

**MINUTES OF THE  
SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eighty-second Session  
May 8, 2023**

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:32 p.m. on Monday, May 8, 2023, in Room 2144 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 Dallas Harris, Chair  
Senator Pat Spearman, Vice Chair  
Senator Julie Pazina  
Senator Scott Hammond  
Senator Ira Hansen

**GUEST LEGISLATORS PRESENT:**

Assemblyman Howard Watts, Assembly District No. 15

**STAFF MEMBERS PRESENT:**

Kristin Rossiter, Policy Analyst  
Jessica Dummer, Counsel  
Paula Peters, Committee Secretary

**OTHERS PRESENT:**

Danny Thompson, International Union of Operating Engineers Local 12;  
International Brotherhood of Electrical Workers Local 396; Laborers' Union  
Local 872  
MJ Maynard, Regional Transportation Commission of Southern Nevada  
Stacey Lindburg, C and S Company, Inc.  
Bill Wellman, Las Vegas Paving Corporation  
Paul Enos, Nevada Trucking Association

Senate Committee on Growth and Infrastructure  
May 8, 2023  
Page 2

Nicole Rourke, City of Henderson  
Tom Morley, Laborers' Local 872; Laborers' Local 169  
Kelly Crompton, City of Las Vegas  
Russell Rowe, American Council of Engineering Companies Nevada  
Ashley Garza Kennedy, Clark County  
Alexis Motarex, Nevada Chapter Associated General Contractors  
Ashley Cruz, Las Vegas Global Economic Alliance  
Paige Barnes, Granite Construction  
Michael Hillerby, Regional Transportation Commission of Washoe County  
Nick Schneider, Vegas Chamber  
Kandice Townsend, City of North Las Vegas  
Andy Donahue, Southern Nevada Laborers-Employers Cooperation and Education  
Trust  
Kristina Kleist, Latin Chamber of Commerce Nevada  
Ann Barnett, Nevada Contractors Association  
Tiesha Moore, G3 Electrical; Diverse Contractors Council, Nevada Contractors  
Association  
Janine Hansen, Nevada Families for Freedom  
Scott Gilles, Las Vegas Convention and Visitors Authority  
Caroline Bateman, Las Vegas Convention and Visitors Authority  
Misty Grimmer, Nevada Resort Association  
Sarah Collins, Nevada Petroleum Marketers & Convenience Store Association

CHAIR HARRIS:  
We will open the work session on three bills.

KRISTIN ROSSITER (Policy Analyst):  
The first bill in our work session is Assembly Bill (A.B.) 2. I will read from the  
work session document ([Exhibit C](#)) for A.B. 2.

**ASSEMBLY BILL 2**: Revises provisions relating to public safety. (BDR 43-355)

SENATOR HANSEN MOVED TO DO PASS A.B. 2.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Senate Committee on Growth and Infrastructure  
May 8, 2023  
Page 3

Ms. ROSSITER:

The next item in the work session is A.B. 47. I will read from the work session document ([Exhibit D](#)) for A.B. 47.

**ASSEMBLY BILL 47**: Revises provisions governing the operation of off-highway vehicles. (BDR 43-394)

SENATOR SPEARMAN MOVED TO DO PASS A.B. 47.

SENATOR PAZINA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. ROSSITER:

The next item in the work session is A.B. 56. This bill has one amendment from Clark County. I will read from the work session document ([Exhibit E](#)) for A.B. 56.

**ASSEMBLY BILL 56 (1st Reprint)**: Revises provisions relating to the operation of certain motor vehicles on certain portions of a highway. (BDR 43-257)

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED A.B. 56.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR HARRIS:

We will close the work session and open the hearing on A.B. 359.

**ASSEMBLY BILL 359**: Revises provisions relating to the imposition by certain counties of additional taxes on fuels for motor vehicles. (BDR 32-801)

ASSEMBLYMAN HOWARD WATTS (Assembly District No. 15):

Assembly Bill 359 is a simple bill so I will provide a brief background, explain why we are here, what the bill does and then turn it over to my co-presenters.

In 2015, the Legislature passed A.B. No. 191 of the 78th Session which placed a question on the November 2016 general election ballot in Clark County. The bill sought approval for a ten-year extension of an index fuel tax, which was originally approved in the previous Session. More than 56 percent of the voters approved that ballot question. Clark County motorists agreed to pay higher taxes to support billions of dollars in local road construction, maintenance and repair projects.

