

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-ninth Session
March 28, 2017**

The Senate Committee on Transportation was called to order by Chair Mark A. Manendo at 8:13 a.m. on Tuesday, March 28, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 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 Don Gustavson
Senator Scott Hammond
Senator Patricia Farley

GUEST LEGISLATORS PRESENT:

Senator Moises Denis, Senatorial District No. 2
Senator Becky Harris, Senatorial District No. 9
Senator Mark A. Manendo, Senatorial District No. 21

STAFF MEMBERS PRESENT:

Michelle Van Geel, Policy Analyst
Darcy Johnson, Counsel
Tammy Lubich, Committee Secretary

OTHERS PRESENT:

Paul J. Enos, CEO, Nevada Trucking Association
Tyson K. Falk, Nevada State Apartment Association
Michael Batt, Commerce Auto Towing
Clark Whitney, Manager, Ewing Brothers Towing
Robert Segura, Sales Manager, Quality Towing; South Strip Towing; Sunrise Towing, Inc.

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Jeffery Berry, Quality Towing
Mark C. Wenzel, Nevada Justice Association
Jeanette K. Belz, Property Casualty Insurance Association of America
Rajat Jain, Chief, Property and Casualty Section, Division of Insurance,
Department of Business and Industry
Robert L. Compan, Manager, Farmers Insurance Group
Justin Jones, Chair, Advocacy Committee, Southern Nevada Bicycle Coalition
Heather Fisher, Las Vegas Cyclery 3; Escape Adventures
Bob McCall; Cycle Vegas Bicycle Tours, 3 Feet for Pete Memorial Safety and
Awareness Ride
Brian O'Callaghan, Las Vegas Metropolitan Police Department
Ann Dunn, Extern, District Attorney's Office, Clark County
Kelly Clark
Roger Swain
Craig Davis, Founder, 3FootCycling.com
Erin Breen, Director, Vulnerable Road Users Project, Transportation Research
Center, University of Nevada, Las Vegas
Amy E. Davey, Administrator, Office of Traffic Safety, Department of Public
Safety
Scott Scherer, Regional Transportation Commission of Southern Nevada County
Lee Gibson, Executive Director, Regional Transportation Commission of Washoe
County

CHAIR MANENDO:

We are going to open the hearing on Senate Bill (S.B.) 320.

SENATE BILL 320: Revises provisions relating to tow cars. (BDR 58-1143)

SENATOR MOISES DENIS (Senatorial District No. 2):

The Nevada Transportation Authority (NTA) primarily regulates tow cars in Nevada with the relevant provisions located in *Nevada Revised Statutes* (NRS) 706. Pursuant to federal law, towing services are divided into two categories. The first category is known as consensual towing. This is when a vehicle is towed at the request of the owner or insurance company due to the vehicle being stranded on the side of a road or in a crash. Such towing services are federally regulated, and the NTA has limited jurisdiction.

The second category is nonconsensual towing. This is when a person, other than the owner of the vehicle, requests the vehicle be towed due to the vehicle

being illegally parked or abandoned. Tow operators must obtain a certificate of public convenience and necessity with the NTA in order to perform a nonconsensual tow. The regulations and rules in existing law for these nonconsensual tows are the subject of S.B. 320.

Senate Bill 320 sets forth new conditions for a vehicle being towed from a residential complex. These conditions provide that the owner of real property or an authorized agent of the owner must be present when the vehicle is towed and, if known, give the tow car operator the address of the vehicle owner. The vehicle may only be towed for a parking violation or an issue related to health and safety and may not be towed if the vehicle is unregistered or the registration has expired.

If the property owner or authorized agent provides the address of the owner of the vehicle, S.B. 320 further requires the tow operator to attach a notice to the vehicle owner's residential door providing information concerning the tow. Existing law makes any of these violations a misdemeanor.

In talking with tow companies, apartment owners and Paul Enos with the Nevada Trucking Association, a proposed amendment ([Exhibit C](#)) has been submitted to accomplish this in S.B. 320 without creating more problems. One of the things we can do is work with NTA and our constituents to educate them in filing a complaint if the tow companies are not following the law.

PAUL J. ENOS (CEO, Nevada Trucking Association):

The tow vehicle council is under the Association and has approximately 45 tow vehicle companies located throughout the State. The Association had a number of issues with S.B. 320 concerning the safety of the tow operators.

The Association is working with the NTA to make sure towing companies get a signature from the real property owners prior to towing vehicles. Tow companies provide a service to apartment complexes to have vehicles towed.

The Association believes the real problem is notification. If a vehicle needs to be towed, we are requesting the owner or authorized agent of the real property to place a sticker on the vehicle 48 hours prior to towing the vehicle. This gives the individual enough time to move or correct the issue. This does not apply to vehicles parked in a fire lane or in areas not designated to park.

The other issue is inadvertently towing a vehicle with an expired registration. It was decided that since the sticker is by month, a term of 60 days was set as the period where vehicles would not be towed. This gives the owner of the vehicle time to get the vehicle registered.

SENATOR GUSTAVSON:

Would a notice for 7 to 10 days be more appropriate than 48 hours, if a person is on vacation?

MR. ENOS:

There is personal responsibility involved as to where and how people park their vehicles. There is a potential of the vehicle being towed if a person is on vacation and parks the vehicle incorrectly. There should be no issue if a person parks his or her vehicle in the proper place. It is up to the property owner or authorized agent to determine if the vehicle is causing an issue. We want to give enough leeway to the owners of residential complexes to manage their property, making sure traffic is not impeded and vehicles are not parked in undesignated areas. Most of the issues would be addressed if the rules were followed.

SENATOR GUSTAVSON:

Yes, this is a personal responsibility, but I was thinking of the vehicle being parked in its designated area or in an allowed parking area. Forty-eight hours would be fine if they are parked improperly.

MR. ENOS:

There is no reason for a vehicle to be towed if it is parked properly. The NTA has a stringent process to address the issue if a vehicle is towed.

SENATOR DENIS:

My constituent in Las Vegas felt the 48-hour notice was reasonable.

TYSON K. FALK (Nevada State Apartment Association):

The Nevada State Apartment Association did have concerns with the original bill, but with the proposed amendment, [Exhibit C](#), our concerns have been addressed. The Nevada State Apartment Association is in support of [S.B. 320](#).

MICHAEL BATT (Commerce Auto Towing):

Commerce Auto Towing is in opposition to S.B. 320. Many of our customers are near low income areas and are short-staffed. They do not have the resources to keep track of every vehicle their tenants own.

With commercial properties near our customers, their parking lot areas are used when the commercial parking lots fill up and often these customers request tows and are there to sign. When the apartment parking is being used as a storage facility, what recourse do these tenants have if S.B. 320 goes into effect?

As far as not being able to tow a nonregistered vehicle, I have customers who are concerned because they have no other way to verify if someone has insurance other than a valid registration. Commerce Auto Towing is in support of the 48-hour notice.

CLARK WHITNEY (Manager, Ewing Brothers Towing):

With the proposed amendment, I support S.B. 320.

There is a similar regulation in NRS 116.3102, subsection 1, paragraph (s) for homeowners' association (HOA) properties which accomplishes the 48-hour notification.

ROBERT SEGURA (Sales Manager, Quality Towing; South Strip Towing; Sunrise Towing, Inc.):

With the proposed amendment, we are neutral on S.B. 320.

