

MINUTES

ENVIRONMENT AND PUBLIC RESOURCES COMMITTEE  
April 15, 1977

Members Present: Chairman Moody  
Mr. Coulter  
Mr. Jeffrey  
Mr. Kissam  
Mr. Ross  
Mr. Chaney  
Mr. Polish  
Mr. Serpa  
Mr. Rhoads

Guests Present: Dick Serdoz, Nevada Air Quality Officer  
John Ciardella, Department of Motor Vehicles  
Jim Hannah, Environmental Protection Service  
Dan Stone, Hamilton Test Systems  
Larry Taylor, Hamilton Test Systems  
Chuck Breese, Washoe County Health Department  
Roger L. Steele, Legislative Expert Witness  
Robert F. Guinn, Nevada Franchised Auto Dealers  
John Holmes  
Daisy Talvitie, League of Women Voters

The meeting was called to order by Chairman Moody, who turned the meeting over to Mr. Ross for further testimony on A.B. 464. Mr. Ross called for testimony on the relative merits of the independent contractor system.

Daisy Talvitie, League of Women Voters, presented a prepared statement, a copy of which is attached hereto and marked Exhibit A.

Robert Guinn, Special Consultant to the Nevada Motor Transport Association and the Nevada Franchised Automobile Dealers Association, elaborated on what has been said on the contract or state operated approach where you go through the central station. In Arizona in the remote areas they have a problem, but he feels that there might be more of a problem with this in Clark County than they have had in Arizona. In Phoenix there are six stations for a population of about 830,000. In Tucson there are three stations for about 450,000. With that criterion, it would probably mean about two fixed stations for the Las Vegas area. With regard to the rural areas in Arizona, he has gathered that they have one portable station for the outlying areas and currently they are operating it one day a month in a place about 20 to 30 miles from Tucson and twice a month for about six day periods at Gila Bend. Using this method it would be, in his judgment, necessary to keep one unit constantly on

April 15, 1977

the move in southern Nevada to hit the remote areas about twice a month. If your vehicle passes the first time it would be all right, but if you don't and your registration is up before the mobile unit returns, you would have to drive quite a distance in to the regular stations for re-inspection, otherwise you would not be able to register the vehicle on time. He feels that rather than using the portable units in remote areas it would make more sense to license independent garages in those areas to perform the inspections. He also understands that in Arizona people still wait until the last minute to get inspections and the wait in line is much longer than the ten minutes mentioned in previous testimony. Another disadvantage of the central method is if you fail the test on one of the last days you might not have time to go somewhere else and make repairs and return for the re-check, whereby it could all be handled at one place on the independent garage system.

Regarding cost effectiveness in conjunction with the centralized system, it appears that Arizona is rejecting about 17 percent of the vehicles going through the stations. Their standards for emissions are less stringent than ours for the older vehicles and more stringent for the newer vehicles. In the Arizona representatives testimony, they said they are getting a 40 percent reduction in HC. With a 20 percent failure rate, that means that overall of the total vehicle population you are experiencing an 8 percent reduction in HC. In the summary of the report from our Environmental Commission it indicates a constant deterioration in the quality of emissions once the adjustment are made. At 25 percent depreciation that 8 percent gets down to 6 percent. At the moment we are inspecting about 25 percent of the vehicles in Clark County, and 25 percent of the 8 percent brings it down to 6 percent. If the automobile is only responsible for 80 percent of HC, that brings it down to 4 or 5 percent possible improvement in air quality. On the CO, they testified that it was someplace between 25 and 30 percent, and going through the same process you get down to an overall air quality improvement of 4-5 percent or less. The question to consider is whether you want to lock yourself into a five year contract with the cost involved with that kind of overall improvement in air quality, according to Mr. Guinn.

As for cost, if you go into a full program in Clark County, you are going to inspect 200,000 vehicles. If that cost each vehicle \$7.00 and there was a 20 percent rejection rate, that would reject 40,000 vehicles, so there would be 2.25 million dollars in out-of-pocket cost to the taxpayers for a minimal improvement in air quality. This does not consider the time involved in getting all this done.