To continue this indexing after that current ten-year period expires on December 31, 2026, Clark County law requires a second question to be placed on the general election ballot in November 2026 to authorize the Board of County Commissioners to impose the indexing for the period from January 1, 2027. If that is approved by the voters, indexing would continue beginning January 1, 2027, and would continue indefinitely, which would be the same as the indexing system in Washoe County.

If the ballot question is not approved, the indexing calculations and increases in those rates terminate with the index rates established on July 1, 2026. Those final rates, however, must continue for any period during which their outstanding bonds are secured by those index tax rates.

Instead of requiring the approval of a second ballot question, A.B. 359 could authorize continued increases if the Clark County Board of County Commissioners adopts an ordinance by a two-thirds majority, extending increasing the indexing on or before December 31, 2026. If the Board does not adopt such an ordinance on or before that date, the Board is prohibited from imposing any additional annual increases.

There has been a long history when it comes to fuel revenue indexing (FRI). In Washoe County, an advisory question was placed on the ballot. Voters supported it and indexing was implemented. It could, at the determination of the Washoe County Board of County Commissioners be stopped, but otherwise continues indefinitely.

In Clark County, like Washoe County, the voters supported indexing. However, Clark County is faced with the prospect of a second ballot question to continue indexing indefinitely.

Senate Committee on Growth and Infrastructure  
May 8, 2023  
Page 5

Indexing indefinitely has not existed in any other county but Washoe County. Washoe County is the only other county that is implementing FRI. This funding stream is critical for the transportation infrastructure in southern Nevada.

I anticipate voters will have questions and/or concerns about accountability. To get some alignment, it will go before the Clark County Board of County Commissioners and require a two-thirds vote. All of those commissioners will be listed on the ballot to be accountable to the voters, before and after the date set forth in this bill of December 31, 2026.

There is broad support for A.B. 359, which you will hear today during the presentations and testimonies. There is broad recognition of the need for this bill. The potential detriment is dire if we lose indexing and see the continued erosion of our transportation funding streams. The County, other local governments and the Regional Transportation Commission of Southern Nevada (RTC) are in support of A.B. 359.

DANNY THOMPSON (International Union of Operating Engineers Local 12; International Brotherhood of Electrical Workers Local 396; Laborers' Union Local 872):

We are in full support of this bill.

I am the Vice Chair of the Transportation Resource Advisory Committee (TRAC). Assemblyman Watts succinctly described the issue. I cannot tell you how critical the continuation of this program is for the residents of Clark County. Washoe County enjoys indexing now and is reaping the benefits. Since the 2014 inception in Clark County of FRI, it has generated more than \$1.95 billion to fund 405 projects in Clark County that would not have been built without this funding.

The infrastructure in Clark County not only benefits its residents, but also the 43 million annual visitors to Clark County. It is critically important to maintain that infrastructure so they can travel to Clark County and spend their money, which generates taxes needed to fund our State. It is important that this funding continue. There is broad community support for this bill.

MJ MAYNARD (Regional Transportation Commission of Southern Nevada):  
Southern Nevada roadway funding, as shown on page 2 of my bill presentation ([Exhibit F](#)), has three sources of funding: motor vehicle fuel tax (MVFT), sales tax and FRI. Roadway funding makes it possible for the RTC, in coordination with its member jurisdictions of Las Vegas, Henderson, North Las Vegas, Boulder City,

Mesquite and unincorporated Clark County, to move forward with projects, whether those projects are planning, design, construction or roadway maintenance. Millions of visitors and residents benefit from this daily. These projects create jobs, put small businesses to work and improve the local economy.

I will go over the timeline on page 3 of [Exhibit F](#), and some of the particulars around FRI. As [A.B. 359](#) would continue FRI, I will briefly explain the origination of the program.

In 2013, the Legislature, with overwhelming bipartisan support, passed A.B. No. 413 of the 77th Session, which authorized the Clark County Board of County Commissioners to index the county's MVFT for inflation for the period of January 1, 2014, through December 31, 2016.

The bill also authorized the Board to provide for increases in these taxes subject to a ten-year rolling average of the Producer Price Index (PPI). For highway and street construction, the PPI could be no more than 7.8 percent annually.

On September 3, 2013, the Board approved Ordinance No. 4126 which approved FRI in Clark County and included a 10-cent total cap on increases for the first three years.