Any reputable, law-abiding and upstanding tow company is already giving 48-hours advance notice. We have a policy in place where 24 hours is the law. Currently, for apartments and HOAs, the time frame is 48 hours, and for the senior destination properties, we wait 72 hours. Ninety percent of the time, in the current climate, there is no towing being done until the vehicle is tagged a second time. It does not take six to eight weeks to get the registration through the mail from the Department of Motor Vehicles (DMV). We realize the majority of property managers, in an effort to keep the peace, appease their tenants and uphold the law in the State that is in place. They have adopted the process where after the second time the vehicle has been tagged, they will tow the vehicle. At that point, the vehicle owners have been notified once by DMV and

a second and third time by the tow company. If they cannot resolve the issue in 90 days, there is a problem.

The Las Vegas Crime Free Multi-Housing Program suggests owners get a handle on the parking and the registration. The minute you give breaks and deviations, there is higher crime, fires, drive-bys and murders.

We are neutral on S.B. 320 with the proposed amendment.

CHAIR MANENDO:

The members of the Committee and people in the audience understand there are reputable companies and disreputable companies. For those who may have served or are currently serving on an HOA board, we know parking is a challenge.

JEFFERY BERRY (Quality Towing):

We are in support of S.B. 320 with the amendment. The intent of this bill is to ensure the public is not unduly stressed when their vehicles are towed. It is a good idea to have and enforce a law that will require the vehicles be tagged.

Many apartment complexes include a provision for tagging a vehicle before it is towed, and NRS 116 has incorporated it into statute.

This will help alert individuals that their registration has expired or the sticker is missing, giving them the opportunity to correct the issue, remove the vehicle or make arrangements with the property managers. This also gives property owners and managers the ability to run their own business. At the same time, it will extend a courtesy to those residents.

SENATOR DENIS:

On page 4, section 1, subsection (6), paragraph (b) of the bill defines residential complexes as a group of apartments, condominiums, or townhomes intended for use as residential units and for which a common parking area is provided, regardless of whether each resident or unit has been assigned a specific parking space. Senate Bill 320 does not go outside of this and does not do anything with HOAs because there is a different NRS for that.

CHAIR MANENDO:

We will get clarification to be sure this will not reach into condominiums, which may have an HOA. There are also townhomes, which have covenants, conditions and restrictions as well. We will close the hearing on S.B. 320 and open the hearing on S.B. 308.

SENATE BILL 308: Revises provisions relating to motor vehicle insurance.
(BDR 43-938)

SENATOR BECKY HARRIS (Senatorial District No. 9):

In 1958, Nevada led the Nation when it established the State's mandatory auto insurance minimums of \$15,000, \$30,000, and \$10,000. Forty-five Legislators, Democratic and Republican from both the Senate and the Assembly, which is 71 percent of the Nevada Legislature, co-sponsored Senate Bill 308.

Senate Bill 308 proposes fairness and economic equality by changing the mandatory minimums to \$25,000, \$50,000, and \$20,000. When someone has \$15,000, \$30,000 and \$10,000 and is involved in a vehicle crash, they are at risk of not having enough insurance to cover the cost of the damage to their vehicle and their health. What could be worse than a person being injured in a vehicle crash and not having enough money to fix their vehicle, potentially putting their employment at risk, and dealing with out-of-pocket medical bills. For pennies a day, Nevadans can obtain an extra \$10,000 of bodily injury coverage per person; \$20,000 of bodily injury coverage per crash and an extra \$10,000 for property damage coverage that could be used for vehicle repair, wage replacement and payment of medical expenses.

There are concerns about a potential increase in uninsured motorist coverage if this bill were to pass. There was a 2012 study done by the Insurance Information Institute that found the states with the highest statutory minimum limits have the fewest uninsured drivers. Maine with 4.5 uninsured, the lowest number of uninsured drivers in the Country, has the Nation's highest limits of \$50,000, \$100,000 and \$25,000.

States with the lowest auto insurance premiums in the Country, do not have the fewest number of uninsured drivers on the roads. North Dakota and Iowa have the lowest auto premiums of any state. According to the Ohio Insurance Institute, US Auto Insurance Expenditures in 2006, North Dakota had an estimated 9.1 percent and Iowa had 11.5 percent of uninsured drivers.

This bill will not affect all of Nevada's insureds. Approximately 30 percent currently have the minimum coverage of \$15,000, \$30,000 and \$10,000 and two-thirds of Nevada's drivers will see no impact. In conversations with individuals who checked their insurance, they did not know they had the minimum and that for a little more money they could get better coverage.

Some auto price insurance differences I found from major players in Nevada are as follows: for \$15,000, \$30,000 and \$10,000 coverage, the cost would be \$3.40 per day, and for \$25,000, \$50,000 and \$25,000, the cost would be \$3.73 per day. This is a 33 cent increase. At another insurance company, a \$15,000, \$30,000 and \$10,000 policy is \$1.34 per day, and to increase to \$25,000, \$50,000 and \$20,000 it would be \$1.46 per day, and for \$25,000, \$50,000 and \$25,000 the increase in premium would be 1 cent a day.

In a study by the Pennsylvania Association for Justice dated March 22, 2016, they looked at states that increased their minimum automobile limits between 2007 and 2013. They calculated the change in average premiums and found that compared to the countrywide change, three states had a decrease in their insurance premiums.

I would like to propose two amendments and make one suggestion. I propose that Section 6 be deleted, which is the uninsured motorist insurance coverage. There is a lack of clarity in regard to how it affects workers compensation, and we have no interest in interfering with workers compensation benefits.

In order to allow the insurance companies and insurance commission to prepare for any changes, they have requested a delay in the implementation date by one year, to July 1, 2018. Perhaps the Interim Transportation Committee could take up the issues in section 6 since they are complex and warrant a larger discussion.

SENATOR HAMMOND:

To clarify, the cost now for the minimum \$15,000, \$30,000 and \$10,000 is \$1.34, and to increase to \$25,000, \$50,000 and \$20,000, it is \$1.46. For a higher property recovery premium, the cost would be one cent more, from \$1.46 to \$1.47, and you would get \$5,000 more in extra property coverage?

SENATOR HARRIS:

Yes, that is correct.

CHAIR MANENDO:

For the record, you were referencing S.B. 207, which was heard to create a Legislative Committee on Transportation. Thank you for giving an example of how that Committee could help Legislators and the public with discussions during the Interim period.

SENATE BILL 207: Creates the Legislative Committee on Transportation.
(BDR 17-529)

MARK C. WENZEL (Nevada Justice Association):

The Nevada minimum policy limits went into effect in 1958 and have not changed since. Many things, perhaps everything, have gone up in price since 1958.

I would like to explain the different breakdowns in reference to the \$15,000, \$30,000 and \$10,000 minimums, which is now the law. The \$15,000 reflects the most any one individual can recover in a particular crash if involved in a crash with an at fault, minimally insured driver. The \$30,000 reflects the most all occupants of that vehicle can collect from a minimally insured, at fault driver. For example, if four people are in the vehicle, those four people could collectively recover \$30,000 total. The last number of \$10,000 reflects what can be recovered for property damage incorporating the damage to the vehicle and its contents. When referring to the numbers, it is broken down to \$15,000 per person; \$30,000 per occurrence; and \$10,000 for property damage.