He referred to the charts given out by Mr. Ciardella on April 14, regarding vehicle emission inspection analysis compiled from the system currently being used. We are getting about as much reduction now with the present program as if we installed the system with the Arizona standards. This is based on a limited sample, but in his judgment, the present system would be the best one on a stepped up basis.

April 15, 1977

Virgil P. Anderson, A.A.A., concurred with the testimony of Mr. Guinn. With respect to the California program in Riverside County, this is only an experimental program and before it can be expanded further it will take legislative approval. He feels that parts of Nevada's program being considered here are even further advanced than what is in effect in California right now. California's pilot program is on a voluntary basis, and won't become mandatory until January 1, 1979, which would only cover vehicles being transferred. Legislative approval will be necessary before a yearly inspection program is begun. California's legislative analyst has recommended repeal of the present program on the basis of its lack of cost effectiveness. He will provide a copy of that recommendation at a later date. He would recommend expansion of the present program.

Mr. Ross asked Mr. Steele for an analysis of the benefits and liabilities of the two different systems.

Mr. Steele said one of the major benefits of the contractor system is the separation of judgmental function of whether the vehicle passes, from the operation function of repair. In his opinion, placing both those operations in one place puts an unfair burden on the man conducting the test. There is better compilation of data in the centralized system. It is important to get evaluation data. One of the major quality assurance problems is the problem of making sure the instrument that is measuring the emissions is giving correct readings. This takes a great deal of checking and setting by the state inspectors. He referred to the reports presented by Mr. Serdoz in previous testimony.

Chuck Breese, Washoe County District Health Department, where they maintain an air pollution control program said since the Legislature two years ago they have looked at inspection maintenance. They have worked with the Department of Motor Vehicles in acquiring the data they had available. Their staff has contacted people all over the country and they evaluated all the data. He believes that only one of the two concepts under consideration provided data that would be reliable, and that is the independent contractor concept. It is difficult to evaluate just how well these programs clean up the air because of the meteorology of the area. There are so many variables in air pollution that you have to make some rather broad assumptions. The inversions invalidate a great deal of the data available. You have to have faith in the tailpipe emissions data.

Dan Stone, of Hamilton Test Systems, said his system would be computerized testing and analysis of the data and computerized calibration. The data going into the computers has to be highly accurate and that is the value of their system. He also said that Arizona has quoted a 25 percent reduction of carbon monoxide and 38 percent of HC for the entire vehicle fleet, and for those vehicles which were fixed the figures were 47 percent and 44 percent respectively. The credit, as such, for the Arizona program is about six or seven times the 6 or 8 percent Mr. Guinn came up with. He left

April 15, 1977

a letter with Mr. Ross from the Arizona Department of Health Services, dated March 18, 1977, to the Arizona Legislature reporting on these particular percentages. He said the state specifies what it wants in the way of service and convenience and it is up to the company to provide that, as requested in the specifications.

John Holmes, representing himself, presented a prepared statement, a copy of which is attached hereto and marked Exhibit B.

Mr. Ross pointed out to the committee the two approaches, which are contained in the minutes of April 14, marked Exhibit B.

Testimony was concluded on A.B. 464.

Following a discussion of the testimony which has been presented to the committee, it was decided that the committee would pursue the independent garage approach to this bill. More details will be presented to the committee at the next meeting after a subcommittee meeting to be held at 3:00 p.m. on Saturday, April 16.

It was moved by Mr. Jeffrey and seconded by Mr. Serpa that the private garage approach be recommended by the committee. The committee was polled and the vote was unanimous in favor of the motion.

Mr. Ross moved that the committee suspend the rule as to the five day notice on hearing of bills and that there be a running agenda which would let anyone talk on any of the bills on the agenda. The motion was seconded by Mr. Coulter and passed unanimously.

The meeting was adjourned by Chairman Moody.

Respectfully submitted,



RUTH OLGUIN  
Assembly Attache

ASSEMBLY BILL 464  
April 14, 1977 3:00 p.m.  
Room 214, Legislative Building

LEAGUE OF WOMEN VOTERS OF NEVADA  
BY  
DAISY J. TALVITIE, PRESIDENT

STATEMENT SUMMARY

The League of Women Voters of Nevada urges the adoption of the private contractor approach for the following reasons:

Page 1, #1: It provides the means for a good program of public education so necessary to attain public support.