In 2015, the Nevada State Legislature passed A.B. No. 191 of the 78th Session which simplified the ballot initiative language and process under A.B. No. 413 of the 77th Session. The legislation gave authority over the decision to institute FRI to each county's voters rather than placing it as a Statewide question on the ballot.

In November 2016, Clark County voters approved Question No. 5, which extended FRI through December 31, 2026. At that time, FRI was rejected in all other counties, except Washoe County that has had the program in place.

On March 21, 2017, the Clark County Board of County Commissioners amended the 2013 Ordinance No. 4126 by adding a cap to the FRI of not more than 4 cents per gallon annually, as part of the ballot question.

That historical background brings us to the current Nevada gas tax breakdown. Today, as you can see on page 4 of my presentation, [Exhibit F](#), 69.5 cents is collected for every gallon of gas sold in Clark County, 52.02 cents through MVFT

and 17.03 cents through FRI. Of that 69.5 cents, 27 percent goes to the federal government, 30 percent goes to the State, 12 percent goes to Clark County and 31 percent goes to the RTC.

We promised voters we would be transparent and accountable in tracking how this money is spent and who has been put to work, page 5 of [Exhibit F](#). Since 2014, 405 FRI projects have been awarded and 201 of those projects have been completed. We have 87 active construction and 117 active design FRI projects. Nearly 100 local small businesses have received work from FRI. We have contracted \$1.95 billion in FRI through the local jurisdictions. The projects funded and developed in partnership with the local jurisdictions have created more than 10,000 new jobs.

Page 6 of [Exhibit F](#) is a visual of Clark County's 201 completed FRI projects. On page 7 of [Exhibit F](#) are the 87 active construction and 117 active design FRI projects.

The cost of building and maintaining projects has increased due to inflation. For example, you will need \$1.35 million in 2024 to build the same project you constructed in 2014 for \$1 million. The blue line on page 8, [Exhibit F](#), is the annual PPI and it is quite volatile. The green line represents the ten-year rolling average PPI; this average is the percentage used to calculate the annual indexing revenue increases.

The challenge is that the FRI program is in place only until 2026. The passage of [A.B. 359](#) could help continue FRI and generate nearly \$1.2 billion, page 9 of [Exhibit F](#), over the next ten years. The nearly \$1.2 billion from the FRI revenue projections on page 10 of [Exhibit F](#), does not just go to the RTC, it goes to the State and Clark County for southern Nevada projects.

It is important to note that of the \$607 million that goes to the RTC, most, if not all, goes to the local jurisdictions. We are the pass-through for the funding that goes to the cities and Clark County.

The FRI program will help address inflation. It will sustain jobs and allow us to maintain and build transportation projects that will benefit southern Nevada.

SENATOR PAZINA:

If A.B. 359 does not pass, and if this were to fail a ballot initiative, can you please share what the consequences would be and what that would mean for the infrastructure in Clark County?

ASSEMBLYMAN WATTS:

I will talk about the bigger picture and RTC can talk about it in greater detail, including what we would see on the ground.

Assemblywoman Danielle Monroe-Moreno is the lead sponsor on this bill. She has been working on issues related to transportation funding, I think, for her entire tenure, certainly since I have been in the Legislature the last four years. She has been involved in a variety of working groups to ensure that we are able to maintain this infrastructure. Both she and I are passionate about this bill.

At a high level, there are multiple things we are struggling with in terms of maintaining resources for our transportation infrastructure. Inflation is an issue, and this bill addresses that. The cost of projects continues to increase, and the fuel tax that we have is not a percentage-based system, it is cents-based. In the absence of indexing, inflation erodes the purchasing power of fuel revenue over time.

Another issue is increased fuel efficiency and the changing fuel makeup of our vehicles. We are seeing an increase in electric vehicles, in particular, and alternative fuel vehicles. We have seen fuel economy significantly increase over time. It has started to become a significant challenge because the amount of gasoline purchased, relative to the size of the fleet, is changing, and this an eroding factor.

If we do not get some of these factors under control, we will continue to see the funding base for these projects decline and we will continue to struggle to build and maintain critical infrastructure.

The bill is not the entire solution. Assemblywoman Monroe-Moreno and I have been actively engaged in conversations to figure out some of the bigger structural fixes. While FRI has brought in additional revenue and funded all these projects, in the bigger picture, this bill is about keeping us from slipping back in our ability to fund these projects. If we are not able to extend FRI, we will see the quality of our transportation infrastructure degrade significantly over time.