The foremost question is why are the changes in the mandatory minimums beneficial to Nevadans? "If you break it, you fix it" is a lesson we all learned as children. With the mandatory minimums at \$15,000, \$30,000 and \$10,000, that is not possible today.

I have been a personal injury attorney for over two decades. The reason this is happening now is due to increases in medical expenses and hospital costs as well as the cost increases to repair vehicles that get into crashes with an at fault driver. One recent example is when a family of four from Sparks was involved in a motor vehicle crash. The insurance company wanted to pay the four occupants of the vehicle the \$30,000 maximum. The mother of the family called me up and stated the medical expenses alone were close to \$40,000, and she could not take \$30,000 from the adverse driver leaving them in a hole.

I see this type of scenario on a weekly basis. I get a fair amount of phone calls from people who have been injured in a crash and the vehicles have been damaged over the \$10,000 the insurance will pay. Is it fair for a person to be stuck with the balance of the repair bill or the replacement cost of the vehicle who was not at fault? The obvious answer is no. These are the reasons that a vast number of states throughout the Nation have increased the limits to \$25,000, \$50,000 and \$20,000 for property damage. Nevada is one of six or seven states remaining with such low limits. We are trying to modernize the policy limits to bring it into compliance with the current state of reality. No longer will \$15,000 fully compensate a person for damages, time off work and medical expenses. It is not the reality of today's society. Nor is the fact that if a vehicle is needed, the \$10,000 in property damage will not cover the cost. We live in 2017 and not in 1958, when this legislation was first passed.

There is no way around an increase in premiums. The increase in premiums is pennies on the dollar per day. The increase in premiums, and the safety that it affords a person if they are at fault for a crash, protects personal assets from any type of recovery and protects the victim of an at fault motor vehicle crash.

Since there has not been an increase or modernization of the insurance policy limits in Nevada, there is no history of what this will do in Nevada. Other states that raised their policy limits from the \$15,000, \$30,000 and \$10,000 to the \$25,000, \$50,000 and \$20,000 showed an increase in annual premiums of 1 percent to 2 percent.

SENATOR FARLEY:

Do you have a number of how many people who purchased individual policies for auto insurance also purchased an umbrella policy?

MR. WENZEL:

The majority of people do not carry umbrella policies. The umbrella covers over and above the limits. Some insurance carriers require you to have at least \$100,000 in liability coverage before they will even offer an umbrella policy.

The people that we are focusing on to modernize the policy limits would not have an opportunity to purchase an umbrella because there is a set threshold of liability coverage that varies through different carriers.

SENATOR HAMMOND:

It sounds like you have looked at the numbers, and there are several drivers in the State that have the \$25,000, \$50,000 and \$20,000 coverage. How many drivers are going to be impacted by raising the limits to the \$25,000, \$50,000 and \$20,000? How many will not be able to afford the increase and leave uninsured or underinsured motorists on the roads.

SENATOR HARRIS:

I can only answer your first question of how many drivers are going to be impacted. It has been represented to me by the insurance companies that S.B. 308 would affect approximately 30 percent, and a little over two-thirds of Nevada drivers would not be impacted because they have the \$25,000, \$50,000 and \$20,000 or above.

SENATOR HAMMOND:

Is that the 29 percent number I am looking at now?

SENATOR HARRIS:

Yes.

SENATOR HAMMOND:

Have you seen a study that shows the percentages?

SENATOR HARRIS:

No, it has been anecdotally represented to me that there is a concern there will be a higher level of uninsured. The data I referenced in my testimony was that Maine has the highest minimum coverage requirement and the lowest rate of uninsured motorists.

SENATOR HAMMOND:

Then there is North Dakota and Ohio?

SENATOR HARRIS:

I believe it is North Dakota and Iowa that have the lowest coverage.

SENATOR HAMMOND:

So, this is the nexus you are trying to accomplish.

SENATOR HARRIS:

It is tenuous, and I am anecdotally told it is more of a culture than an economic challenge. If it is a culture to obtain car insurance, for coverage in case you are in a crash, then it would be a priority for people when figuring out their monthly budgets, as opposed to an affordability issue. I do not know if there is a strong culture in Nevada of making sure to have a lot of auto insurance. It can be a concern for families who are struggling to pay their monthly bills. The thought behind this bill is for a minimum amount of money to increase the amount of insurance coverage. This would help in supplementing medical and property damage so people are not put in a place of having to figure out how to get to work or whether they can get their vehicle out of the body shop.

SENATOR HAMMOND:

Therefore, it is a matter of which policy is better between the two.

MR. WENZEL:

The data I have looked at indicates minimal increases in the uninsured rates after the rates are modernized to reflect the change from \$15,000, \$30,000 and \$10,000 to \$25,000, \$50,000 and \$20,000. It is a matter of a few cents per day or \$3 to \$10 a month to get the additional protection. I want to stress that the protection goes both ways. If a person is at fault for a crash, their personal assets could potentially be subject to a judgement over and above insurance. If there is additional coverage, it gives an additional layer of protection for the person who was injured. They are not left with additional medical expenses that the at fault driver should be responsible for or a vehicle that cannot get fixed because the repair costs are over the \$10,000 in coverage.

SENATOR HAMMOND:

Of the 30 percent of drivers in Nevada that will be affected, how many drivers will not raise their limits? If we are one of seven states that have not raised the minimums, is there a state who recently raised their rates that you would be able to point to and see how many became uninsured or underinsured. Do you have any numbers there?

MR. WENZEL:

The data received from other states shows no noticeable increase in uninsured motorists after the rates were raised.

SENATOR HARRIS:

For the record, it would be a mistake to assume that the 30 percent of individuals who do not have the higher limits are all in the same economic bracket. As I have conversations with my constituents, I am finding that people who can afford more insurance simply did not know they were at the minimum.

SENATOR HAMMOND:

I am not as worried about the 30 percent as I am worried about the people who cannot afford the increase. I am concerned that even though they come from disparate backgrounds economically, how many of the 30 percent we will lose when the rates increase. You are saying there is no significant impact, but cannot give me any numbers. Is it 10 percent or 15 percent? What I understand you said is that many of the drivers did not know they had the minimum and they had not been told they could have raised it up for a little more per month.

SENATOR HARRIS:

I am going to amend what you just said because I have not talked to everyone in the 30 percent category. In the conversations that I am having, I am surprised at the number of people that have minimum coverage. I want that to be very clear, I am speaking about numbers in the 10s and 20s, not the 100s and 1,000s.

MR. WENZEL:

We do not have the hard and fast numbers you want. We have been told from other associations throughout the Country that there has not been an increase in the percentage of uninsured drivers after the modernization of the policy limits goes in effect. If it will assist you, I will try to track down the actual numbers.

SENATOR HAMMOND:

Yes, I would like this information.

SENATOR HARRIS:

Senator Hammond, Pennsylvania is also considering a similar measure in its legislature at this time.

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JEANETTE K. BELZ (Property Casualty Insurance Association of America):
We are opposed to S.B. 308. This bill unnecessarily increases automobile insurance premiums on people who cannot afford it and will lead to more uninsured Nevada drivers.

I submitted a letter from the Property Casualty Insurance Association (PCI), the National Association of Mutual Insurance Companies and the American Insurance Association ([Exhibit D](#)) with a document ([Exhibit E](#)) showing data that I will review in consideration of S.B. 308.

