

**MINUTES OF THE  
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-Seventh Session  
April 12, 2013**

The Senate Committee on Transportation was called to order by Chair Mark A. Manendo at 8:13 a.m. on Friday, April 12, 2013, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark A. Manendo, Chair  
Senator Kelvin Atkinson, Vice Chair  
Senator Pat Spearman  
Senator Joseph P. Hardy  
Senator Donald G. Gustavson

**GUEST LEGISLATORS PRESENT:**

Senator Moises (Mo) Denis, Senatorial District No. 2  
Senator Ruben J. Kihuen, Senatorial District No. 10  
Senator David R. Parks, Senatorial District No. 7

**STAFF MEMBERS PRESENT:**

Jered McDonald, Policy Analyst  
Darcy Johnson, Counsel  
Jennie F. Bear, Committee Secretary

**OTHERS PRESENT:**

Robert Compan, Farmers Insurance Group  
Troy L. Dillard, Interim Director, Department of Motor Vehicles  
William Buzz Harris, Concours Body Shop  
Michael Sullivan, Whittlesea Bell Transportation  
Craig Madole, Senior Associate, The Association of General Contractors of America, Inc., Nevada Chapter

Senate Committee on Transportation  
April 12, 2013  
Page 2

Steve Walker, The Association of General Contractors of America, Inc., Nevada Chapter; Carson City; Douglas County; Eureka County; Lyon County; Storey County

Jack Mallory, Southern Nevada Building and Construction Trades Council

John Madole, The Association of General Contractors of America, Inc., Nevada Chapter

Jeff Fontaine, Executive Director, Nevada Association of Counties

Terri L. Carter, Administrator, Management Services and Programs Division, Department of Motor Vehicles

Laurel Stadler, Northern Nevada DUI Task Force

Janine Hansen, Nevada Families for Freedom

Lynn Chapman, Nevada Families for Freedom

Carlos Silva, Immigration Reform for Nevada

Elvira Diaz

John Wagner, State Chairman, Independent American Party of Nevada

Astrid Silva, Progressive Leadership Alliance of Nevada; Nevada Immigrant Coalition

Frank Perez, Latino Student Club, Western Nevada College

Francisco Morales, Progressive Leadership Alliance of Nevada; Nevada Immigrant Coalition; Office of U.S. Congresswoman Dina Titus

James V. Courtney, Progressive Leadership Alliance of Nevada

Jon Eric Garde, JEG Law Ltd.

Carla Castedo, Mi Familia Vota; Nevada Immigrant Coalition; Latino Leadership Council

Vanessa Spinazola, ACLU of Nevada

Ivon Meneses

**Chair Manendo:**

We will start the meeting with the work session. Senate Bill (S.B.) 303 will be the first item.

**SENATE BILL 303**: Provides for the issuance of driving privilege cards. (BDR 43-596)

**Jered McDonald (Policy Analyst):**

I will read from the work session document ([Exhibit C](#)) for S.B. 303. In addition to what I have read, country of birth will not be listed in the amended proof of identification documents in the bill. Proposed Amendment 7970 is included in [Exhibit C](#).

**Senator Moises (Mo) Denis (Senatorial District No. 2):**

We changed the name of the card based on feedback from the Utah senators at the hearing. The documents used for proof of identification were changed a bit based on input from several sources. We would like to remove the wording on the card—Not for Federal or State ID purposes—so that people do not think they can use the card for local identification purposes. Currently, we are waiting on federal officials for the answer to the question of whether we can remove the word “federal.” If we are allowed to change this wording, it will have to be done once the bill goes to the Senate Committee on Finance. We are working with the Department of Motor Vehicles (DMV) to increase the font size of the wording on the card and remove the globe symbol, which is an additional cost. We have asked the federal officials if the globe symbol can be omitted. Finally, the DMV will handle the translation of documents into English through existing regulations.

**Senator Ruben J. Kihuen (Senatorial District No. 10):**

Many people from Las Vegas have come to Carson City today to support S.B. 303. I support all the amendments that Senator Denis has just outlined.

**Senator Denis:**

Many people have worked with me on these amendments. Most of the issues have been addressed. The amended bill will make a difference on our roads for all Nevadans.

**Chair Manendo:**

People are excited about being able to have insurance. It is a good thing for all of us in Nevada for drivers to have insurance.

**Senator Hardy:**

The work done by the people in support of this bill was well documented. Could this driver authorization card be used to identify or document someone in a local jurisdiction?

**Senator Denis:**

The State cannot dictate to businesses how they can use the card. Some businesses have decided to use social security numbers, for instance, as a form of documentation of clients or customers. Businesses will be able to use the driver authorization card in similar ways if they wish.

**Senator Hardy:**

Could someone use this card as documentation of identity at a recycling center, for example?

**Senator Denis:**

Yes. A local scrap yard could use the card for that purpose because it will include the holder's photo, name and address.

**Senator Hardy:**

In essence, this card will provide an ongoing jobs opportunity in any economy.

**Senator Denis:**

That is true.

**Senator Spearman:**

All the research I have done suggests this measure is fiscally prudent. I also think it is the right thing to do. Evidence shows insurance rates will be adjusted once the card goes into effect.

**Senator Denis:**

We have compared our bill to those of other states with such a statute. Since we have learned from what they have done, our product is better. We have a very good bill.

**Senator Kihuen:**

From now on, other states considering driver authorization cards will look to Nevada as a model. It is close to perfection due to all the research we have done.

**Chair Manendo:**

I agree. We are doing better than Utah.

**Senator Atkinson:**

To clarify before voting, we have amendments a) through f) from Senator Denis, conceptual amendments g) through i) from the ACLU of Nevada and a small amendment from Senator Hardy included in [Exhibit C](#). I ask the sponsors if all these amendments are acceptable.

**Senator Denis:**

We incorporated most of the ACLU amendments into the ones I have just proposed.

**Senator Atkinson:**

Are the amendments from the ACLU incorporated into your amendments?

**Senator Denis:**

The amendments handed out by the ACLU at the April 3 hearing are not being used at all. We worked most of them into the amendments you see in front of you in [Exhibit C](#).

**Chair Manendo:**

It sounds as if we are accepting amendments a) through f) from Senator Denis and the amendment from Senator Hardy, with the ACLU amendments having been worked into Senator Denis's amendments. Is that right?

**Senator Denis:**

Some of the ACLU amendments are incorporated into my amendments. In other words, consider rejecting the ACLU amendments knowing that many of its originally proposed amendments were included in my amendments here.

**Chair Manendo:**

Yes. [Exhibit C](#) does not say which ACLU amendments were incorporated, however.

SENATOR ATKINSON MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 303.

SENATOR SPEARMAN SECONDED THE MOTION.

**Senator Gustavson:**

This is a very good bill, perhaps the best in the Country. I agree with everything in the bill. My constituents, however, are overwhelmingly opposed to S.B. 303. Because of this, I will vote "No" at this time and reserve my right to change my vote on the Senate Floor. Once I am able to explain to them what the amendments cover and receive their feedback, my constituents may feel differently about the bill.

THE MOTION PASSED. (SENATOR GUSTAVSON VOTED NO.)

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**Chair Manendo:**

We will work on S.B. 170 now.

**SENATE BILL 170**: Revises provisions governing the charges for storage of motor vehicles that are imposed by body shops. (BDR 43-582)

**Mr. McDonald:**

I will read from the work session document ([Exhibit D](#)) for S.B. 170.

**Senator Atkinson:**

Someone has requested me to ask this question:

Does S.B. 170 affect in any way the ability to charge storage on a vehicle that [if] there are delays to the repair process and the vehicle is held up for one reason or another, not from the delay of the body shop, but from the repair being complete? This would be after the authorization to repair has been given from the owner before the repairs are finalized.

**Robert Compan (Farmers Insurance Group):**

The amendment addresses this concern. Authorization is not needed because storage fees can begin the day the tow truck drops off a vehicle at the body shop.

**Senator Atkinson:**

The person who asked me about this matter wanted it put into the record for clarification.

**Mr. Compan:**

That is correct. Your understanding of the intent is codified.