MS. MAYNARD:

As I mentioned earlier, inflation is impacting the current pot of money that the jurisdictions have. We are finding that some of the estimates are coming in 50 percent to 100 percent more than what was originally anticipated. This has significantly impacted the spending power of today's funding model with the current FRI program.

Back in 2011-2012, when we were looking at our roadway funding source, we knew we would run out of money. We would have about \$21 million per year, which was the impetus for implementing FRI in the first three years in that ballot question. We will run out of money again; it will happen at a different number.

We will look at this while there is still pay-as-you-go money that we will receive. The amount of money that we will receive on an annual basis will be severely limited. As Assemblyman Watts pointed out, the limited funds will significantly impact what we can do, not only for new projects. We are investing millions and millions of dollars into our roadway infrastructure and if we are unable to maintain it properly, that will also have an impact.

MR. THOMPSON:

Chair Harris, if I could add to that? You are aware that TRAC is struggling with all of these projects. You and your Committee members are the ones who receive the complaints about the roads, including potholes that need to be repaired. One of the things we are struggling with now, is what to do about a working transit system. We have a system that needs help and, if this bill were to fail, you can scrap any discussions of transit in any meaningful way. We would have to devote all our attention to filling this critical lack of funding because this is where it starts.

SENATOR SPEARMAN:

Assemblyman Watts mentioned that if we do not pass this bill, we will fall backward in our transportation system, and not just in southern Nevada. It could easily be translated to northern Nevada. Am I understanding this correctly?

ASSEMBLYMAN WATTS:

This program is focused on southern Nevada, and it supports both the State and county roads. However, we should consider how critical southern Nevada transportation infrastructure is as a component of the State's transportation infrastructure. Think about how much of those resources make up a proportion

of the State's transportation infrastructure. Yes, this would set back not only our community, but ultimately the State as well.

SENATOR SPEARMAN:

When we talk about the infrastructure in southern Nevada and what extending the FRI would do, does that take into consideration the \$3.8 million that we have already received from the U.S. government for hydrogen fuel cell buses? I know you are ordering them. I want to look at this from a standpoint of the collaborative effort. I understand this bill deals with gas, but what does this do for our collective transportation system?

MS. MAYNARD:

You are right. This bill is really about the totality of how people move in southern Nevada. We certainly look forward to going after federal funds. We received our first two hydrogen fuel cell electric buses this past month. While there would be funding through the passage of A.B. 359, it would be dedicated to roadway funding. It then leaves opportunities for other funding sources that we collectively go after, particularly at the federal level, that could concentrate on the zero-emission vehicle plan to include hydrogen fuel cell.

ASSEMBLYMAN WATTS:

We are facing multiple challenges in southern Nevada including funding for our transit service. That is another conversation we need to have. Ms. Maynard addressed that if we have this additional gap in our transportation funding, these funds must go to that roadway infrastructure and that could potentially pull from, and degrade, the quality of our public transit even more. It could impede the progress of the development of alternative fuel vehicles within our public transit fleet.

The other question is, how do we factor everybody into the formula? I have been convening weekly meetings to talk about this subject and to figure out how we address the other piece of this transportation funding puzzle, which is efficiency and alternative fuels.

SENATOR SPEARMAN:

The nexus that I am trying to get to here is the importance of making sure we act on this. There are other pieces in the orbit, and if we do not act, then those pieces may fall off or implementation would be shoddy at best. I am trying to look at this from the total view.

ASSEMBLYMAN WATTS:

That is correct. While this is not the holistic solution, we need a holistic solution and this is a critical piece of it. We cannot let this fall by the wayside because that makes the challenges of addressing this issue in a systematic way even larger.

SENATOR HANSEN:

Inflation has been about 6 percent, but you mentioned your costs are up 50 percent. It is obviously more than inflation.

Ms. MAYNARD:

We are the funding agency. This is what we are hearing back from the jurisdictions. On some of their projects, they are seeing cost increases between 50 percent to 100 percent. I can get you additional information on that.

SENATOR HANSEN:

Okay. When the economy collapsed around 2013, you could get stuff for next to nothing because everybody was desperate for work, at least in the north.

If you eliminate the 2026 ballot question, it goes to the Clark County Board of County Commissioners for approval. You mentioned there is another election cycle. Let us say the Board approves it, but then the people do not like it and they replace the commissioners, or enough of them. Could they overturn this immediately?