Senator Harris is correct that the data shows that this would affect three in ten Nevada drivers. To put that into perspective, that is 330,000 passenger cars in our State. From the historical data PCI pulled, it shows the increases would be anywhere from 8.8 percent up to 32.1 percent for those carrying minimum limits. The PCI has done studies showing a positive correlation between average liability premiums and the rate of uninsured drivers. Nevada currently has the twenty-third highest uninsured rate. We want to note that the average bodily injury claim in 2012 was under the statutory limits. This is the latest data available and comes from the Insurance Research Council. Also, submitted is a map of the Country ([Exhibit F](#)) showing Nevada is No. 1 in the Nation in increased number of crashes. This has an increased pressure on insurance premiums and is caused by traffic congestion, distracted driving, fraud, age demographics and the decriminalization of medical and recreational marijuana. We already have many pressures on increasing insurance rates in our State.

I wish to thank Senator Harris for mentioning the potential delay in implementation and the deletion of section 6. We would support looking at this in the Interim to understand what implications there might be.

CHAIR MANENDO:

On page 1 of [Exhibit E](#), it states the average claim in 2012 was under the statutory limits. That was five years ago, what is the average payout now?

MS. BELZ:

This is the latest data available from the Insurance Research Council. I did ask why the data was old and was told claims data has to flow through the system and it takes a while for it to be reported and analyzed.

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CHAIR MANENDO:
Are they that far behind?

Ms. BELZ:
Yes.

CHAIR MANENDO:
Do you know how much of an increase it would be in areas of lower economics?

Ms. BELZ:
I do not have any demographic data for the 30 percent of the population that would incur an increase.

CHAIR MANENDO:
Would you be able to find out the information?

Ms. Belz:
Yes, I can ask.

SENATOR HAMMOND:
We are talking about policy that sounds reasonable if for pennies on the dollar we are able to help Nevada motorists. If the numbers of crashes in the State are increasing, there are more people off the roads trying to get vehicles repaired and having associated medical costs.

The PCI sheet, [Exhibit E](#) shows 31 percent of all the drivers are using the minimum coverage. However, the number reflects we are the twenty-third highest uninsured in the Country, but I would like to know the number. You are trying to make an impact on the group of drivers who are uninsured, and that is commendable. We then have the 29 percent to 30 percent who are carrying the minimum and I want to know how many motorists will be uninsured.

We have to weigh the cost of whether it is worth having the minimums raised so there is enough coverage. It would be significant if the 30 percent become uninsured or underinsured because they are not going to raise their minimums. Is this a good policy for the State, and how many uninsured motorists will be added? Senator Harris pointed out that after several conversations, many people did not know they had the minimum coverage and would raise it up.

RAJAT JAIN (Chief, Property and Casualty Section, Division of Insurance, Department of Business and Industry):

This is a policy decision, and the Division of Insurance maintains a neutral position on S.B. 308. I discussed some of the data and statistics with Senator Harris, and I would like to summarize my written testimony ([Exhibit G](#)) and data ([Exhibit H](#)) that was submitted.

The data presented in [Exhibit H](#) is based on rate filings the Division receives from top automobile insurance companies that write a million policies. Based on this, approximately 32 percent of Nevadans carry minimum liability limits and approximately 83 percent carry uninsured motorist coverage. Of the 83 percent, approximately 30 percent carry the uninsured motorist coverage at minimum limits. The Division estimates the impact on the bodily injury insurance cost to go up anywhere from 8 percent to 50 percent. The estimated change in property damage insurance cost for \$10,000 to \$20,000 is 3 percent to 40 percent.

Under Nevada law, you cannot buy uninsured or underinsured motorist coverage below the minimum liability limits. Approximately 29 percent of Nevadans carry that coverage, and there will be an insurance cost impact of 30 percent to 50 percent if they continue to carry the minimum liability limits. The Division has also submitted the approximate dollar impact, on average, per insurance policy term as shown on page 4 of [Exhibit H](#).

What has not been discussed is the estimated base rate increase. Page 4 of [Exhibit H](#) shows the dollar amount for base rates. Auto insurance ratemaking is a highly complicated process. The minimum limits will not only raise the base rates but will impact the rate models, rate methodologies, the algorithms and tiering. These are all methodologies insurance companies use in Nevada and are hidden costs that cannot be estimated until the numbers for individual policies are known.

The Division agrees with the extension of the implementation date to January 1, 2019. It will take the insurance companies a few months to comply and submit rate filings with the Division, including the algorithms and models. Then it will take a few months for the Division to review for approval.

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CHAIR MANENDO:

You mention 2019, and Senator Harris stated the implementation date was to be changed to 2018 instead of 2017.

MR. JAIN:

Yes, the Division suggested 18 months, but 12 months will work if the Committee deems it fit.

ROBERT L. COMPAN (Manager, Farmers Insurance Group):

I submit my testimony ([Exhibit I](#)).

We would like to thank Senator Harris for working with the insurance industry on section 6. We also agree with Mr. Jain from the Division of Insurance on the implementation date.

SENATOR ATKINSON:

Did I hear you correctly that the numbers Senator Harris provided are not accurate?

MR. JAIN:

No. I stated I was not sure where Senator Harris acquired her numbers. There is a difference between a rate and a premium, and that more goes into developing a premium for an automobile policy than just the rate. A rate is only the base for the minimum liability limits. The premium is the rate plus multiplicatively applying some factors to achieve what you see on a bill. There is a lot that is added to the rate to make it a premium.

SENATOR ATKINSON:

I understand, but it seems like they are different and could be higher in other zip-coded areas. I want to know more about what the rates are going to be and have guarantees as to how high they are going to go up.

CHAIR MANENDO:

The data is needed to know what the increases will be. It is not significant if the increase is a couple of percentage points. I have constituents that have never been in a crash, and they are seeing increases based on where they live.

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SENATOR HAMMOND:

You are stating the earlier testimony is accurate, but it is not the whole picture; is this correct?

MR. JAIN:

Yes, that is correct. Unfortunately, no one in the room can give an accurate number stating what the rates will be. The best the Division can do is provide a percentage based on one variable.

SENATOR HARRIS:

I believe there have been great conversations around an important policy and the dialogue needs to continue.

I received my information from insurance companies and will provide the document I referenced earlier from the Pennsylvania Association for Justice. This will show what happened in eight states that increased their minimum automobile insurance limits between 2007 and 2013. As referenced in my testimony, three states actually went down.

CHAIR MANENDO:

We will close the hearing on S.B. 308.

VICE CHAIR ATKINSON:

We will open the hearing on S.B. 410.

SENATE BILL 410: Revises provisions relating to reckless driving. (BDR 43-72)

SENATOR MARK A. MANENDO (Senatorial District No. 21):

In the past few years, there have been an unprecedented number of tragic stories of cyclists who were obeying traffic laws and were struck by motorists resulting in death or serious injury. A couple of names that come to mind are Mr. Peter Makowski and Mr. Matthew Hunt, who were just two of the many cyclists in recent years who were tragically killed by motorists with the motorist walking away with no charges.

When the Southern Nevada Bicycle Coalition and the University of Nevada, Las Vegas Vulnerable Road Users Project approached me to find a way to protect our cyclists, it really was an easy sell. They worked with the Clark County District Attorney's Office to propose language to ensure that law

enforcement and district attorneys, in appropriate circumstances, have the tools needed to go after motorists who kill or injure law-abiding cyclists on our roadways.