**Chair Manendo:**

I do not know if that is the intent of the amendment.

**Darcy Johnson (Counsel):**

The amendment addresses the notice provisions. The bill's language restricts them to before authorization to repair is given and 24 hours after the repair is done. It contemplates that no storage fees will be charged during the repair period. To make a distinction between delays during the repair period when storage fees could be charged and the existing language requires another amendment.

**Mr. Compan:**

I must have read it the wrong way. The intent is that storage can be charged when a vehicle is in the shop. I thought Senator Atkinson meant storage fees could be charged when a person leaves the vehicle at the shop after repairs are made. We have no issues with the clarified intent.

**Ms. Johnson:**

Now that the intent of the amendment is on the record, the amendment can be revised in this way.

**Senator Atkinson:**

What I just read is to be the intent of the revised amendment.

**Ms. Johnson:**

Yes, I understand.

**Senator Hardy:**

I like the intent of the amendment and the Nevada Automotive Repair Customer Bill of Rights.

**Senator Spearman:**

To clarify, when the vehicle is in the body shop for repair, there will be no storage charges as long as it is being repaired and during the time it actually is being repaired.

**Mr. Compan:**

That is correct.

**Senator Spearman:**

If there is a delay, are you specifying the delay is due to a part needing to be ordered, an insurance adjuster being slow to inspect the vehicle or some other type of delay?

**Mr. Compan:**

The delays are those caused by the customer not picking up the vehicle or the insurance representative not coming to inspect the vehicle. The delay is not due to a part needing to be ordered. You are correct.

**Senator Spearman:**

Would you be amenable to another amendment for a 24- or 72-hour mitigation period to protect the consumer in case the insurance representative does not arrive promptly?

**Mr. Compan:**

Yes. I defer to legal counsel to determine if this can be incorporated into the amendment.

**Senator Gustavson:**

Did the Committee ever receive figures from the DMV for the average storage charges by county? The information was not on DMV's Website. Labor rates and tow charges are part of the survey results on the Website. Not all the survey results are there.

**Mr. Compan:**

Geographical storage rates are not a requirement of the current survey. We know the average labor rate by county, however. This bill will require that the storage rates be part of the survey. The prevailing rates will be codified if the bill passes.

**Senator Gustavson:**

Is this requirement in the bill?

**Mr. Compan:**

Yes.

**Senator Gustavson:**

Do you know the prevailing rate now in Washoe County?



**Mr. Compan:**

I cannot answer that question.

**Senator Gustavson:**

Is this information available?

**Mr. Compan:**

We can tell you the average tow rates by county. As I recall, the outdoor storage rates hover around \$25 to \$35 per day. Indoor storage rates are around \$35 to \$45 per day.

**Senator Gustavson:**

I do not want to place the rate of 1.5 times on this without knowing the average rate. I am concerned that it may be too low. I realize the bill's intent is to stop the unscrupulous people who are charging high rates. However, I do not want to restrict others who, for example, have to charge higher rates because they pay higher rent.

**Chair Manendo:**

A question about tow rates is on the survey. The results for this question are not on the Website. I see Troy Dillard of the DMV shaking his head in agreement.

**Senator Gustavson:**

The tow question is on the survey. Are the storage fees on the survey?

**Chair Manendo:**

Body shop storage fees are part of the survey.

**Senator Gustavson:**

Are body shop owners required to answer the question? Can they answer "zero" because they do not want to tell? This could skew the survey.

**Chair Manendo:**

I do not know why they would want to do that.

**Senator Gustavson:**

Maybe they do not want people to see what they are charging.

**Troy L. Dillard (Interim Director, Department of Motor Vehicles):**

Nothing compels body shops to put a dollar figure on the survey. Some shops do not have a charge for storage. They write zero for their answer. The survey includes multiple questions about different kinds of labor rates being charged. Not every shop performs every type of service, so they will answer those questions with a zero. When we compile the answers, we omit the zeros from our calculations.

**Chair Manendo:**

Storage charges are on the survey, and body shop owners are required to answer this question.

**William Buzz Harris (Concours Body Shop):**

The Washoe County prevailing storage rate is \$29 per day. A survey ending this month will set the rates for the coming year.

**Senator Gustavson:**

The maximum rate, therefore, would be around \$44 per day.

**Senator Spearman:**

Mr. Dillard, is it possible to capture information about body shops that do not have regular storage rates? Do you collect this information?

**Mr. Dillard:**

The survey includes questions about glasswork, frame straightening, painting, dent repair and so on. Not all shops do all these repairs. Some only repair dents or work with glass. Body shop licensing encompasses a range of work without requiring shops to perform all these services. Only the services they provide are calculated in the survey results. The results are broken out by region. Shops are compared within each category of work they perform. If only 117 shops do glasswork, the answers for those 117 shops are the only ones calculated in the survey.

**Senator Hardy:**

Going back to Senator Spearman's question about storage charges for repair time, how does a shop manage its time for a given repair? Like doctors during surgery, a mechanic can find more needed repairs after beginning to fix a vehicle. A part may need to be ordered, making the repair time longer than

originally estimated. Do we have language to account for a reasonable storage fee in such circumstances?

**Mr. Compan:**

Each shop uses a baseline estimating system. For each kind of repair, there is a designated "book time." For instance, to remove and replace a fender takes a certain amount of time. The book times add up for multiple repairs and are reflected in a written estimate, which includes labor costs. A customer has an idea of how long the repairs will take. Sometimes, repairs take longer depending on many factors. One factor is how many vehicles are already in the shop on the racks. Shop employees will work on other needed repairs while they wait for parts to arrive.

**Senator Hardy:**

Does this help address the conceptual amendment Senator Spearman discussed?

**Mr. Compan:**

Yes.

**Senator Hardy:**

Are you suggesting language for a conceptual amendment? We do not have it yet.

**Mr. Compan:**

Senator Spearman already has conceptualized the language, and Ms. Johnson has noted the wording.

**Chair Manendo:**

Mr. Dillard, what phone number is to be used in the amendment for the Customer Bill of Rights?

**Mr. Dillard:**

I will provide it to you.

**Chair Manendo:**

Senator Spearman, please restate your conceptual amendment.

**Senator Spearman:**

Storage charges will not fall on the consumer if delays are caused by the body shop or the insurance company for reasons other than neglect. I am thinking about Senator Hardy's question. I would hate for consumers to bear the cost of a delay that was caused by an insurance adjuster. The consumer would not be charged for any reasonable delays.

**Mr. Compan:**

I agree with this. The point also is addressed in the unfair claims practices of the insurance chapter of the *Nevada Revised Statutes* (NRS). The duty to the insured is spelled out in this chapter, but this bill will codify the requirements. It sounds excellent.

**Senator Spearman:**

That is the intent I am seeking.

**Mr. Compan:**

The Nevada Automotive Repair Customer Bill of Rights also addresses this point. Page 4 of the proposed amendment contains the amended language to the existing bill of rights. What Senator Spearman is requesting will strengthen the language.

**Chair Manendo:**

Senator Spearman, is your intent that storage charges be allowed when the body shop must dismantle a vehicle to look for additional damage? Many times more damage is found after the insurance company has examined a vehicle and written an estimate. This causes further delays. It seems reasonable for the body shop to collect storage fees while waiting for an insurance representative to return for another inspection.

**Senator Spearman:**

I agree. Fees and fines are motivation to avoid delays. They give an incentive to do the job right. If a delay is unreasonable, I disagree. Most insurance companies try to have competent adjustors so such delays rarely happen. If a delay is because an adjustor did not do his or her job, the insurance company should pay the storage fee. My intention is that consumers not bear the cost for delays that were not their fault.

**Ms. Johnson:**

You are saying that storage fees will not be allowed on days when a vehicle is actually being repaired or inspected, even if the repair or inspection occurs only during part of the day. Body shops cannot charge storage fees on those days. Nor can they charge for storage on a day when the vehicle is not being repaired or inspected due to any delay that is not the fault of the consumer. Is this what you intend?

**Chair Manendo:**

Yes. It seems to be where we are going with our discussion.