ASSEMBLYMAN WATTS:

Yes. This proposal is the same as in Washoe County where indexing continues indefinitely, but that does not mean it is invincible. At any point, if the County decided they wanted to discontinue indexing, they could choose to do so. That is exactly what we are trying to do here.

Should this take effect, there could be a vote anytime between now and December 31, 2026. But we have two elections before then where all the commissioners on the Clark County Board of County Commissioners will be on the ballot. Then in 2028 and 2030, the entire Board would be on the ballot again following this kind of decision deadline. Yes, if there was a change in the makeup, and at any point either immediately after or years and years down the road, it is determined that is not the direction that the County wants to go, the Board could decide to cease the continuance of indexing.

SENATOR HANSEN:

The RTC issue was controversial in Washoe County. However, the roads in the Reno-Sparks area are in excellent condition. The additional revenue has really helped. I have not received a complaint on potholes in a long time. However, it is also why when these folks drive through Carson City, they always fill up because it is about 20 cents a gallon cheaper.

STACEY LINDBURG (C and S Company, Inc.):

I own C and S Company, Inc., a small family-owned disadvantaged business enterprise in Clark County. We work 100 percent for the municipalities, for the State and all the public works projects.

When this started in 2014, it was a huge thing for us to get behind the FRI situation as we looked at it as a small business and how it would influence and impact our business. This grew my company from 20 employees to 67 union employees with health and retirement benefits, and full-time employment. Most of that was due to the FRI and the indexing fuel tax. This is where many of my jobs came from.

The Nevada Department of Transportation (NDOT) and RTC said they would take care of small businesses and that is what they did for us. Ms. Maynard said there were 100 small businesses. We are one of them and my business was 100 percent affected by this money from our municipalities.

This is a pay-to-play, the more you drive, the more you pay. If people on fixed incomes are not driving, they are not using our roads; they do not pay as much. I love that about the indexing, for my employees and my people. This is critical for small businesses in southern Nevada.

BILL WELLMAN (Las Vegas Paving Corporation):

Las Vegas Paving Corporation is Nevada's largest contractor. Fuel revenue indexing has been instrumental in allowing infrastructure improvements to keep pace with inflation. To answer Senator Hansen's question, it was never a fix all. It was a meaningful remedy at the time when we had nothing in itself moving forward.

It is not a new tax: it is simply a tax adjustment. As Assemblyman Watts described, it is a tax to the rate of inflation similar to what a rate-based or percentage-based tax does, like sales tax. If it was \$10 a day and 8 percent, that

is one thing. If it is \$20 tomorrow and 8 percent, it adjusts itself incrementally. This fuel tax does not work without FRI. It does not sunset either, even if it does not continue. It stays in place; it just does not adjust any longer.

Fuel revenue indexing has always been enabling. When the Legislature approved it in 2013, it enabled the Clark County Board of County Commissioners to pass an ordinance to support FRI to move it forward for the three-year demonstration. It enabled the Board to put it on the ballot in 2016. Even after the acceptance by approval of the voters in 2016, it took another ordinance for it to continue by the Board.

It has always been enabling and it is enabling today. If the County thinks the FRI program is a runaway, it can be stopped. In 2012, our employee base was down 60 percent from 2009. We were down to 550 employees from 1,200. Today, because of FRI, we are back at 1,400 craft employees. That is huge.

What needs to be talked about is, initially, we did this as a job creator to put people back to work. We followed on the footsteps and coattails of Washoe County. Now, what do we do to ensure these jobs remain? It is important for these jobs to be sustained. If FRI goes away, many hundreds of jobs will go away.

Some 10,000 jobs have been created in Clark County in the last 9 years because of FRI, and it still produces those good high paying jobs today. Enhancing and maintaining our local infrastructure is critical. It is the most tangible thing we know of in a tax. You see it, use it, touch it, and benefit from it. Everybody here benefits regardless of your mode of transportation, whether you are driving a car or motorcycle, riding a bike or walking, or using the transit system.

Conservatively adjusting to a ten-year average is not the fix all because the ten-year average with inflation is approaching close to 20 percent. This year it will not climb to 20 percent, but will climb marginally based on the previous ten years to help ameliorate any of those peaks and valleys, as the RTC showed in their presentation.

As Ms. Lindburg said, it is user based; if you are not driving, you are not paying for it, which is critical. Thus, we ask that you support A.B. 359 to ensure the continuation of these jobs that we have had.