Senate Bill 410 will not prevent all crashes involving cyclists, but will clear hurdles for law enforcement and district attorneys to pursue motorists who injure or kill law-abiding cyclists under the existing reckless driving statute.

JUSTIN JONES (Chair, Advocacy Committee, Southern Nevada Bicycle Coalition):
The Southern Nevada Bicycle Coalition (SNVBC) is an organization dedicated to inspiring, encouraging and supporting collaborative community action to increase cycling in southern Nevada, and it represents thousands of cyclists throughout the southern Nevada community.

The SNVBC leads training programs and events to educate the public about safe cycling and sponsors regular community rides in southern Nevada. The SNVBC works with law enforcement to ensure both cyclist and motorists know and follow traffic laws. One of the primary goals is to improve safety for cyclists. After spans of deadly incidents, SNVBC reached out to Chair Manendo to discuss opportunities for changing the law to improve safety. Because of the work of Chair Manendo and others, Nevada has the three-foot law and protection for both pedestrians and cyclists. Unfortunately, motorists who injure or kill law-abiding cyclists often get off with an insignificant punishment or less.

In talking over the problem with the Clark County District Attorney's Office, we were able to identify gaps in existing law that S.B. 410 will fill, thereby allowing law enforcement and district attorneys to prosecute offenders when warranted.

The bill is a simple change to the existing law. The District Attorney's Office and the head of the vehicular crimes unit in Las Vegas identified very small changes that would improve their ability to go after cyclists in certain circumstances. Unfortunately, the District Attorney's Office has identified gaps in the existing law that need to be filled. On behalf of SNVBC, we ask the Committee to support S.B. 410.

SENATOR HAMMOND:

Will this take away the court proceedings to prove that someone is guilty of breaking said law?

MR. JONES:

No, the burden of proof as is evident in the law is the same. Under the reckless driving statute, NRS 484B.653, there was an ambiguity. Senate Bill 410 clarifies the reckless driving statute to ensure that, in appropriate circumstances, the District Attorney's Office can pursue a reckless driving claim against a motorist who does cause injury or death to a cyclist.

HEATHER FISHER (Las Vegas Cyclery 3; Escape Adventures):

I am here representing thousands of cyclists who need to have more protections on the roadway. Cars have hit my son, my husband, several friends and me. Additionally, 13 years ago, a construction truck in Red Rock Canyon hit a friend of mine, Don Albietz, a respected police officer in our community. This changed my life, and to bring more safety to Red Rock Canyon, I started Save Red Rock.

Don was an Ironman triathlete, a father and a little league coach. He was riding in the bike lane when a construction truck hit him and left the scene. We have been keeping the Don Albietz legacy alive with Save Red Rock.

Cyclists like to abide by the law because it usually keeps them alive. Sometimes drivers are texting, drinking or not paying attention, swerve into the bike lane and hit the cyclist.

Another friend of mine, Alan Snel, who is a bicycling advocate, moved to Florida from Las Vegas a few months ago. Alan is an advocate for cycling and has a cycling column. When he was hit on March 7, the title of the blog he wrote was, "Another motorist smashes into a bicyclist without even receiving a ticket. I know, because I was the cyclist." The driver was a 65-year-old man, and when asked why he hit Allen, he replied he was in the process of inhaling a breathing treatment, was blinded by the light and never saw the bicyclist until he hit him. The driver also suffered from extreme sleep apnea. On the report, it stated the driver was inattentive, The driver's condition was listed as fatigue/asleep, and no ticket was given. The State of Nevada needs to be proactive and not let what happened in Florida happen here.

When I am in my bike shop selling the sport of cycling to people, I do not want to send them out to their deaths. We need more protections. This proposal is reasonable and does not take away anyone's rights. I support S.B. 410.

BOB MCCALL (Cycle Vegas Bicycle Tours; 3 Feet for Pete Memorial Safety and Awareness Ride):

Peter Makowski was my teammate on a cycling team in southern Nevada. Five years ago this June, I will never forget receiving a phone call informing me Peter had been struck and killed on a rural road south of Las Vegas.

The 3 Feet for Pete organization was formed which helped get the 3-foot law passed.

I went to the trial of the truck driver that ran into Pete Makowski. When the truck driver went to pass Pete, he did not pull over far enough or change lanes, and when he pulled back onto the shoulder, he struck Pete at a high rate of speed with the back bumper. He left the scene and Pete to die. The judge prosecuted the truck driver and gave him the maximum sentence. The truck driver served less than two months. A person gets a stiffer sentence for littering at Lake Mead than they would for running over someone. There is something inherently wrong with a law that allows a motor vehicle to run over a vulnerable road user and not get a citation.

Imagine sitting in a chair and being passed by a vehicle going 30 to 40 miles per hour; it is an uneasy feeling. The law now says a car will change lanes when passing a cyclist, and if another lane is not available, the car must give at least a 3-foot barrier. The organization works with the Las Vegas Metropolitan Police Department, the Highway Patrol and cyclists on how to enforce this law.

I support S.B. 410. It is a small tool to educate drivers to exercise caution and patience when around cyclists. Another person who comes to mind is Matthew Hunt who was killed last year by a distracted driver. The driver did not even get a sentence at all. Drivers need to be held accountable.

BRIAN O'CALLAGHAN (Las Vegas Metropolitan Police Department):

The Las Vegas Metropolitan Police Department is in full support of S.B. 410.

ANN DUNN (Extern, District Attorney's Office, Clark County):

The Clark County District Attorney's Office supports S.B. 410, and if there are any questions for the office, Mr. Jones will be available off-line.

KELLY CLARK:

I am a member of the Nevada Bicycle and Pedestrian Advisory Board and President of Muscle Powered Citizens for a Walkable and Bikeable Carson City. However, I am here today speaking as an individual.

In 2011, a small coalition of cyclist and pedestrian advocates worked to have the reckless driving amendment added, and at that time, it was important to add the policy to the reckless driving law so motorists who strike cyclists and pedestrians who are legally traveling would be cited and fined.

Senate Bill 410 is an excellent cleanup measure and something the Committee can support. The bill does not change the current law, but it does set clear direction for law enforcement to make citations.

As we are out on the road as either a recreational cyclist or using cycling for transportation, it is important that there is some law to hold motorists accountable. This is a matter of education for all.

ROGER SWAIN:

I am here today to support S.B. 410.

On June 4, 2015, while riding my bicycle home from work, a man driving in the opposite direction made a left turn in front of me. I had enough time to think this is going to get ugly. My second thought was to protect my head because I thought that if I did not ruin my brain, the medical people could put me back together. I just did not want to be brain-dead or paralyzed.

I slammed into his windshield, somersaulted to the ground, landed on my neck and flopped over face down on Sahara Avenue. When I came to, I knew I was alive and my brain seemed to be okay. I checked for paralysis, and that too seemed okay, until I got to my head which I could not lift from the asphalt. The neurosurgeon told me that my neck was crushed and surgery was required if I wanted to leave the hospital alive. The surgeon put in 2 rods, 2 plates and 12 screws to stabilize and fuse my C1 through T1 vertebrae. Normally, our heads are balanced on top of the spinal cord; mine is about four inches forward of my shoulders. Therefore, I have to lift my head to have a semblance of normal posture, and it wears me out. The nerve to my right vocal cord was damaged, and this is why I sound this way and have trouble swallowing. I have nerve damage in my left leg making my gait funny. I have memory challenges

that seem to have increased since the collision. My hands are the worst part because they do not work since the collision. I have lost most of the strength, dexterity and sensitivity to touch, heat and cold. The kicker is the constant stinging sensation that is similar to hitting your crazy bone. Mine lasts from the moment I wake up until I go to sleep. I pay this cost daily, because of a driver's horrible decision. The driver was given a citation for failure to yield the right-of-way.