**Senator Spearman:**

The body shop should not have to store a vehicle if the insurance company is causing the delay. I am looking for middle ground that protects the interest of the consumer and shop owner.

**Chair Manendo:**

I will close the discussion on S.B. 170 for now and open the work session on S.B. 428.

**SENATE BILL 428**: Revises provisions relating to tow cars. (BDR 58-1074)

**Mr. McDonald:**

I will read from the work session document ([Exhibit E](#)) for S.B. 428. The second amendment only removes section 6 from the bill but does not remove the power of the Nevada Transportation Authority (NTA), Department of Business and Industry, to regulate rates under certain circumstances.

**Senator Gustavson:**

Could the additional fee for use of a credit card, debit card or electronic transfer be incorporated into the maximum fee the tow service can charge, as it is a cost of doing business?

**Mr. Compan:**

I can accept that. Many businesses build this cost into their fee structures. Most of the tow yards using electronic transfer have incorporated it into their rates. The tow operators might object to removing this language. The NTA regulates tow operators who will have to justify a new fee.

**Senator Spearman:**

The AAA has tow trucks responding to roadside emergencies. Nothing in this bill seems irregular as far as AAA's business practices to ensure financial transactions are completed and to ensure the safety of vehicle drivers and tow truck operators. It appears this bill is compatible with the business practices of the AAA.

**Senator Hardy:**

Will the amendment help prevent the situation I raised during our Committee meeting 2 days ago? That is, if someone's car is stolen, then recovered and towed to a body shop, and the owner is out of the country and unable to pick up the vehicle within the time allotted, will the storage facility take ownership of the car?

**Mr. Compan:**

Yes. That kind of situation would be covered in the proposed amendment under recovered thefts. I believe the Las Vegas Metropolitan Police Department addressed it at the time of a similar incident. When a stolen vehicle is recovered, the reporting law enforcement agency holds the vehicle until the owner is contacted.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 428.

SENATOR ATKINSON SECONDED THE MOTION.

**Senator Gustavson:**

Will the amendment remove the credit card fee found on page 2 of the bill in section 3, subsection 2?

**Ms. Johnson:**

That section of S.B. 428 does not authorize the fee. It caps the fee and authorizes the NTA to set a maximum amount for the fee. This provision is modeled after a provision used by the Taxicab Authority, Department of Business and Industry, in Clark County. In the last Session, cabs were authorized to accept credit and debit cards. They want to ensure the fees remain reasonable.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

We will work on S.B. 429 now.

**SENATE BILL 429**: Revises certain provisions relating to taxicabs. (BDR 58-1103)

**Mr. McDonald:**

I will read from the work session document ([Exhibit F](#)) for S.B. 429.

**Michael Sullivan (Whittlesea Bell Transportation):**

Senator Hardy asked at the April 8 hearing for S.B. 429, "Who approves the advertising before it can appear on a taxicab wrap?" I found out it is the responsibility of the Taxicab Authority to do this.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 429.

SENATOR ATKINSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

We will work on S.B. 217 now.

**SENATE BILL 217**: Revises provisions relating to the manner of performing work on roads in smaller counties. (BDR 35-925)

**Mr. McDonald:**

I will read from the work session document ([Exhibit G](#)) for S.B. 217.

**Senator Gustavson:**

Mr. Madole, have you discussed this amendment with the Nevada Association of Counties (NACO) and the rural counties I represent? Do they agree with the amendment?

**Craig Madole (Senior Associate, The Association of General Contractors of America, Inc., Nevada Chapter):**

The Nevada Chapter of The Association of General Contractors of America (AGC) has worked diligently with NACO and with Mary and Steve Walker who represent several small counties. The Walkers endorse our amendment. The executive director of NACO will speak for his association.

**Steve Walker (The Association of General Contractors of America, Inc., Nevada Chapter; Carson City; Douglas County; Eureka County; Lyon County; Storey County):**

Carson City and all the counties I represent support the amendment to S.B. 217 that the AGC has proposed.

**Senator Gustavson:**

Do you know what other counties agree with it?

**Mr. Walker:**

I do not know if the counties you represent agree with the amendment because I do not represent them.

**Jack Mallory (Southern Nevada Building and Construction Trades Council):**

The AGC developed its amendment with county input but with no input from my organization. We are concerned that the language allowing counties to build projects costing between \$100,000 and \$250,000 is, in effect, a way to raise the prevailing wage in smaller counties for these kinds of projects. This is the reason for our amendment.

**Senator Spearman:**

Your objection is that this could be a way for counties to get around paying the prevailing wage.

**Mr. Mallory:**

That is our impression and interpretation of the AGC amendment.



**Senator Spearman:**

Is there a way to include language to ensure this does not happen?

**Mr. Madole:**

The AGC amendment specifically addresses projects performed with current county employees of counties with fewer than 45,000 residents. We understand Mr. Mallory's concern, but county employees are not eligible for the prevailing wage.

**Mr. Mallory:**

We interpreted this amendment as allowing the smaller counties to use their own employees and day laborers. Does Eureka County, for example, have enough employees in its road department to manage a \$250,000 project?

**Senator Hardy:**

Similarly, do the smaller counties have enough union workers for such projects? If not, they will need to bring workers in with all the associated expenses involved in that effort.

**Mr. Mallory:**

It is not a question of union or nonunion workers. It is a question of whether a qualified contractor with the expertise to take on such a project is employed for the project.

**Senator Hardy:**

Then the question is whether the county is capable of being the contractor. The counties must decide how their projects will be built.

**Mr. Mallory:**

The counties retain the ability to build their own projects for projects costing up to \$100,000.

**Senator Hardy:**

Would your amendment change the wording of the AGC amendment to be consistent with current law?

**Mr. Mallory:**

Yes and no. With our proposed amendment, the counties would be able to use different methods to perform the projects. Mr. Madole could address whether counties are barred from doing this now.

**John Madole (The Association of General Contractors of America, Inc., Nevada Chapter):**

We are willing to amend the bill to address Mr. Mallory's concern about the prevailing wage. It is not our intent to subvert the prevailing wage statute. We worked with NACO on this bill, but a few of its counties had misgivings that prevented NACO from supporting our amendment.

**Senator Hardy:**

Where is the amendment?

**Mr. John Madole:**

We will have it to the Committee before the deadline.

**Mr. Mallory:**

The revised amendment addressing my organization's concern may be addressed in the Assembly.

**Senator Hardy:**

Are you willing for us to process the bill with one or the other amendment? Are they compatible?

**Chair Manendo:**

We must vote on one amendment or the other.

**Senator Gustavson:**

Do you know if the rural counties I represent support S.B. 217 and either one of the amendments?

**Jeff Fontaine (Executive Director, Nevada Association of Counties):**

No, the NACO does not support S.B. 217. The amendment proposed by the AGC works for counties with populations over 45,000 residents, but not for smaller counties. As far as the amendment from Mr. Mallory's organization, we have not had time to consider it.

**Senator Hardy:**

If the point is not a union issue but a prevailing wage issue, could we insert the words "prevailing wage" into the AGC amendment?

**Mr. Fontaine:**

The NACO membership has not had a chance to consider the other amendment, so I cannot answer your question. The concern in the counties with less than 45,000 people and full-service road departments is this—can they perform the work in a cost-efficient manner? We want to ensure they will be able to do this. Under these requirements, they must undergo a bidding process for a \$100,000 project, which delays the work. Furthermore, the bids may not be favorable in the end for rural counties.

**Senator Hardy:**

Will NACO support the bill if there is a population cap?

**Mr. Fontaine:**

Yes.

**Senator Hardy:**

If the AGC amendment included a population cap of less than 400,000 residents per county, could the NACO membership support the bill?

**Mr. Fontaine:**

Yes.

**Mr. Mallory:**

Our amendment effectively does this by amending NRS 403 to require the work be performed under the provisions of NRS 338. This applies to all counties governed by NRS 403. As far as ensuring the prevailing wage in the AGC amendment, the problem is that under current law counties can reject bids and perform their own work. By granting this authority for projects up to \$250,000, our opinion is this will become a way for counties to bypass prevailing wage requirements on projects between \$100,000 and \$250,000.