PAUL ENOS (Nevada Trucking Association):

I am blessed to be in an industry that moves 95.3 percent of all the freight here in the Silver State. We are one of the industries that will pay the "biggest freight." When you look at the most recent numbers from 2020, trucks were responsible for about 9 percent of all vehicle miles traveled. It was an odd year, considering who was not driving.

In 2020, we were responsible for 40 percent of all the State, federal and local taxes that went to the Highway Fund. We like the fuel tax because it is the most efficient way to pay for our roads. There are less than 200 entities that pay the fuel tax nationwide.

When you look at some of the other things, you will be taxing 2 million vehicles in Nevada and 274 million vehicles countrywide.

Fuel tax is tremendously efficient as only those 200 entities are paying the tax. We like this because it is fair for interstate truckers. We had an issue with the Washoe County fuel tax indexing when it was passed in 2009. Working with this Body in 2013, we got rebates for those folks that had purchased fuel in Clark County but used it outside the State. For all of these reasons, and because we are improving our infrastructure, where my members work on our roads, we support A.B. 359.

NICOLE ROURKE (City of Henderson):

We are projecting approximately \$638 million needed for projects over the next ten years. This extension is necessary to ensure that our roads are safe and drivable for our residents. The roads add to our community and to the overall infrastructure of the valley. We are in support of the bill.

TOM MORLEY (Laborers' Local 872; Laborers' Local 169):

I represent Laborers' Local 872 and Laborers' Local 169 in Reno. We are in support of the bill.

KELLY CROMPTON (City of Las Vegas):

From the federal side, we talked to our U.S. Department of Transportation representatives. Some of the members of the delegation—when reviewing projects that we are applying for federal funding—like that we also have State dollars to put toward some of these major projects. We appreciate these State dollars. We support this bill and hope you pass it.

Senate Committee on Growth and Infrastructure  
May 8, 2023  
Page 15

RUSSELL ROWE (American Council of Engineering Companies Nevada):

We were one of the original founding members of the FRI effort to get the legislation adopted. It is our top priority this Session. We urge your strong support of this bill.

ASHLEY GARZA KENNEDY (Clark County):

We are in support of A.B. 359. This funding is needed to sustain jobs and build recovery projects that improve safety, manage congestion, maintain infrastructure and promote economic development.

ALEXIS MOTAREX (Nevada Chapter Associated General Contractors):

We support this bill.

ASHLEY CRUZ (Las Vegas Global Economic Alliance):

The Las Vegas Global Economic Alliance (LVGEA) is the regional economic development authority for the greater Vegas region. Transportation infrastructure investments are crucial to the success of economic development and financial success works to enhance the regional quality of life and generates new out-of-State tax revenues that Nevada can enjoy.

For southern Nevada, funds through FRI have directly and positively impacted the region by enhancing accessibility which supports industry and those needing access to jobs. Efforts to expand and improve the transportation system attracts and supports new businesses and investments in the area, made evident by the tremendous development of businesses and residential communities to accommodate our continued rapid growth. From the vantage of LVGEA, supporting critical infrastructure needs is imperative in our mission to grow the economy in southern Nevada. We strongly urge your support of this bill.

PAIGE BARNES (Granite Construction):

Fuel revenue indexing is crucial to the sustainability of our critical infrastructure. It goes beyond roadways to safety and A.B. 359 is important to our employees in the communities we serve. We strongly urge your support for this bill.

MICHAEL HILLERBY (Regional Transportation Commission of Washoe County):

I am here to support the bill and talk about our experience. It has been an important program in Washoe County. It has enabled us to keep up with increased costs. I think it was mentioned in the presentation, but it is important to know that the consumer price index (CPI) type figure that is used is a ten-year rolling

average. To Senator Hansen's point, inflation does spike quickly sometimes and goes back down, but that ten-year rolling average provides some predictability.

The FRI has been an important hedge against an overall trend, and that is, as vehicle miles traveled have gone up over the last several years, fuel tax revenue has gone down because vehicles are becoming more fuel efficient with the advent of hybrid and other alternative fuel vehicles.

It has been a real boon to Washoe County and enables us to build roads. About a third of the funding goes to pavement preservation and that includes not only roads that allow commuter vehicles, but the heavy trucks Mr. Enos talked about. The funding is also spent on buses, our public transit system, and bicycle and pedestrian facilities. This funding ensures that all the users of our roads have a safe experience and it reduces congestion and environmental impacts.

NICK SCHNEIDER (Vegas Chamber):

In the interest of time, I will echo the comments of my colleagues and urge your support of A.B. 359.