I support S.B. 410 in the hopes that harsher penalties will be given to drivers who injure or kill cyclists to help stop the carnage.

CRAIG DAVIS (Founder, 3FootCycling.com):

I am the founder of a cycling safety advocacy organization called 3FootCycling.com. We are strong advocates for increased penalties and enforcing the laws to protect cyclists and encourage greater cycling. We support S.B. 410.

We have been aggressively advocating cycling safety for many years resulting from my being constantly endangered during my daily 36-mile ride in the Centennial Mount Charleston area by drivers breaking the three-foot law, driving recklessly and in some cases assaulting me. Part of my route to the Mount Charleston foothills and the Las Vegas Paiute Golf Course connects with U.S. Route 95. Many cyclists in Las Vegas need to ride on the highways to connect for long distance riding.

Our site was initially created to illustrate how drivers on local roads constantly ignored the three-foot law. Vehicles ranging from Little Prie to Clark County school buses, and on U.S. Route 95 where black vans from Creech Air Force Base, triple trailer semis and the largest bulldozer I have ever seen being pulled by a semi on a flatbed trailer going over 60 miles an hour. The bulldozer's blade went right over my head. I tried submitting an incident report to the Nevada Highway Patrol and local law enforcement, but I was told they had no process to accept my incident reports unless there was a collision.

Assault with a motor vehicle or reckless driving is defined as driving a vehicle in willful or wanton disregard for the safety of persons or property. Violating the three-foot law can and does occur without a collision. I stopped riding my bicycle in October 2015, because I no longer feel safe riding on the road, even with a rear-facing camera on my bike because law enforcement would not

accept my incident reports. They were impressed by how detailed the incident reports were, but they had no process to accept them. I was interviewed on KNPR and CNN on this topic and spoke at the biannual California Bike Coalition's 2015 Summit on the topic, Police and Prosecutors: Help or Hindrance in Safety Efforts. I have worked with California legislatures and the California Highway Patrol (CHP), including their research and planning division. Significant strides have been made in California including a partnership with the CHP, where their Golden Gate Division sends out a hand-signed three-foot warning letter to drivers when cyclists notify them that a driver buzzed them. Mailing a hand-signed three-foot warning letter demonstrates that CHP takes cycling safety seriously. We are about to launch a free, online system, CyclistVideoEvidence.com for cyclists to track, analyze, report and monitor their assaults and reckless driving incidents. We hope to identify repeat offenders in hot spots and report them to law enforcement before lives are irrevocably changed for the worst.

ERIN BREEN (Director, Vulnerable Road Users Project, Transportation Research Center, University of Nevada, Las Vegas):

Today, I am speaking from the neutral position. We forget roads are created to be car-centric. Engineers are charged with moving cars faster, further and better. Through that process, it has been forgotten that there are other types of road users. Drivers do have a responsibility to vulnerable road users.

An environment has been created making it easy for drivers to not see pedestrians and cyclists. The faster a driver goes, the narrower the field of vision. Motorists have to watch for pedestrians and cyclists, making S.B. 410 critical. Hearing about educational efforts and hearing the motorists might be held responsible, may get drivers to slow down and pay attention.

Eighty pedestrians and six bicyclists lost their lives in Nevada last year. The year before, 70 pedestrians and 10 cyclists lost their lives. This year to date, we have not lost a cyclist in the State, but we have lost 24 pedestrians; 19 in Clark County. The youngest of the pedestrians lost this year was an 11-year-old girl and the oldest was an 84-year-old woman. Some of the cyclists lost are recreational, but most are transit cyclists. When bicyclists are lost, it is more often than not the motorist's fault. Unfortunately, overall, it is the opposite with pedestrians; due to the harsh environment we have created, it is pedestrian error costing lives. In 2017, of the pedestrian fatalities in Clark County, the majority have also been driver error. We have lost four pedestrians in our

community on sidewalks. There have been 12 lost on the streets where the speed limit was posted at 45 miles per hour or higher. All but three of them happened at night when there is insufficient lighting. So far, of the 19 fatalities in Clark County, only two of them have been hit-and-run drivers. This is due to Senator Manendo and the co-sponsors of the bill from last Session to hold hit-and-run drivers responsible for their actions.

VICE CHAIR ATKINSON:

We will close the hearing on S.B. 410.

CHAIR MANENDO:

We will now begin the work session with S.B. 13.

SENATE BILL 13: Abolishes the Advisory Board on Motorcycle Safety.
(BDR 43-311)

MICHELLE VAN GEEL (Policy Analyst):

The work session document ([Exhibit J](#)) clarifies that S.B. 13 abolishes the Advisory Board on Motorcycle Safety. There were no amendments for the measure, and testimony indicated the duties of this Board are duplicative.

SENATOR GUSTAVSON:

Senate Bill 13 removes the program but not the money collected for the registration fee. If the program is being removed, the \$6 fee should be removed.

AMY E. DAVEY (Administrator, Office of Traffic Safety, Department of Public Safety):

The Office of Traffic Safety is not suggesting or proposing any change to the Nevada Rider Motorcycle Safety Program. The only change proposed is to the Advisory Board for the development of the program. The program is healthy, strong and is a key part of motorcycle education and safety training. This program will continue to provide services to Nevadans. The fee collected supports the training and education program and will continue to do so. This is only in respect to the Advisory Board for the development of the program.

SENATOR HAMMOND MOVED TO DO PASS S.B. 13.

SENATOR GUSTAVSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR MANENDO:

We will proceed with S.B. 15.

SENATE BILL 15: Revises provisions governing vehicle registration and license plates. (BDR 43-173)

Ms. VAN GEEL:

In the work session document ([Exhibit K](#)), it notes S.B. 15 clarifies the difference between “duplicate license plates” and “replacement license plates” by defining “replacement number plate” to mean a license plate that previously was issued but has been expired for a continuous period of more than 18 months. This bill also makes clear that blue license plates issued before 1982 are not subject to the rolling reissuance of license plates, although replica blue plates are subject to the rolling reissuance. The measure further clarifies that the 125th and 150th fiftieth Nevada statehood anniversary commemorative license plates are exempt from the rolling reissuance of license plates. Finally, the bill revises the citation for commercial vehicle “hunter’s permit” to conform to the newly amended version of the International Registration Plan.

There were no amendments for this measure.

SENATOR GUSTAVSON:

I have had constituents calling me and complaining about the \$8 reissuance fee for replacement plates. Does it really cost the DMV \$8 for replacement plates? Many plates do not need to be replaced every eight years, and maybe we could amend this bill to leave it up to law enforcement to make the decision.

MR. McDONALD:

Each plate sells for \$3.50, and two would be \$7 plus the prison industry fee of 50 cents each.

SENATOR GUSTAVSON:

I withdraw the suggested amendment.

SENATOR HAMMOND MOVED TO DO PASS S.B. 15.