**Senator Hardy:**

If we include a population cap that NACO can accept and a prevailing wage gap for projects between \$100,000 and \$250,000 in S.B. 217, will your concern about the prevailing wage be addressed?

**Mr. Mallory:**

Without reviewing the language, I cannot express a complete opinion.

**Senator Hardy:**

Can you give us an incomplete opinion?

**Mr. Mallory:**

Our deepest concern is that the principle of prevailing wage be applied and protected. We are willing to work out an amendment with the AGC and NACO to facilitate the ability of counties to perform smaller projects in a timely and cost-efficient manner. As the bill and the AGC amendment exist, we cannot support them.

**Senator Hardy:**

I would propose that we include a population cap for counties of less than 400,000 residents in the AGC amendment and apply the prevailing wage to any project costing between \$100,000 and \$250,000.

**Ms. Johnson:**

Chapter 403 of NRS already applies to counties with a population of less than 100,000 people. The two largest counties are excluded. The proposed population cap in the AGC amendment is 45,000 people to distinguish small counties from even smaller counties.

**Senator Hardy:**

Now I see that a population cap is already in the amendment and is even more stringent. I propose to pass the AGC amendment with recognition that the prevailing wage be applied for projects costing between \$100,000 and \$250,000.

**Mr. Mallory:**

The provisions of NRS 338 apply in the AGC amendment to any projects over \$250,000. Senator Hardy's proposal to include projects between \$100,000 and \$250,000 addresses our issue, more or less. I prefer the record show that the prevailing wage be applied to projects costing more than \$100,000, regardless of the manner in which the projects are bid.

**Mr. John Madole:**

We can accept Senator Hardy's proposal.

Senate Committee on Transportation  
April 12, 2013  
Page 21

**Ms. Johnson:**

If a small county chooses to use the proposed procedure, would day laborers and/or county employees be subject to the prevailing wage law?

**Senator Hardy:**

Yes, if the project costs more than \$100,000.

**Senator Spearman:**

Will everyone agree with this change?

**Chair Manendo:**

We have moved closer to consensus.

**Mr. Fontaine:**

I understand Senator Hardy's proposal, but I wish to clarify that the population cap I support was for both amendments, not only for the amendment from Mr. Mallory's organization.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 217.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**Chair Manendo:**

We will work on S.B. 387 now.

**SENATE BILL 387**: Revises provisions concerning the insuring and registering of motor vehicles. (BDR 43-452)

**Mr. McDonald:**

I will read from the work session document ([Exhibit H](#)) for S.B. 387.

**Senator David R. Parks (Senatorial District No. 7):**

When I requested this bill, I requested several simple revisions. Unbeknownst to me, the bill was drafted with other provisions. No fewer than five other bills this

Session deal with the same issue as S.B. 387. The first amendment to remove section 4 was not something I requested. I agree with it, however. To be consistent, we should remove section 8 of the bill as well. I also am willing to replace the wording in section 5 with the wording proposed by the DMV. My concern with the rest of the bill is that people with insurance policies covering multiple vehicles not be penalized too harshly if their policies lapse. I was trying to be consistent by moving the 30-day period for vehicle registration to a 60-day period, which I was told is the policy throughout the DMV's regulations. I am not sure, however, that subsection 10 on page 5 captured the full distinction between resident and nonresident.

**Senator Hardy:**

By removing section 4, we will remove the 24-hour grace period for people to renew their insurance policies or secure new policies. Are you comfortable with that?

**Senator Parks:**

Yes.

**Senator Gustavson:**

We discussed changing the effective date for this bill to July 1. I do not remember who mentioned this. Was it the DMV?

**Terri L. Carter (Administrator, Management Services and Programs Division, Department of Motor Vehicles):**

This bill will require slightly more than 4,500 programming hours to implement. The DMV will need an extension of the effective date to accomplish this work. It would be advantageous for us to extend the effective date as long as we can.

**Senator Gustavson:**

From the date of bill passage to July 1 would not be enough time for the 4,500 hours of work to be accomplished.

**Ms. Carter:**

If we could move the effective date to January 1, 2015, the DMV could accomplish the programming work. The majority of the project will be done by contractors.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 387.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Manendo:**

There has been a technical correction on S.B. 179 which we passed during our last hearing. The bill is about public safety. Erin Breen spoke in favor of the bill. The correction is in the bill's amendment. The intent is that pedestrians use crosswalks when crossing a street within 250 feet, not 200 feet, of a marked crosswalk. This language did not appear in the mock-up of the amendment in our work session.

**SENATE BILL 179**: Makes various changes to provisions governing public safety.  
(BDR 43-79)

**Senator Hardy:**

Does this apply to highways?

**Chair Manendo:**

Yes. It actually applies to all roads.

**Senator Hardy:**

Does this mean I will have to walk down to the crosswalk if I want to walk to my father-in-law's house, which is right across the street from mine?

**Chair Manendo:**

Section 4, subsection 3 of S.B. 179 originally read, "A pedestrian who is within 200 feet of a marked crosswalk or an unmarked crosswalk at an intersection shall not cross the highway outside of the marked or unmarked crosswalk." This change will make the distance 250 feet instead of 200 feet.

**Senator Hardy:**

How is a crosswalk a crosswalk if it is not marked?

**Ms. Johnson:**

An unmarked crosswalk is implied at every intersection.

**Senator Hardy:**

Does this, then, apply to every road in every city in Nevada?

**Ms. Johnson:**

That is correct. I believe it would not apply to a limited access highway because there are no crosswalks, and pedestrians are not allowed.

**Senator Hardy:**

I am talking about a residential city street. Let us say it is a cul-de-sac. Does someone have to walk to the intersection to go across the cul-de-sac?

**Ms. Johnson:**

I need to check to see if this applies in residential neighborhoods, but I believe it does.

**Senator Hardy:**

When I read the bill, I did not think it applied in residential areas. Otherwise, I would never have voted for that provision.

**Chair Manendo:**

We will get clarification on this point.

**Senator Hardy:**

I reserve my right to change my vote.

**Chair Manendo:**

We will work on S.B. 322 now.

**SENATE BILL 322**: Revises provisions concerning the membership of the Board of Directors of the Department of Transportation. (BDR 35-1075)

**Mr. McDonald:**

I will read from the work session document ([Exhibit I](#)) for S.B. 322.



**Chair Manendo:**

The bill has a fiscal note. The Regional Transportation Commission of Southern Nevada said it would cover the cost, which would remove the fiscal note. This will be discussed in the Senate Committee on Finance.

**Senator Hardy:**

If there are going to be eight members appointed from Clark County, it would be nice to have representation such as we have on the Southern Nevada Health District with two representatives from the county, two from the largest city, and one each from each of the incorporated cities in the county. This will ensure representation of the rural and suburban areas instead of only the urban area. If we agree to this, we would have two representatives from Clark County, two from Las Vegas, one from Henderson, one from Boulder City, one from Mesquite and one from North Las Vegas.

**Ms. Johnson:**

When you say two representatives from Clark County, do you mean the unincorporated portions of the County, or could they reside in one of the cities within the County?

**Senator Hardy:**

I would clarify my suggestion to say two representatives would come from the unincorporated part of Clark County, and two representatives would come from the incorporated part of Las Vegas.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 322.

SENATOR ATKINSON SECONDED THE MOTION.

**Chair Manendo:**

This bill is very important to our State and is long overdue. It reflects more accurately the direction in which our State is headed. It is a major issue for folks in southern Nevada, our constituents and the business community.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

Senate Committee on Transportation  
April 12, 2013  
Page 26

**Chair Manendo:**

We will now work on S.B. 312.

**SENATE BILL 312**: Makes various changes concerning victim impact panels.  
(BDR 43-888)

**Mr. McDonald:**

I will read from the work session document ([Exhibit J](#)) for S.B. 312.

**Senator Hardy:**

Are the people who originally opposed this bill now supporting it, and are those who supported it still in favor of the bill?

**Chair Manendo:**

The people who opposed S.B. 312 at the hearing on April 8 met with those who were in favor of it. They discussed how to come to consensus and developed this amendment.