KANDICE TOWNSEND (City of North Las Vegas):

The continuation of the FRI funding will allow us to address the City's infrastructure, improve congestion and improve safety for all modes of traffic. We have used the funds to perform various safety improvements near school sites as part of the school safety program, ADA-accessible upgrades to improve the ADA-accessibility citywide, and major roadway construction and reconstruction such as improving Las Vegas Boulevard, Lamb Boulevard and Simmons Street. We support A.B. 359, and we urge you to do the same.

ANDY DONAHUE (Southern Nevada Laborers-Employers Cooperation and Education Trust):

We support this bill as it is a strong way to continue building.

KRISTINA KLEIST (Latin Chamber of Commerce Nevada):

We are in full support of this bill and thank the sponsors for taking the necessary steps to ensure communities keep moving forward. Assembly Bill 359 is critical for individual jobs, small businesses and economic development throughout southern Nevada. In the interest of time, we echo many of the comments already made.



ANN BARNETT (Nevada Contractors Association):

I am the CEO of the Nevada Contractors Association representing the construction industry which includes diverse small contractors and suppliers. We are in full support of A.B. 359 that would continue to provide quality jobs to thousands of people and provide more opportunity for businesses to thrive in Nevada. Many of our contractors are relying on this bill. This has been proven by facts to be an important funding resource that truly gives back to our community by supporting our infrastructure and economy overall. We ask that you join us in support.

TIESHA MOORE (G3 Electrical; Diverse Contractors Council, Nevada Contractors Association):

I am the President of G3 Electrical. We are a woman, minority owned, disadvantaged small business. I also serve as the Vice Chair of the Diverse Contractors Council for the Nevada Contractors Association. We are in support of A.B. 359. Fuel revenue indexing has helped many diverse contractors, including us, to work on much-needed projects in Clark County. I would appreciate your support of this legislation.

JANINE HANSEN (Nevada Families for Freedom):

None of us oppose good roads; we are all in favor of that. My concern with this bill is there was a promise made to the voters that they would be able to vote on this again. This bill denies them this important opportunity. It is antidemocratic because they are not being given the opportunity to vote.

It does not mean that if this bill does not pass, that they will not have funding in the future. It means that they will have to go back to the voters and sell them. They have done a good job today of selling to you why this money is needed, and they can certainly do that with the voters who are being left out of this discussion. It is reasonable because they won before.

We need to remember that it is an exceedingly difficult time for the average family. The Institute for Policy Innovation reports that the total tax burden, including federal, State, local taxes and hidden taxes, is 56 percent of the annual personal consumption spending. That is more than a family spends on housing, food, health care, transportation, education and recreation. How can people possibly care for themselves when our families spend 56 percent of their income on government taxes? No wonder more people are slipping into poverty.

Another issue is the raging inflation in America. John Williams with Shadow Government Statistics uses the same statistics that were used by the government before 1982 to calculate inflation. According to Mr. Williams, in April 2022, inflation was running at 16.5 percent and is higher now. Since 1982, the government has changed how it calculates the CPI, which has removed many of the components so that the CPI does not increase as much. This allows the government to pay less, like reducing the social security cost of living adjustment.

It is important to honor the word to the voters, and that is my point today. All voters like roads, so it should be something that can be easily sold to them, except if people are financially hurting because gas is critical for anybody to survive. They need gas to go to work, to go to the grocery store, and to take their children to school. It significantly impacts families when so much of their money is spent on transportation, and more is used to pay taxes.

CHAIR HARRIS:

We will close the hearing on [A.B. 359](#) and open the hearing on [A.B. 426](#).

**[ASSEMBLY BILL 426 \(1st Reprint\)](#)**: Revises provisions governing special event advertising. (BDR 43-975)

SCOTT GILLES (Las Vegas Convention and Visitors Authority):

I will note for the Committee that with the amendment that passed out of the Assembly on [A.B. 426](#), it is now a short bill. It is a significant bill for the Las Vegas Convention and Visitors Authority (LVCVA) and the sponsors of the largest events that will be coming to southern Nevada in the coming months and years.

CAROLINE BATEMAN (Las Vegas Convention and Visitors Authority):

Before I present [A.B. 426](#) for your consideration, I thank the entire team at the Legislative Counsel Bureau, but specifically Brian Fernley, who worked with us on this language for several months to get it right. Also, thanks to Director George Togliatti, and his team at the Nevada Department of Public Safety, and Director Tracy Larkin-Thomason and her team at NDOT.