SENATOR FARLEY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR MANENDO:

We will proceed with S.B. 31.

SENATE BILL 31: Revises provisions governing the registration and regulation of commercial motor vehicles. (BDR 43-141)

Ms. VAN GEEL:

The work session document ([Exhibit L](#)) indicates that S.B. 31 requires certain intrastate commercial motor vehicles that are required to register with the DMV to do so through the Motor Carrier Division and to register with the United States Department of Transportation (USDOT) and obtain a USDOT number. This bill applies to intrastate commercial motor vehicles over 26,000 pounds or a commercial motor vehicle transporting hazardous materials, regardless of weight. If the motor carrier responsible for any vehicles that are required to obtain a USDOT number are subject to certain out-of-service orders issued by a federal or state entity, the DMV may refuse to register vehicles of the carrier, revoke the registration of vehicles of the motor carrier or refuse to renew the registration of vehicles of the motor carrier.

A peace officer may seize the license plates of an intrastate vehicle if the motor carrier is subject to certain out-of-service orders, send the plates to the DMV and notify the motor carrier. Finally, the bill requires the DMV to adopt regulations to align with federal regulation to specify certain temporary prohibition are out-of-service orders.

Senator Manendo provided the attached proposed amendment that first provides an exception for certain farm vehicles; second allows a peace office to impound the vehicle and notify the owner of the vehicle, if the vehicle is leased; and third adds an authorization for the DMV to register a commercial motor vehicle up to 83,000 pounds if operation of the truck is authorized by federal law. The fee per pound stays the same, but the maximum fee would be \$1,411. To implement this will require a two-thirds majority vote. The current

registration fees that an operator of a motortruck, truck-tractor, or bus must pay are capped at \$1,360 for up to 80,000 pounds.

SENATOR HAMMOND MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 31.

SENATOR FARLEY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR MANENDO:

We will proceed with S.B. 234.

SENATE BILL 234: Authorizes the seizure and storage of certain unmanned aerial vehicles. (BDR 44-75)

Ms. VAN GEEL:

As outlined in the work session document ([Exhibit M](#)) S.B. 234 authorizes a peace officer, under certain circumstances, to seize and impound an unmanned aerial vehicle (UAV) in a licensed storage facility for such aerial vehicles. If the owner of the UAV is unknown, a peace officer is authorized, without a warrant, to conduct a reasonable examination of any recordings or data contained in the aerial vehicle to determine the owner. If a peace officer has probable cause to believe that a UAV was used in the commission of a crime and reasonably believes the aerial vehicle contains evidence, the peace officer must obtain a warrant before examining any recordings or data stored on the aerial vehicle. The bill authorizes a UAV storage facility or law enforcement agency to release an unclaimed UAV to its owner under certain conditions. A UAV storage facility or law enforcement agency may charge a storage fee in certain circumstances and may sell unclaimed UAV's in certain circumstances. The bill requires a UAV storage facility to be licensed by the DMV, and it authorizes the DMV to adopt regulations to carry out the provisions of this bill.

Senator Hammond offered the following amendments, all three of which are in section 7 of the bill. First, the first sentence will be amended by replacing the words "is grounded, disabled or" with "has been," so the sentence will reference a UAV "...which has crashed or has been abandoned." The second change is in subsection 1, paragraph (a), the words "Seize and" are removed,

and the next word "take" will be capitalized as the paragraph will now begin there. Finally, in subsection 2, the word "seized" will be deleted and "held" will be put in its place.

SENATOR GUSTAVSON MOVED TO AMEND AND DO PASS AS AMENDED S.B. 234.

SENATOR ATKINSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR MANENDO:
We will proceed with S.B. 156.

SENATE BILL 156: Revises provisions relating to the safe transportation of children. (BDR 43-349)

MS. VAN GEEL:

As noted in the work session document ([Exhibit N](#)), S.B. 156 increases the age requirement at which a child is required to be secured in a child restraint system from less than six years of age to less than eight years of age. It also removes the weight requirement and adds a height requirement in relation to when a child is required to be secured in a child restraint system. The bill further provides immunity from civil liability to a certified child passenger safety technician for providing or failing to provide inspection, adjustment or educational services relating to child restraint systems, provided the technician acted in good faith and without gross negligence. The bill makes conforming changes to when a child older than eight must wear a safety belt, and it makes failure to require a child older than eight who is a passenger in a motor vehicle to wear a seatbelt a primary offense. Finally, S.B. 156 requires the citation of the parent or guardian of a child older than eight if the parent or guardian was present in, and not the driver of, the motor vehicle while the child was not wearing a safety belt.

Included in [Exhibit N](#) is Senator Woodhouse's conceptual amendment:

Section 2 of the bill currently adds a new subsection 6 to *Nevada Revised Statutes* (NRS) 484B.157 to provide immunity from civil liability to a certified

child passenger safety technician for providing or failing to provide inspection, adjustment or education services relating to child restraint systems. This proposed amendment would delete this new subsection 6 of NRS 484B.157.

SENATOR HAMMOND:

I still have a problem with increasing the primary to the age of 13 and under. For that reason, I will not be able to support S.B. 156 at this time, but reserve the right to change my vote on the Floor.

SENATOR GUSTAVSON:

I have concerns on S.B. 156 concerning the height requirement and making it a primary offense. At this time, I will not be supporting this bill.

SENATOR FARLEY:

I believe the safety of our children has to outweigh the potential effects, and I will be supporting S.B. 156.

SENATOR FARLEY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 156.

SENATOR ATKINSON SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GUSTAVSON AND HAMMOND
VOTED NO.)

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CHAIR MANENDO:

We will proceed with S.B. 149.

SENATE BILL 149: Revises provisions governing regional transportation commissions. (BDR 22-318)

Ms. VAN GEEL:

As noted in the work session document ([Exhibit O](#)), S.B. 149 authorizes a regional transportation commission (RTC) to enter into joint development agreements, including without limitation, agreements relating to transit-oriented developments. The bill authorizes an RTC to construct, develop, and operate a high-capacity transit system, as well as enter into contracts with other local

governments to share the costs related to transportation projects. The measure provides that certain RTCs can recommend to the boards of county commissioners the imposition of certain sales and property taxes to fund the projects of the RTC. The measure requires the Board of County Commissioners to adopt an ordinance imposing any such taxes that are approved by the voters. Finally, the bill repeals provisions requiring certain RTCs to establish a Regional Rapid Transit Authority, and it revises various provisions relating to the powers and duties of RTCs.

Included in [Exhibit O](#) are the following amendments: The RTC of Southern Nevada's proposed amendment makes numerous changes, including allowing, rather than requiring, a Board of County Commissioners in Clark or Washoe Counties to submit a question from an RTC to voters concerning a possible sales tax increase and removing the property tax portion; clarifying that mayors can be a member of an RTC in larger counties; changing the definition of high-capacity transit; and substituting "high-capacity transit" in place of "fixed guideway" in relation to using a turnkey procurement process or competitive negotiations process. The RTC of Washoe County's proposed amendment would make changes to section 12 regarding commissions entering agreements concerning high-capacity transit with other political subdivisions and removing new language in section 15, subsection 1(b). Senator Hammond has added his support as a cosponsor.

SCOTT SCHERER (Regional Transportation Commission of Southern Nevada):
The proposed amendment begins in sections 5 and 6 and removes the ability to request a property tax increase making it discretionary with the county commission for another check. The commissioners may put a ballot question on for a sales tax increase, but it would not be automatic.