**Laurel Stadler (Northern Nevada DUI Task Force):**

We support S.B. 312 and the proposed amendment. Additionally, we wish to propose a small amendment. I listened to the recording of the April 8 hearing of this bill. All the testimony indicated the problems with the victim impact panels are in Clark County. While we appreciate that counties with fewer than 100,000 people are to be exempted, we request that Washoe County be exempted as well. Longstanding discrepancies exist in the population, number of offenders, fees and more between southern Nevada and northern Nevada. For example, we still have a \$40 offender attendance fee. In southern Nevada, the fee is \$75. Furthermore, in Clark County more than 500 offenders are sentenced each month to attend panels. The average monthly offender attendance at panels is only 150-200 in Washoe County. To put Washoe County in the same category as Clark County for victim-support financial compliance would be burdensome.

I have been involved with this issue since 1990 and was there when the law passed that mandated DUI offenders attend victim impact panels. All of us in the north want to support victims. In the past, we have supported several victims financially. Washoe County fortunately does not have as many victims as Clark County does. We provide prevention programs for the public and support law enforcement offices with funds for equipment, saturation patrols,

checkpoints and other supportive services. The language about the disbursement of the fees collected at the panels found in section 10, subsection 3, paragraphs (a) and (b) of the proposed amendment is the most concerning to us. If these provisions could apply to counties with less than 700,000 people, instead of the proposed amount of 100,000, Washoe County would be exempted.

**Chair Manendo:**

What part of the bill is problematic for Washoe County? What if your neighbors started a victim impact panel, pocketed the money and drew participants from your panels? At that point, your group may not have funds to help victims and law enforcement officials. The group might return to the Legislature to ask for more oversight.

**Ms. Stadler:**

I sent an amendment to the Committee on April 2. In it, I recommended that 20 percent of all collected fees be designated for victim support, law enforcement services, community programming and more. This would avoid what is being proposed now—20 percent for victim support, 10 percent for law enforcement grants and the remainder for the Fund for the Compensation of Victims of Crime.

**Senator Hardy:**

According to section 9, subsection 1, paragraph (d) of the amendment, some sort of security person with the ability to detect people under the influence must be at each meeting. Will this be economically feasible in smaller counties? If not, will this preclude panels from being held in those locations?

**Chair Manendo:**

Channel 3 in southern Nevada came to a panel meeting and documented that people who were drunk and belligerent came to the meeting. Generally, women are leading the meetings. They seem to be more interested in volunteering. It is always important to have some kind of security or law enforcement presence. Officers of the Nevada Highway Patrol, Department of Public Safety, are serving in this capacity in southern Nevada. Some type of authority in a crowd of 100 people or so is necessary. It could be trained staff from security companies. I have seen meetings get out of hand. At one meeting, I saw a woman stumbling around who did not understand why she had to leave. I do

not even know how she got to the meeting. The leader called a cab for her so she would not drive under the influence again.

**Ms. Stadler:**

The portion of the fees collected to pay for security is exempted in the amendment for counties with less than 100,000 residents. I have been the security person at many panel meetings over the years, particularly in rural areas. I also was going to ask for clarification of this point. Senator Hardy is correct. Sometimes we cannot find a law enforcement official to help at the panels, even though we offer to pay. In these cases, we must provide our own security. Fortunately, in 20 years we have not had altercations in the rural areas. The meetings there are smaller, everyone knows each other and the demographics are different from those of large cities.

**Senator Hardy:**

Did the Committee hear from Washoe County representatives?

**Chair Manendo:**

At the hearing on April 8, some of the people from the Nevada Affiliate of MADD were from Washoe County. That organization and STOP DUI, Inc. agree on the amendment now.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 312.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Manendo:**

The work session for S.B. 170 will resume with consideration of the conceptual amendment we were discussing.

**Ms. Johnson:**

The amendment in Exhibit D will be enlarged with revisions to section 2 relative to when a storage fee can be charged and, more specifically, when such a fee cannot be charged. We are saying that the storage charge will begin when the

vehicle arrives at the body shop, which is in the existing language, and then there will be a 24-hour grace period once the owner is notified that the vehicle has been repaired. The owner has 24 hours to pick up his or her car. If the car is not picked up within the grace period, the body shop can charge storage fees. We did not address what happens during these two points in time. When the car is being worked on, either being repaired or inspected, no storage charge can accrue. If the repair work is delayed, storage charge accrual will depend on the circumstances. A delay caused by the consumer will trigger the storage fee to be charged. If the delay is caused by the body shop, the charge may not accrue. If the delay is the fault of the insurance company, after 24 hours the charge may begin to accrue again.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 170.

SENATOR GUSTAVSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Manendo:**

We will close the work session now and open the hearing for S.B. 503.

**SENATE BILL 503:** Revises provisions relating to drivers' licenses and identification cards. (BDR 43-1159)

**Mr. Dillard:**

I will summarize the DMV amendment ([Exhibit K](#)). Senate Bill 503 has three parts. The first part clarifies the current statute pertaining to the issuance of driver's licenses. It describes two kinds of driver's licenses—one that is compliant with the REAL ID Act of 2005 and one that is not. These cards are referred to as "REAL ID compliant" and "non-REAL ID compliant." There is a difference in legal opinion about whether the DMV has the authority to issue these two kinds of licenses or just a single form of the license. The amendment gives people the choice of having a driver's license or identification card that is compliant with the Act or a license or card that is not. It does not enact the Act nor change issuance practices or requirements. It is simply clarifying language.

The second part of the bill makes statutory changes to help implement a federal change in commercial driver's licenses dealing with non-domicile commercial drivers and their learner's permits. This federal regulatory change will go into effect next year. Our amendment will bring Nevada into compliance with the federal regulation governing this item.

The third part of the bill changes our 4-year driver's license to an 8-year driver's license. We are asking to eliminate the 4-year renewal period. This will save a step for drivers. The 8-year license will cost twice as much, but will cost the same per-year. In essence, the new license will cost roughly the same each year as a gallon of gas. At age 65, however, the length of the license will revert to 4 years because of the additional requirements concerning driver eyesight and medical matters.

**Ms. Carter:**

I have written testimony ([Exhibit L](#)) explaining the DMV amendment to S.B. 503 and will highlight some of the details. Section 5 of the bill contains language to address a matter of statutory legal interpretation regarding the issuance of driver's licenses and identification cards to clarify that Nevada's citizens will have a choice to be issued a REAL ID-compliant card or a non-compliant card. Current interpretations of the existing statute differ, and the language should be clear as to the intent in order to allow our residents the choice.

Subsection 2 of section 5 requires proof of full legal name, address, social security number or ineligibility to receive a social security number, and lawful status only for those applying for a driver's license that is federally qualified. There are no changes proposed in our current practices or policies for residents not wanting a federally qualified card. Section 6 allows the DMV to indicate which vehicle type or class a licensee may drive and whether the driver's license is federally qualified.

**Senator Hardy:**

By federally qualified, do you mean qualified as a "REAL ID"?

**Ms. Carter:**

Yes, that is correct. Section 8 allows the DMV to adopt regulations to define proof of acceptable documentation when a person makes a change to his or her name or address.

Section 9 is included in the conceptual amendment we are proposing and addresses the fees associated with the issuance of certain driver's licenses for periods up to 4 years and for 8 years. This new provision would require the customer to come into a DMV field office only once every 8 years for a renewal and new photo rather than every 4 years. Customers 65 and older would continue to receive driver's licenses with 4-year expirations with no increase in fees. It is \$13.50 for a driver's license for a person in this age group. Although alternate renewal methods exist by kiosk, Web and mail, a substantial number of eligible customers continue to renew their driver's licenses and identification cards in DMV offices. By extending the expiration date, the DMV will eliminate approximately 1.7 million transactions every 4 years, thereby reducing service demands and expenditures.