I also thank James Gibson, Chairman of the Clark County Board of County Commissioners and his entire team, specifically those at public works and legal, for their input and advice. We appreciate the early support and feedback that

Nevada Assembly Speaker Steve Yeager and Assembly Growth and Infrastructure Chair Howard Watts gave us as we moved through this process.

Moving on to the bill, *Nevada Revised Statutes* (NRS) 484B.313, subsection (5), paragraph (c) provides a general prohibition on commercial advertising on highways. Subsection 5 of the statute contains three specific exceptions to the general prohibition. Those exceptions allow advertising on touchdown structures, monorail stations, benches and shelters for public mass transportation.

Assembly Bill 426 proposes to add a fourth exception to that list. It is an enabling statute that will allow public authorities, such as cities and counties, to permit organizers of special events to place advertising on highways for a period not to exceed 14 days on their behalf or on behalf of their sponsors and partners.

The advertising will be subject to the terms and conditions that the public authorities with jurisdiction over the highways will establish in written agreements with the special event organizers. Those conditions will include license fees, permit fees, permissible locations for the advertisements and any other terms that the public authorities deem appropriate. The advertising cannot constitute a hazard and it cannot prevent the safe use of highways by the public as determined by public authorities.

A special event means a sporting event, a concert, festival or similar type of event that will generate at least \$250 million in economic impact to the jurisdiction in which the event will take place. That economic impact must be certified by the applicable county fair and recreation board. The event must be designated as a special event by the public authority with jurisdiction over the pertinent highways. The event organizer must obtain a special event permit from those specific public authorities.

For the purpose of A.B. 426, a highway means the entire width of a public right of way when that right of way is open, either in whole or in part, to the public for vehicular traffic. It does not include interstate highways such as Interstate 15 or Interstate 80, as those are governed by federal law. In terms of advertising, it does not include primary highways or other highways in the State under the jurisdiction of NDOT.

The LVCVA respectfully requests your support of A.B. 426. This bill is important to us. It is a tool that we will use and continue to use as we work hard to not

only maintain the exciting special events that we have coming up in the jurisdiction, but also to draw in new impactful events to the destination. It will assist us and public authorities in offsetting costs that we all incur as we host special events.

MR. GILLES:

There is one piece I want to get on the record regarding the bill. As Ms. Bateman mentioned, there are exemptions in law for this advertising. One of those is for the existing pedestrian bridge touchdown structures on the Las Vegas Strip. That existing touchdown structure exemption is found in NRS 484B.313, subsection 5, paragraph (c). I want to clarify for the record this new exemption that will be created under A.B. 426 is not intended in any way to supersede or disrupt those existing advertising agreements that would result in those touchdown structure advertisements to be removed or replaced.

MISTY GRIMMER (Nevada Resort Association):

We are in support of this bill. I am sure you all have heard that the Nevada Resort Association has fun stuff coming to town that we are excited about and this will be helpful in promoting it.

MS. CROMPTON:

The City of Las Vegas supports this bill. Ms. Grimmer talked about their events. We are excited about the economic impact that those events may have on the region.

MR. SCHNEIDER:

The Vegas Chamber is in support of A.B. 426 as it will allow additional economic development throughout our tourism corridors, especially these massive scale events and their promotion.

SARAH COLLINS (Nevada Petroleum Marketers & Convenience Store Association):

We are also in support of the bill.

Senate Committee on Growth and Infrastructure  
May 8, 2023  
Page 21

CHAIR HARRIS:

We will close the hearing on A.B. 426. Having no further business to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 4:34 p.m.

RESPECTFULLY SUBMITTED:

---

Paula Peters,  
Committee Secretary

APPROVED BY:

---

Senator Dallas Harris, Chair

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

<b>EXHIBIT SUMMARY</b>				
<b>Bill</b>	<b>Exhibit Letter</b>	<b>Introduced on Minute Report Page No.</b>	<b>Witness / Entity</b>	<b>Description</b>
	A	1		Agenda
	B	1		Attendance Roster
A.B. 2	C	2	Kristin Rossiter	Work Session Document
A.B. 47	D	3	Kristin Rossiter	Work Session Document
A.B. 56	E	3	Kristin Rossiter	Work Session Document
A.B. 359	F	6	MJ Maynard / Regional Transportation Commission of Southern Nevada	Bill Presentation