES

The Nevada Transportation Authority (NTA) and the Taxicab Authority, within the Department of Business and Industry, regulate providers of transportation services in Nevada. While the NTA is responsible for regulating a variety of motor carriers and other transportation services, the Taxicab Authority specifically regulates taxicabs in Clark County.

Nevada Transportation Authority

The NTA provides oversight for fully and partially regulated motor carriers, including operators of limousines, taxicab services operating outside of Clark County, transporters of household goods, operators of tow cars, and charter bus services, among others. In 2015, the Legislature authorized the NTA to permit and regulate transportation network companies (TNCs)—entities such as Uber and Lyft—which generally use smartphone technology to connect passengers to drivers who provide transportation services. This change is discussed in more detail in the “Major Policy Issues of the 2015 Legislative Session” section of this report.

The NTA consists of three commissioners appointed by the Governor, whose regulatory activities generally fall into three broad categories: (1) accepting and reviewing applications; (2) patrolling, conducting law enforcement activities, and investigating complaints; and (3) ensuring compliance with existing statutes and regulations.

Taxicab Authority

The Taxicab Authority regulates the taxicab industry in counties with a population of 700,000 or more—currently, Clark County. Its regulatory activities include licensing and permitting, vehicle inspection, public safety dispatch, and compliance and enforcement.

The Taxicab Authority is governed by a five-member board appointed by the Governor. The board conducts hearings and renders decisions regarding the administration and enforcement of provisions contained in Chapter 706 (“Motor Carriers”) of NRS, as well as the issuance and transfer of certificates of public convenience for taxicab companies. The board determines the number of taxicabs authorized per certificated company and the fares to be charged, and it hears appeals involving the issuance, suspension, and revocation of drivers’ permits.

MAJOR POLICY ISSUES OF THE 2015 LEGISLATIVE SESSION

Transportation Network Companies

After much debate and deliberation, the Legislature passed Assembly Bill 176 (Chapter 279, *Statutes of Nevada*), authorizing the NTA to permit and regulate TNCs and TNC drivers in Nevada. The bill specified that TNCs are not subject to the provisions of existing law that govern motor carriers (Chapter 706 of NRS). However, drivers of TNCs are subject to requirements such as background checks and motor vehicle insurance conditions. In addition, TNCs must collect and report certain information to the NTA and, in turn, the NTA must evaluate whether current background checks and insurance coverage requirements sufficiently protect public safety. The Legislature also enacted a 3 percent excise tax on the total fare charged by both TNCs and common motor carriers; revenue generated is directed to the State Highway Fund and the State General Fund.

In September 2015, the NTA adopted necessary regulations for the operation of TNCs in Nevada ([LCB File No. R029-15](#)), and Lyft and Uber became the first TNCs licensed in the State.

Taxicabs

The Legislature made a few changes regarding the taxicab industry in Clark County as well. The law now provides that: (1) a person in Clark County may operate a taxicab as an independent contractor; (2) taxicabs may use a system other than a taximeter to indicate passenger fare; and (3) the Taxicab Authority may no longer limit the geographical area in which taxicab service is provided. The Legislature also prohibited an employee of a taxicab from acting as a TNC driver during the same time the employee is being paid to drive a taxicab.

Department of Motor Vehicles Information Technology System Modernization

The 2015 Legislature appropriated nearly \$38 million over the 2015-2017 Biennium to the DMV to modernize its antiquated information technology (IT) system. In testimony, representatives of the DMV indicated that since technology has changed drastically over the past 16 years, the existing IT system has reached its capacity to meet the demands of DMV customers. The new funding allows the DMV to implement an integrated system that is easy to configure and maintain, as well as automated tools to test, monitor, and manage the system in real time. An additional \$1 “technology” fee on certain DMV transactions was also approved, through June 30, 2020, to help pay for the technology overhaul.

Unmanned Aerial Vehicles

As unmanned aerial vehicles (UAVs), or drones, have gained traction in a variety of personal and commercial enterprises, the Legislature considered how best to ensure public safety and the right to privacy. The resulting law prohibits the operation of a drone: (1) within 500 horizontal feet or 250 vertical feet of a critical facility in absence of written consent; (2) within 5 miles of a public airport under certain circumstances; or (3) for the purpose of discharging a weapon. In addition, a person may bring an action for trespass against the owner of a drone that flies over their property, in certain circumstances. The Legislature also outlined the circumstances under which a law enforcement agency may operate a UAV in Nevada, and it required the Department of Public Safety to establish a registry of UAVs owned by State agencies, if funding is available.

Veterans

Nevada has a long-standing tradition of recognizing military veterans through the DMV. To ensure that veterans are able to receive all the benefits afforded to them, the Legislature required the DMV to place a veteran status designation on drivers' licenses and identification cards upon the request of a qualified individual. In addition, existing law directs the DMV to inscribe special license plates with the international symbol of access for disabled veterans. However, not all veterans have been able to prove that they qualify for the designation because the discharge form the law required was issued only after 1950. This omission leaves out a number of veterans discharged in earlier years. In 2015, the Legislature resolved this situation by allowing veterans to submit "satisfactory evidence" of an honorable discharge or other honorable separation to the DMV to prove their veteran status.

FEDERAL UPDATE

On December 4, 2015, the U.S. Congress passed the Fixing America's Surface Transportation (FAST) Act, a five-year, \$305 billion funding reauthorization package to fund roads, bridges, transit systems, and railroads across the nation. The bill is the longest reauthorization of federal transportation funding in more than a decade, and it replaces numerous stopgap bills that funded the Highway Trust Fund in recent years.

FREQUENTLY ASKED QUESTIONS

Q: What is a REAL ID and how do I get one?

A: REAL ID is a coordinated effort by the states and the federal government to improve the reliability and accuracy of state-issued identification documents. Congress passed the REAL ID Act in 2005, enacting federal law that sets identification standards for state drivers' licenses that are used for boarding an aircraft, entering a federal building where identification is required, or entering a nuclear power plant.

Nevadans may currently choose to obtain a REAL ID driver's license or ID card, or they may choose a standard license or ID card marked with "Not for Federal Official Use." A standard license meets Nevada's proof of identity requirements and will be accepted as identification for all uses until October 1, 2020, when it will no longer be accepted for boarding aircraft or entering federal facilities.

To obtain a REAL ID license or ID card, a person must present proof of identity, a Social Security number, and two residency documents in person at the DMV. The one-time fee for upgrading a standard ID or license to a REAL ID or license is \$9.25 or \$13.25 for a commercial license. Additional information is available on the DMV's website: <http://dmvnm.com/realid.htm>.

Q: How can I get a refund for cancelling my vehicle registration?

A: If you cancel your vehicle registration, you may take the license plates to a full-service DMV office or mail the plates, decal, and signed letter requesting cancellation to the DMV. You will receive a credit for the unused portion of the current registration fees, which can be used toward the registration or renewal of another vehicle registered in your name. For additional information, visit: <http://www.dmvnm.com/platesurrender.htm>.

Q: How can I change my name?

A: To legally change your name, you must first change your name in person or via mail with your local Social Security Office. You must then visit a DMV office to have a new driver's license or ID card issued. More information is available from the DMV: <http://www.dmvnm.com/namechange.htm>.

ADDITIONAL RESOURCES

- Nevada's Department of Transportation: <http://www.nevadadot.com/>.
- Department of Motor Vehicles: <http://dmvnm.com/>.
- Nevada Transportation Authority: <http://nta.nv.gov/>.
- Taxicab Authority: <http://taxi.nv.gov/>.

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