Revenues are anticipated to increase slightly during the transitional phase, yet the cost to the customer on a per-year basis would remain essentially the same. After the initial 4 years, the revenue will level out. To control the revenue generated from driver's licenses and identification cards during the transition, individuals with an odd year of birth will receive a 4-year card, and those with an even year of birth will receive an 8-year card. Effective January 1, 2018, the transition will be complete, and all driver's licenses and identification cards will have an 8-year term for all of those eligible to receive the 8-year card.

The DMV will realize a cost saving in generating and mailing renewal notices for driver's licenses and identification cards. Renewal notice production and mailing will be reduced when the transition to an 8-year card has been completed. Once fully implemented, the DMV anticipates the change being revenue-neutral from then on. The DMV also anticipates a reduction in wait times. At the end of the transition period, we will eliminate the DMV Services Technician II positions assigned to process driver's license renewals by mail.

A cost savings also will be realized by each customer receiving an 8-year driver's license. Currently, a \$3 fee for card production applies to each driver's license or identification card issued. This fee is collected every 4 years at renewal. If the customer is issued an 8-year card, he or she will save \$3 in card-production fees because the fee will be charged only once in the 8-year period.

Section 10 of the conceptual amendment allows the DMV to maintain the financial integrity of the Highway and Safety Administrative Account

established under NRS 483.415 for use by the Nevada Department of Transportation. The current fee of 50 cents for a 4-year card will be increased to \$1 for an 8-year card. Section 11 of the conceptual amendment addresses the fees for identification cards. Section 13 of the original bill applies the same provision for the driver's license to the identification card.

Subsection 3 of section 14 clarifies documents the DMV may accept with respect to issuing an identification card and the reasons for denying the applicant. This section also allows the DMV to issue an identification card for the period the applicant is authorized to stay in the United States, or for 1 year if there is no definite end time.

Section 18 in the conceptual amendment addresses the requirements for commercial drivers and nonresident commercial drivers. This section will bring the DMV into compliance with Title 49 Code of Federal Regulations, section 384, which requires all jurisdictions to comply with amendments to the commercial driver's license testing and commercial learner's permit standards. Jurisdictions will have until July 8, 2014, to become compliant. These requirements call for the creation of a new card type called a "non-domicile" commercial driver's license. This term means a resident of a foreign jurisdiction. The new commercial license card type and the creation of a commercial learner's permit fee have been included in the bill since the federal deadline for these requirements becomes effective prior to the 2015 Session.

**Senator Hardy:**

The identification card, the driver's license card and the REAL ID that acts as a driver's license card—are these qualified as identification for flying and other activities for which a driver's license currently is used as identification?

**Mr. Dillard:**

Nevada driver's licenses and identification cards that are federally qualified will be allowed for that purpose. A card issued that does not comply with the Act will not be allowed for that purpose. Neither will the driver authorization card being proposed in S.B. 303. The State will have two types of cards that are federally qualified and three that are not, assuming S.B. 303 passes this Session.

**Senator Hardy:**

Can a passport still be used as identification to fly?



**Mr. Dillard:**

Yes.

**Senator Hardy:**

Is there any State-issued card that is not compliant with the Act that can be used when flying.

**Mr. Dillard:**

The answer to that question ultimately is the decision of the Transportation Security Administration (TSA), U.S. Department of Homeland Security (DHS). Thirteen states have been approved as compliant with requirements of the Act. Many other states are being reviewed now. In the end, not all states will be in compliance. How the TSA decides to handle that situation is yet to be determined.

**Senator Gustavson:**

This issue has been controversial for years. While 13 states comply and others are in the review process, about 16 states have rejected the requirements of the Act. This is true, is it not?

**Mr. Dillard:**

Yes. Resolutions have been passed in many states rejecting the Act at the state level. From discussions with the DHS and the American Association for Motor Vehicle Administrators, we know all states continue to work on increasing their card issuance standards to address security. This will make it more difficult to obtain a fraudulent driver's license or identification card. That is the focus of the Act. Despite the fact some states have passed resolutions, they are still enhancing card security.

**Senator Gustavson:**

I agree that we need to enhance card security, but I do not necessarily agree with the Act. What will happen if S.B. 503 passes and the federal officials rule that we cannot have the two types of licenses and cards proposed in the bill?

**Mr. Dillard:**

If federal officials deem Nevada as noncompliant, we will not be able to issue federally approved cards. We will only issue noncompliant cards. If Nevada is found to be in compliance, residents of our State will be able to choose which kind of card or license they prefer.

**Senator Gustavson:**

Several waivers have been given to states by federal officials. These waivers expire in July. What happens next? Could states receive another waiver since they are still in the process of developing their systems?

**Mr. Dillard:**

The last deadline was January 15, 2013. No extensions were issued at that time. The federal officials sent letters to each state still being reviewed, including Nevada. In the meantime, they are not enforcing the compliance component of the Act's travel restrictions. The letter Nevada received indicated the review would be finalized this fall.

**Senator Gustavson:**

Driver's license cards are better made now to avoid fraud. They still can be forged, however. What assurance do we have that the federally qualified licenses and cards cannot be forged?

**Mr. Dillard:**

There are no guarantees against forgery. We have seen throughout the Country that as security methods have progressed in card production, card forgery has become more difficult. The level of detectable fraud has increased. It is now easier to tell if a card is fraudulent than ever before. An increase has been seen in people presenting fraudulent "breeder" documents to obtain valid cards. These reasons, and the skyrocketing cost for fraudulent documents, have helped reduce forgery.

**Senator Gustavson:**

I am concerned about forgery and identity theft.

**Senator Hardy:**

In a hypothetical example, someone applies for driver's license renewal in May. This license will not be federally qualified yet, so the person is not able to travel in October unless he or she pays another \$4 for a new license that is federally qualified. Will this be what happens as Nevada implements its system?

**Mr. Dillard:**

Federal officials have addressed this situation with an implementation strategy. If a state is deemed compliant, people will have a grace period related to their birth dates in which they will be able to use their existing identification cards as

if they were federally qualified. We do not know the time frame for this implementation, however.

**Janine Hansen (Nevada Families for Freedom):**

I have provided a handout ([Exhibit M](#)) with three parts. We have been fighting this issue for a long time. In 2007, then-Assemblyman Kelvin Atkinson helped pass S.J.R. No. 5 of the 74th Session opposing the REAL ID Act. The Legislature refused to pass S.B. No. 52 of the 75th Session in 2009. Nevertheless, the DMV continues to implement the Act's requirements. The DMV officials say they are not implementing it, but I beg to differ with that claim.

[Exhibit M](#) includes information from the DHS dated December 20, 2012, which says 13 states have met the standards of the Act. It also says the DHS expects to publish a schedule by early fall 2013 and begin implementation at a suitable date thereafter. Why is it that more states have not complied with the Act? Significant problems have occurred.

The National Conference of State Legislatures (NCSL) outlined many of the problems in a statement released on March 21, 2012, included in [Exhibit M](#). One problem is Congress's failure to fund implementation, providing less than \$225 million to the states for what is estimated to be a \$3.9 billion mandate. Another problem is privacy protection because, when fully implemented, the process will require states to have access to at least five national databases. The availability and reliability of these databases have not been tested nationally. State constituents are asking, "Who will have access to my information?", "How will my information be protected?" and "Is this a national database?" I contend it is a national database and is antithetical to American liberty. These issues need to be resolved.

The role of the State Legislature is another concern. This Committee has passed [S.B. 303](#) to create the driver authorization card. Doing this, as well as approving driver's licenses, is within the authority of the State. The NCSL wants the federal government to work on alternatives to federally qualified identification cards. The NCSL supports efforts to remove obstacles to implementation. The group does not believe that the federal government has worked with it on these matters. Furthermore, it does not want the federal government to impede state sovereignty to determine driver-licensing rules.

If we pass S.B. 503 and create two types of licenses—one federally qualified and one that is not—people who choose to have a nonqualified license will become second-class citizens. They will not have the same rights as those with a “magically” federally qualified license. The reason many states have objected to this is there are fundamental problems with and objections to a national identification system. A list of 16 states that have statutory opposition to comply with the Act is part of Exhibit M. Eight states, including Nevada, have joint resolutions in opposition to it. Two other states opposed it through U.S. House of Representatives or U.S. Senate resolutions.