Page 1, #2: It provides much better quality control over inspection procedures.

Page 1, #3: It provides much better quality control over data collection and simplifies the data analysis process.

Page 2, #4: It eliminates conflicts of interest since the contractor is not allowed to be in the repair business.

Page 2, #5: It eliminates the danger or possibility of fraudulent certification.

Page 2, #6: It relieves the service station of customer complaints due to suspicion based on conflicts of interest and also relieves the station operator of pressures from customers seeking fraudulent certification.

Page 2, #7: It gives the consumer protection against increased fees resulting from inflation.

Page 3, #8: It creates at least a temporary increase in jobs in the construction business.

Page 3, #9: It is more fair in terms of competition for the repair business.

Page 3, #10: Arguments based on increased time and inconvenience to the consumer are not valid for reasons given in our longer statement.

Page 4, #11: There are solutions available to deal with remote areas. Some suggestions are listed in the full statement.

Page 4, #12: Finally the private contractor approach will result in greater improvement in air quality in terms of both hydrocarbons and carbon monoxide.

ASSEMBLY BILL 464  
April 14, 1977 3:00 p.m.  
Room 214, Legislative Building

LEAGUE OF WOMEN VOTERS OF NEVADA  
BY  
DAISY J. TALVITIE, PRESIDENT

The League of Women Voters of Nevada urges the adoption of the private contractor approach to automobile inspection for the following reasons:

1. In order for any inspection system to receive public support, a good program of public education is essential through use of media, brochures, etc., with material subject to State approval. The program should include information on benefits of emissions testing, locations of inspection stations, operating hours, etc. The education program can best be accomplished through the contractor system, is almost impossible through the private garage system.
2. Quality control over inspections is essential. There must be assurance that testing procedures are consistently uniform, instruments properly calibrated. This quality control through State supervision over the contractor is easily maintained and extremely difficult when there are numerous garages to be supervised by State personnel.
3. Quality control over data collection is essential in order to judge adequacy of standards, needs for changes in standards, and results being attained. With the private contractor, data can be run uniformly into a computer as each car is inspected. By contrast, under the private garage approach, data collection is done by many individuals, handwritten, mailed in, and later compiled into what hopefully might be a meaningful report, a much more difficult task, requiring more man hours by State staff and more possibilities for error.

4. The private contractor approach eliminates conflicts of interest for the contractor is not allowed to be in the repair business with the citizen having the freedom to choose his place of repairs. Even though the Department of Motor Vehicles may not have had many complaints from those who have been through the existing program, the public fear of inspection most often expressed to the League, as expansion of the program is discussed, is based on the inherent conflict of interest, and is politically a major factor in public acceptance.
5. The private contractor approach eliminates the danger or possibility of the securing of a fraudulent compliance certificate by the car either not being tested at all or having failed the test. The enforcement problem is probably the most difficult problem to be dealt with under the private garage approach. And bear in mind that the individual receiving the fraudulent certificate or the station issuing it will certainly never file a complaint with DMV.
6. The private contractor approach relieves the service station of customer complaints due to suspicion resulting from the conflict of interest and from those wanting fraudulent certification. It is often the consumer who pressures the honest station trying to get the fraudulent certificate. The station that services my own car has refused to become an inspection station for this very reason and has reported to me many instances of his having been approached by consumers wanting to know where they can get a fraudulent certificate. He has recommended to me that the only route he feels we should take is the Arizona approach.
7. Through contract negotiations and competitive bidding, a fixed inspection fee for both inspection and re-inspection in case of failure, which includes a



share for the State, can be established for the period of the contract -- probably a five year period. If inflation continues and that fee proves too low, the consumer still pays the same fee. This fixed price to the consumer will be difficult to establish under the private garage approach.