In Section 11, we have added the ability "for mayors" to serve as members of a RTC due to the peculiarities of certain city charters.

Section 12, would require the RTC to enter into an agreement with local governments if building high-capacity transit within their rights-of-way. It will also require the use of fuel tax proceeds as per the constitutional and statutory requirements.

DARCY JOHNSON (Counsel):

I want to notify the Committee that when drafting a provision, we do not insert provisions in existing law that require a person to follow all the other laws. There is already an obligation to do that, and if we put it in one section, at some point it may be required that it be put in all the sections. This does not mean just the bill but all of NRS.

CHAIR MANENDO:

Thank you for putting that on the record and making sure we are all aware of this.

MR. SCHERER:

This was the language all local governments agreed to. I understand legal counsel's position and reiterate RTCs position to follow the law about how the fuel tax is used.

Section 13, requires the Commission to comply with land use and zoning regulations as well as any interlocal agreements.

Section 15, the change is the Commission may operate, develop and maintain the public transportation systems including high-capacity transit systems and may construct high capacity transit if the city or county which has jurisdiction over the public rights-of-way approves. We are also in support of the Washoe County RTC's amendment.

LEE GIBSON (Executive Director, Regional Transportation Commission of Washoe County):

An amendment ([Exhibit P](#)) was submitted that focused on creating an agreement for the construction of high capacity transit that would limit it to specific subject matter regarding rights-of-way easements. Our main concern was to try to establish a set of definitions to distinguish a capital investment from an operational investment. Based on discussions, we would like to offer an amendment ([Exhibit Q](#)) that goes back to the RTC of Southern Nevada's language. A commission shall enter into agreements with counties, cities, towns and other political subdivisions having jurisdiction to coordinate and collaborate on the construction of projects and high-capacity transit including without limitation of the use of public rights-of-way and may include the sharing of costs related to such a transportation project. We would then insert a paragraph (b) stating a commission shall have the authority to make changes to

bus schedules, bus routes and bus stops located within the public rights-of-way without the need to execute an agreement required in subsection (a).

This new language gets to a concern that the RTCs are responsible for the day-to-day management of bus stops, schedules and small operational considerations. We were concerned that this may have been precluded and no one wants to be involved in those types of matters. This language was proposed to help protect the existing operational arrangements. There are a number of agreements and practices between the RTCs and the local traffic engineers which we want to maintain.

To help facilitate the understanding, a small change was made to the definition of high-capacity transit. The definition now reads high-capacity transit means a public transit system that may provide a higher level of passenger capacity by increasing, without limitation, the number of vehicles utilized by the system, the size of the vehicles, the frequency of vehicle rides, travel speed or any combination thereof operating in conjunction with stations. The term includes without limitation bus rapid transit, fixed guideway, light-rail transit, commuter rail, streetcar and heavy-rail transit. The intention is to recognize the difference between stations that would have a higher throughput, perhaps entry to a vehicle be it a bus or a light rail vehicle through multiple doors versus a bus stop that is on the street.

Ms. JOHNSON:

To clarify, this completely replaces the blue sheet that was submitted earlier.

MR. GIBSON:

Yes.

SENATOR GUSTAVSON:

How much of a sales tax will this impose on the citizens of Washoe and Clark Counties?

MR. SCHERER:

I do not have an answer.

SENATOR GUSTAVSON:

I understand it is an unknown factor at this time. You must have some idea of how much the increase will be in taxes.

MR. GIBSON:

The RTC of Washoe County has not calculated the percentage increase that would be necessary to construct high-capacity transit. A feasibility study was completed for a streetcar, but it was not taken to the level of what sales tax percentage would be required to cover the costs. The RTC Commission decided, at that time, to defer the decision on a high-capacity transit project until other critical issues had been addressed related to the bus system, which was in the current rate of sales tax received. My Board has not authorized me to look at that question. Current law allows the RTC to go to the vote of the people for a one-eighth percent increase. This was attempted in 2009, and it failed. The Board has not yet set a direction for us to look at what the percentage increase would be. The Board does support the notion that the RTC has the legal capacity necessary to construct high-capacity transit should we get to a point in the future where that type of plan becomes an adoptive plan and a fundable project to pursue with the approval of the voters.

SENATOR HAMMOND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 149 WITH ALL THREE PROPOSED AMENDMENTS AS OUTLINED IN THE REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA AND WASHOE COUNTY AND THE ADDITIONAL AMENDMENTS FROM THE REGIONAL TRANSPORTATION COMMISSION OF WASHOE COUNTY.

SENATOR FARLEY SECONDED THE MOTION.

SENATOR GUSTAVSON:

I do not have a problem with putting this to a vote of the people, but my concern is, looking back to 2009, when question RTC 5 was on the ballot in Washoe County. The way it was worded was very deceitful and misleading to the public. This was done deliberately so they could get the bill passed. I have a strong concern that this could happen again. Once this is put to the vote of the people in both Washoe and Clark Counties, as was quoted to me by one of the proponents of the bill—they like the language and they will probably work to do it next time.

I know we need infrastructure and mass transit, but I have concerns the way the proposals are written. I will not be supporting the bill and will be voting no.

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THE MOTION CARRIED. (SENATOR GUSTAVSON VOTED NO.)

* * * * *

CHAIR MANENDO:

Thank you to all who have worked so hard on this bill.

SENATOR HAMMOND:

There was a lot of thought that went into the process. It is not just about infrastructure, it is about well thought out and planned infrastructure that will move visitors and workers in the State. This plan will be taken to the people, and they will be able to vote on funding the plan. The State is several years behind, and we need to upgrade our infrastructure.

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CHAIR MANENDO:

There being no public comment, the meeting is adjourned at 10:58 a.m.

RESPECTFULLY SUBMITTED:

Tammy Lubich,
Committee Secretary

APPROVED BY:

Senator Mark A. Manendo, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	7		Attendance Roster
S.B. 320	C	3	Paul J. Enos / Nevada Trucking Association	Proposed Amendment
S.B. 308	D	4	Jeanette K. Belz / Property Casualty Insurance Association	Opposition Letter and Document
S.B. 308	E	2	Jeanette K. Belz / Property Casualty Insurance Association	Potential Cost Impact Document
S.B. 308	F	1	Jeanette K. Belz / Property Casualty Insurance Association	Map
S.B. 308	G	5	Rajat Jain / Department of Business and Industry Division of Insurance	Written Testimony
S.B. 308	H	4	Rajat Jain / Department of Business and Industry Division of Insurance	Data Sheet
S.B. 308	I	3	Robert L. Compan / Farmers Insurance	Written Testimony
S.B. 13	J	1	Michelle Van Geel	Work Session Document
S.B. 15	K	1	Michelle Van Geel	Work Session Document
S.B. 31	L	20	Michelle Van Geel	Work Session Document
S.B. 234	M	1	Michelle Van Geel	Work Session Document
S.B. 156	N	1	Michelle Van Geel	Work Session Document

S.B. 149	O	28	Michelle Van Geel	Work Session Document
S.B. 149	P	1	Lee Gibson / Regional Transportation Commission of Washoe County	Proposed Amendment
S.B. 149	Q	1	Lee Gibson / Regional Transportation Commission of Washoe County	Proposed Amendment