We want you to stand up for our rights against the federal government. It has repeatedly said the requirements had to be met by 2008. Then the deadline was extended to 2011. The federal government has extended that deadline to 2013.

Now federal officials say that by this fall they will begin to implement a suitable implementation date thereafter. What this means is that the federal government has been unable to get the states to comply because there are fundamental problems with forcing the states to comply. State sovereignty is being violated. We are significantly concerned about this and about our individual sovereignty. We do not want to be unequal in our own State as second-class citizens.

We are against S.B. 503. If it passes, however, we wonder how people will be notified that they can choose to obtain noncompliant cards. For those of us who choose these cards, we will be in the same position as people with driver authorization cards—we will not be able to use our cards to board a plane, enter a federal building and do many other activities. Since 2007, we consistently have opposed possible federal databases and a national identification system. We hope you will stand up to protect your own State’s sovereignty and our individual rights.

**Lynn Chapman (Nevada Families for Freedom):**

We are against S.B. 503. Chris Calabrese of the ACLU in Washington, D.C., wrote a blog article on November 3, 2011, titled, “The Slow, Quiet Death of Real ID.” In it he asks, “What if they passed a federal statute that no one obeyed?” This is interesting because many states are not complying with the Act. The article further reads:

If fully implemented, the law would facilitate tracking of data on individuals and bring government into the very center of every

citizen's life. As happened with social security numbers decades ago, use of such ID cards would then quickly spread and be used for other purposes—from work to voting to gun ownership.

Implementing these provisions has a high cost. The initial government estimate is more than \$23 billion. Another issue is how will people who are subpoenaed for federal court be able to testify if they do not have a federally qualified identification card to enter the federal courthouse. Would people be jailed because they could not testify in court?

The fees for the various identification cards and licenses discussed today also are troubling. As the length of time for a license is extended and the cost is doubled, people will have to pay larger fees at one time. I heard testimony in another committee that many people have trouble paying the fees. If people have trouble paying the initial fee, how will they be able to pay the doubled amount all at one time?

It is interesting that we have a commercial driver's learner permit, a regular driver's license, a REAL ID license, an identification card, a driver authorization card and a commercial driver's license. It is becoming more complicated rather than simplified. These are just some of our criticisms of S.B. 503.

**Senator Gustavson:**

Ms. Hansen has spoken about the concerns of the NCSL. I have a resolution from the Council of State Governments which basically expresses the same thing.

**Carlos Silva (Immigration Reform for Nevada):**

We are worried this could turn into a database to identify people who are aspiring to become U.S. citizens. The police have turned over people to the U.S. Immigration and Customs Enforcement (ICE) officials who have deported them. We are concerned the federally qualified identification cards could be used for purposes other than what we have been told.

**Elvira Diaz:**

I am a resident of Sparks. I used to live in Carson City and had a bakery. After being racially profiled, I was jailed by accident. Now I must carry my passport. As an immigrant who is an American citizen, I feel I will have to carry my papers with me all the time in case I am racially profiled. It is an ID pass.

Individuals will be more controlled. I do not think this bill will help identify terrorists. It will increase identity theft. The private sector will have all my personal information. I urge you to vote against S.B. 503.

**John Wagner (State Chairman, Independent American Party of Nevada):**

We are against S.B. 503. It is an infringement on our State's rights. Nevada has the right to regulate driver's licenses for its people. What will federal officials do with people from states that do not implement these forms of identification? How will people board airplanes? I do not think the airlines will stand for this. Something that has not been mentioned is the RFID chip—radio-frequency identification chip. Recently, I received a credit card renewal notice telling me I no longer need to scan my card. All I have to do is have my card close enough to a card machine. This means the card has an RFID chip in it. I tore up that credit card. We should not be tracked everywhere we go. Of course, this can be done now with cell phones and other technology, but I can turn off my cell phone. I do not believe we should be suspects in our own Country.

**Astrid Silva (Progressive Leadership Alliance of Nevada; Nevada Immigrant Coalition):**

According to section 14, subsection 3, paragraph (b) of S.B. 503, even those who are in the United States as lawful permanent residents will have to renew their driver's licenses yearly. This is unfair for those who have held this status for decades. The bill seems to be an open door for the DMV to carry out the work of federal agents in checking immigration status of people who are applying for driver's licenses. Not only is this a slippery slope for our immigrant community here legally, it also will put a strain on our system. I oppose S.B. 503.

**Frank Perez (Latino Student Club, Western Nevada College):**

The Latino Student Club is a group of Latino leaders from Western Nevada College representing northern Nevada, Carson City and rural areas. We oppose S.B. 503.

**Francisco Morales (Progressive Leadership Alliance of Nevada; Nevada Immigrant Coalition; Office of U.S. Congresswoman Dina Titus):**

I am an immigration caseworker for U.S. Representative Dina Titus. In my position, I see how these types of laws affect our community. This past Friday, ICE agents broke down the door of a man's home. This man has no criminal record, a pending petition for citizenship through his American spouse and

a child with Down syndrome. This kind of abuse happens daily. The man's wife called our office because she did not understand why this had happened. I spoke with the man while he was in the detention center. He said the ICE officer told him the DMV provided information that he was an undocumented person. This is a major concern for us. We are talking about more than lawful status. Some ICE personnel have told me they conduct surveillance operations in certain communities, running license plate numbers of vehicles parked in the targeted areas. Based on vehicle registrations from the DMV, they can calculate the probability of finding undocumented people. I do not have to explain where this kind of activity can lead. In our district and our community, this is quite concerning. I speak against the REAL ID Act and S.B. 503 because of the unintended consequences they may cause.

**James V. Courtney (Progressive Leadership Alliance of Nevada):**

I am a U.S. citizen, and I am against S.B. 503. It is time to come out of the Stone Age into the new age. I am against the REAL ID Act. It is just another step to get into your life.

**Jon Eric Garde (JEG Law Ltd.):**

I have been practicing immigration law in Las Vegas for about 20 years. A fair number of my clients have been called into the DMV, and I have accompanied them at their hearings. The DMV's technology can ascertain that people have been working in this Country under a few names. My clients were on the road to lawful permanent residence and, ultimately, to U.S. citizenship. The DMV had little concern for enforcement but wanted to know who was who. I learned the facial recognition technology created by Digimarc Corporation and used by the DMV meets federal standards. Nevada has been a bit reluctant to comply with the Act because the federal government does not pay for it. I suggest the Digimarc technology that several DMV employees shared with me is more than adequate to handle the security needs of Nevadans and that compliance with the Act would be money well wasted. We are doing a good job now.

A young man from the Philippines came to me very upset. He told me he had purchased documents in New Jersey from a group he found out was Al Qaeda. His affidavit was detailed, and federal officials finally worked with me on the matter. I learned that very bad people are hiding among millions of unidentifiable fictitious persons. Most of the people involved with this fraudulent document situation are just working to feed their families and have a life of dignity. They are giving more than they take away and are committing crimes much less than

the average American citizen. The first-generation American is here for the hope of prosperity, to give and not to take. However, most sharks hide among the fish. The reality is that Al Qaeda makes false documents because their members need to hide among the millions of unidentified fictitious persons.

What would be the solution to this? You talked about it this morning. We can give everyone an identification card, act like a community and get to know each other instead of looking for needles among haystacks. Looking for needles among needles will be easier if security is the real concern.

**Carla Castedo (Mi Familia Vota; Nevada Immigrant Coalition; Latino Leadership Council):**

We oppose S.B. 503 because the DMV already has more than enough precautions to avoid fraud. For federal identification purposes, a passport is sufficient. Nevada has facial recognition. The DMV only accepts valid documents. It is stern about this. We do not agree with the tracking system or being treated as second-class citizens.

**Vanessa Spinazola (ACLU of Nevada):**

I will summarize my letter ([Exhibit N](#)) in opposition to S.B. 503 from the ACLU of Nevada. We understand there is an option for people to choose a federally qualified driver's license or identification card, but this is a step in the wrong direction for policy. The main concerns are privacy, costs to our State and adverse effects on immigration in Nevada.