8. The private contractor approach will, during the time of construction, create job opportunities for those in the construction business, a definite advantage at this time of high rates of unemployment.
9. The private contractor system is more fair in terms of competition for the repair business. Not all stations will be designated as inspection stations under the private garage approach. Those stations which become inspection stations will have a distinct advantageous competitive position for repair business.
10. In answer to arguments of extra time spent in driving back and forth to the inspection station under the private contractor, the League points to the experience of one of our members. Her own station was not an inspection station. No one gave her a list of places where she could get her car inspected. She spent some time finding an inspection station. Upon finding it, she found that they were busy doing repair work for other customers so she had a long wait for them to get around to her. By that time her car was cold, and she had to wait through the warm-up period on her car and for the inspector to roll out his equipment and get it ready for the inspection. The motor of the car must be warm and the equipment plugged in for a minimum of thirty minutes. Otherwise, the accuracy of the inspection is suspect. And in cold weather, the time for equipment warm-up must be longer. By the time she had her certificate, she had spent an entire afternoon getting her

car inspected. To those who fear long lines at the private contractor station, our best information is that the waiting period and inspection process on regular days averages about ten minutes. It is only when car owners wait until the deadline for re-registration that long lines result. The same is true today in the registration procedures due to human weaknesses. The League submits that the person who waits until the last minute cannot blame the contractor, and can easily be faced with the same problem under the private garage approach due to the crush of business at the last minute. But it's his own fault and he will have to deal with that inconvenience regardless of which system is chosen.

11. To those who fear inconvenience for the more remote areas under the private contractor approach, the League submits that there are several solutions to the problem. Among these are:
  1. Through the contracts, specify mobile inspection stations for specified number of days each month in each remote area.
  2. In the contract, allow or require the contractor to subcontract with a local garage to do inspections in the remote areas with the contractor providing equipment and supervision.
  3. Give the Environmental Commission statutory authority to exempt those areas having no significant impact on air quality in the counties where inspection is mandated.
  4. A combination of the above.
12. Finally, the private contractor approach, according to the study conducted under Legislative mandate since the last session, will result in a greater improvement in air quality in terms of both hydrocarbons and carbon monoxide.

Comments by John Holmes

Assembly Bill #464

445.630 I do not agree with the change from 3 to 10 for the number of vehicles making up a fleet. The cost of the equipment necessary to certify will automatically limit the number of fleet operators who will try to qualify as inspection stations. For those who have the proper equipment and training, or wish to obtain it, there should not be the barrier of having to have 10 vehicles. Many people have 3 cars, but few are going to spend thousands of dollars for equipment plus yearly license fees to check their 3 vehicles.

445.700 I think that the \$50.00 for a set of 25 forms should be changed to read \$2.00 per form so that fleet operators of less than 25 vehicles will not have to pay the extra amount for the unnecessary forms.

General: 1. I feel there should be some allowance for altitude in this program. There is 4000 ft. difference between Tahoe and Las Vegas. This equates to .008" difference in Carburetor jet size and 4 degrees in timing on the engine. When standards are very loose it will not matter much, but as they are tightened uniformly, those at high altitudes will find it very difficult to pass. This can be handled by statute or regulation and within either of these methods it can be accomplished by different standards or allowing OTHER THAN original manufacturer's specifications.

2. I feel that there must be allowances within the statute (or regulation) for the individual auto enthusiast who does his own work.

- a. Will he be forced to go to a garage to have work done?
- b. How will the \$ limitations for compliance be applied?
- c. If there are contractor stations, will he be charged for reinspection?
- d. Will an individual have the right to refuse any under hood adjustments and request only a tailpipe reading?

3. I believe that there should be a cut-off point for inspection based on the age of the vehicle such as the currently used 15 yrs. Only a small percentage of the total registered vehicles fall in that bracket. Many of them are "restored", "classic", or "vintage" type cars such as the popular Model A. There is very little to be gained by inspecting this category of automobile.

Summary: I am not here suggesting that I know how to write this very complex bill. I have only tried to bring forth "food for thought" during this legislative process in hopes that the outcome does not forget the American "Car Nut". I lived in a state that in its first attempt at a bill like this it produced a law that prohibited individuals from doing their own work. Naturally it was amended. I happened to think that, after working with this subcommittee, we in Nevada can get it right the first time.