This new form of identification has essentially been termed an internal passport. It is the federal government's way to check on us while we travel from state to state in our Country. It will create a national database of driver's license information which will include images of all the documents people use to apply for driver's licenses. These include social security cards, passports, public utility bills, tax returns and more. At this time, the DMV looks at the documents but does not keep them. This will create a national database with all of our personal information. Through statutes or other regulations, more states are against the Act than are in favor of it. The numbers of states are 25 versus 13. Nothing has changed at the federal level since the 2009 Session when we last talked about this subject. Our main privacy concern is the inherent danger of a national database. Statistics from 2011 indicate 5 percent of adults in America are victims of identity theft. That is about 11 million people. Despite this, the DHS has not guaranteed encryption in the transfer of information between states and



from states to the federal level. This point is not in the federal regulations. Thousands of employees nationwide will have access to this information and photographic images. Additionally, this essentially is a gold mine for hackers. There is no fiscal note on S.B. 503 now, but we believe there will be costs. Other states that have attached fiscal notes to comparable bills have noted costs for hiring additional employees, increased service hours, expansion of facilities, purchase of more equipment, public education campaigns and increased customer calls, complaints and return visits. The public education campaign is even more important when giving people an option to choose a federally qualified identification card or driver's license. Because there is an incentive for people to choose the federally qualified identification for 8 years, there has to be an extensive public education campaign so people know they will be entered into a federal database.

It is not the job of states to engage in federal immigration enforcement. I agree with everything that has been said here previously and further note that the DMV will have to check the immigration status of everyone who applies for this form of identification. This is not optional under S.B. 503.

Additionally, there are requirements that will change the appearance of driver's licenses for lawful permanent residents, "DREAMers"—those who meet requirements of the proposed federal Development, Relief and Education for Alien Minors Act—and other documented immigrants in our State. This is a downgrade in our immigration policy and in the way we treat immigrants in Nevada. Now, their driver's licenses look like all the others. Under this bill, the form of the license they receive will look different on its face. This will make documented immigrants targets when they cash checks, are stopped by the police and at other times. Normally, we do not treat them differently now.

The ACLU of Nevada encourages this Committee to continue the legislative tradition of rejecting the REAL ID Act and to oppose S.B. 503.

For the record, Gary Peck of the Nevada State Education Association was unable to attend the hearing. He asked me to express for him his organization's opposition to S.B. 503 based on privacy concerns and costs. The money would be better spent on education.

**Ivon Meneses:**

I am against S.B. 503. I am a U.S. citizen and an immigrant. Many people sell fake identification cards on the streets. If you pass this bill, you will favor them. They will make even more money. The undocumented people should get valid identification cards so they do not have to get fake documents.

**Mr. Courtney:**

I oppose S.B. 503. It is wrong. Changing the status of a legal permanent resident on the identification card would create racial profiling by the police department. I am against it. Instead of wasting time on the REAL ID Act, which will step into U.S. citizens' lives, we should be spending more time keeping families together. We should not delay that. God knows, I love my wife.

**Mr. Dillard:**

I am glad to see no one has any problems with the 8-year driver's license and the commercial driver's license permit for federal compliance. I will answer questions about the parts of S.B. 503 related to the Act. Again, this bill does not implement the Act. It is a clarification of issuance and not a national database. There is no national database. The information is held in the State. Scanned documents mentioned by Ms. Spinazola will be held within each state. There is no national database or national link.

Furthermore, it is not the case that the expiration date for documented immigrants will be changed. If the expiration date is within the issuance period of the driver's license for the documented immigrant, it will expire on the date of the document itself. This will not change. The only time this will affect someone is when the document has no expiration date. In this case, the license will expire in 1 year.

There also is no RFID chip in the cards. This is the driver's license in Nevada, not a credit card. The only difference will be the marking on the front of the card stating the holder has met the requirements for documenting his or her identity.

Immigrants are eligible for REAL ID cards because it is not about citizenship but about proof of identity and meeting the standards for issuance. Therefore, immigrants presenting documents can obtain federally compliant cards. They are entitled to these cards, but undocumented people are not.

**Senator Spearman:**

What Mr. Dillard just explained as the reality of the bill's provisions contradicts the perceptions of what many here believe is happening. A disconnection exists between perception and reality. Usually when this kind of thing happens, it is good to talk about it to ensure everyone has the same understanding and to address real and perceived fears.

**Senator Atkinson:**

The problem is this is a huge undertaking. There are perceptions and misconceptions about what the bill will do. It causes me some heartache. The Committee would feel comfortable dealing with everything in the bill except the part related to the Act requirements. If we do not do anything about this part, the Attorney General may have to issue an opinion. Then the decision will be made. I think people will be more comfortable if we wait for that opinion instead of our Committee voting on this aspect. This is the part with which everyone has some discomfort.

**Mr. Dillard:**

The DMV amendment deals with the 8-year driver's license and the issue of a non-domicile commercial driver's license. It does not include any part of the Act. Therefore, if you added the amendment to S.B. 503 and removed the parts of the original bill dealing with aspects of the Act, you would be approving the 8-year driver's license and the commercial compliance pieces we are requesting.

**Senator Atkinson:**

The proposed conceptual amendment then is to adopt the DMV amendment, which does not include the parts related to the Act, and then we are done.

**Mr. Dillard:**

Yes. That will take care of the two concerns the DMV has. You will still need to remove the sections of the bill involving the Act requirements.

**Senator Atkinson:**

Yes. Our legal counsel will work out the language so the conceptual amendment will reflect what I have said.

SENATOR ATKINSON MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 503.

SENATOR SPEARMAN SECONDED THE MOTION.

**Senator Hardy:**

To summarize, this bill does not implement the REAL ID Act. It does not create a national database. It does not do anything with REAL ID except make Nevada compatible if the federal government ever finalizes what it wants the states to do. Nevada residents can still fly commercially with a choice of a federally qualified identification card or driver's license. That is why I asked the question earlier about this because we have not technically approved the REAL ID in the State.

**Mr. Dillard:**

Essentially, every part of what you said was correct except one piece toward the end. It is not that the State has not accepted the REAL ID. It is that the DHS has not approved the State's issuance processes as being compliant with the Act as of today.

**Senator Spearman:**

Accepting the motion removes the parts about tracking and a national database with which we have concerns. The motion will leave in place the changes requested by the DMV.

**Chair Manendo:**

Yes.

**Senator Hardy:**

Do we still have a choice in Nevada to implement the Act over and above what the DHS will rule?

**Mr. Dillard:**

Yes.

**Ms. Johnson:**

The conceptual amendment is to accept the proposed amendment from the DMV and to strike out everything in the bill that allows the DMV to distinguish

Senate Committee on Transportation  
April 12, 2013  
Page 45

between a federally qualified and a non-federally qualified driver's license, permit or identification card.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Manendo:**

Having no further business on the agenda, I adjourn the meeting at 12:06 p.m.

RESPECTFULLY SUBMITTED:

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Jennie F. Bear,  
Committee Secretary

APPROVED BY:

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Senator Mark A. Manendo, Chair

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

<b><u>EXHIBITS</u></b>				
<b>Bill</b>	<b>Exhibit</b>		<b>Witness / Agency</b>	<b>Description</b>
	A	2		Agenda
	B	11		Attendance Roster
S.B. 303	C	13	Jered McDonald	Work Session Document
S.B. 170	D	10	Jered McDonald	Work Session Document
S.B. 428	E	3	Jered McDonald	Work Session Document
S.B. 429	F	2	Jered McDonald	Work Session Document
S.B. 217	G	5	Jered McDonald	Work Session Document
S.B. 387	H	3	Jered McDonald	Work Session Document
S.B. 322	I	1	Jered McDonald	Work Session Document
S.B. 312	J	9	Jered McDonald	Work Session Document
S.B. 503	K	6	Troy Dillard	S.B. 503 amendment
S.B. 503	L	3	Terri L. Carter	Written Testimony
S.B. 503	M	5	Janine Hansen	Homeland Security/REAL ID documents
S.B. 503	N	1	Vanessa Spinazola	Letter