

Chairman Price called the meeting of the Transportation Committee to order at 5:00 pm with the following members and guests present:  
(Please see attached guest register for guests present)

PRESENT: Chairman Price  
Mr. Beyer  
Mr. DuBois  
Mr. Glover  
Mr. Mello  
Mr. Prengaman  
Mr. Schofield (arrived late)  
Mrs. Westall  
Mr. Polish

AB-109 Makes various changes to laws governing financial responsibility of owners or operators of motor vehicles.

Presenting the DMV's position on this bill was Mr. Jerry DeForest, the Safety Responsibility Officer for Driver's License Division with the Department of Motor Vehicles. This bill is department sponsored legislation which contains numerous changes in the Safety Responsibility Law (Chapter 485 of NRS). They have found many problems with this Act and this legislation is intended to correct these problems and to bring conformity to the Safety Responsibility Act with relation to the Statute of Limitations. It will also eliminate various contradictions contained within. Mr. DeForest proceeded through the bill line-by-line pointing out the areas of change and explaining their reasoning.

Some questions raised by members of the committee were as follows: Mr. Polish referred to the provision on page 5 relating to financial responsibility wherein they require proof for three years and asked if that means they would have to buy insurance for three years ahead. Mr. DeForest replied in the negative and added that that means if the suspension were to end in 1980 and this person did not reinstate his driving privilege until 1981, he would be required to maintain proof of financial responsibility for three years from that date. Mr. Polish stated that with the price of insurance today, most people are in a bind trying to maintain insurance coverage for six months. Mr. DeForest added that is their basis for asking for authority to take suspension action if they do not maintain that insurance. When they take suspension action for certain types of suspensions, they require an individual to show proof of financial responsibility or proof of insurance from three years from the date he reinstates his driving privilege. He stated that the SR 22 filing form that is issued from their insurance company remains in effect until cancelled, therefore, if it were cancelled the insurance company would submit a cancellation notice to the DMV and at the present time, they cannot re-suspend their registration or driving privilege.

Mr. Mello then asked how many people drive without driver's license in Nevada today, and was advised that that figure is not known. Mr. Mello stated that several years ago when that question came up, the estimate was that 25% of the people driving in Nevada did not have a driver's license. Mrs. Alcamo stated she would be surprised if that figure was correct. She added that she has figures in terms of active licenses that are on file which is approximately 626,000. It is estimated that between 10 to 20% do not renew their license at the end of the four year period. In addition to that, she has figures on the number of licenses they have on file that were revoked, suspended or cancelled; she did not have those figures with her but she would estimate that between 3 to 10% of the drivers have returned licenses.

Mr. Beyer asked if this bill was requested by their Department and was advised that it was; he added that prior to the session he had talked to Mr. Jacka about this same legislation and he said the fiscal impact on this would be tremendous but he sees no fiscal note on the bill and was advised by Mr. Jacka that he would not pursue this. He reminded those present, of the bill that was passed in the last session requiring all motorists to have insurance but Mr. Jacka said he knows they will never be able to catch those violators so he was discouraged from pursuing that type of legislation.

Ms. Sharon Alcamo, Chief of the Drivers License Division, explained that he is referring to mandatory insurance and total comprehensive tracking of the mandatory insurance which is a totally different thing than the safety responsibility act, they are referring to. The safety Responsibility Act deals with that section of the law whereby if someone is in an accident and does not have insurance or will not pay for damages in an accident, they take suspension or revocation action against those people. For those people as well as people who are revoked for DUI's, manslaughter etc., they require as a condition of reinstating their license, that they maintain proof of financial responsibility. This is a certificate with the insurance companies that they will notify us as soon as that person cancels an insurance policy. She estimated there were about 2,000 suspensions per year.

She pointed out that what Mr. Beyer had been talking to Mr. Jacka about was the mandatory insurance coverage of all Nevada drivers and that would be setting up a system wherein we would be notified of every driver who dropped their insurance. An estimate of 1½ million dollars would be required to do that. You would then be talking about 500,000 to 600,000 drivers in the State of Nevada; that is the difference. To monitor each one of those insurance

policies to be notified when they are cancelled or to be notified when they are reinstated would take a very large staff. They are talking about another section of the law and a very small volume.

General discussion followed regarding the procedures to be used in recording insured drivers as opposed to non-insured.

Mrs. Westall asked about the provision on page 4, line 32 and asked if they would explain that area to her. Mr. DeForest explained that, basically, what this amounts to is the statute of limitations for tort claims is two years; in the statute as it is written now, they can only require an individual who is at fault in an accident, to post security with them for one year. The security that is posted is applicable to the payment. The individual who suffered damage can go to court and obtain a judgement as long as it is filed within one year. Our statutes require that we return that money or that deposit within one year. We are talking about those people who are involved in an accident and there was no insurance; the person at fault had no insurance, had done \$2,000 damage to the other vehicle, therefore, they would suspend his driving privileges. The statute allows them to do that for one year; they can file security in the amount of damage done to the vehicle, with the State of Nevada - under the Safety Responsibility sections. By filing "security", they mean depositing with the State Treasurer cash money, a bond, something that is worth "x" dollars. The statute requires the state to return that money after one year from the date of the accident, although the individual that suffered damage due to that accident, has two years under the statute of limitations to file suit in the court of law. The statute requires that the money that is deposited is applicable to the payment of that judgment so, in essence, what they are saying is that you have two years to file suit in a court of law and obtain a judgement. If they require that person to post security, they have to refund it within one year, therefore, if your judgment is rendered after that date, the money is no longer on file with the Division.

In response to a question from a member of the committee as to what that fund is called, Mr. DeForest explained that he wasn't familiar with what it is called but they would require it on security deposit suspensions. Mr. Price asked if he would find out a little bit more about it, i.e., how much is in there, whether the person required to deposit the money draws interest on it, etc. Mrs. Alcamo stated she was sure they did not draw interest but they would research the law on that; Mr. Mello pointed out that for the 12-months period he would assume they would be drawing interest. Mrs. Alcamo repeated that she didn't think they are, however she doesn't say they couldn't. Chairman Price asked for further information on this area.

Mr. DuBois asked for an explanation of the purpose of the first part of this bill and was advised by Mr. DeForest that the purpose of that is to try to help alleviate the problem of the uninsured motorist. If there is a provision in the law that the Division can take suspension action against their driving or registration privileges if they are convicted of driving without insurance, then they would cancel their insurance. They would hope that they would think twice before they do that. Not only would they get the \$100 fine that is being imposed now, but they would also face suspension of their driving and registration privileges until they filed with the Division proof of financial responsibility.

Mr. Prengaman then called attention to Page 2, line 30 and asked for an explanation of that area. He asked if they are saying that a person who is required by another state to maintain insurance comes into Nevada at the time of registration or driver's license, must show proof of insurance at both those times.

Mr. DeForest explained that when a non-resident comes to Nevada, they apply for a driver's license. If they indicate that their license was suspended and they have not been relicensed, they would then require a clearance letter from the state of prior residency. Sometimes that state of prior residence required that proof of financial responsibility be filed - or SR 22, before they would clear his license. Once that proof of insurance is obtained and filed with the state of prior residency and comes back to Nevada - he now has a clear slate. He obtains a Nevada license, goes out the door and cancels the insurance, but because it is on file with the prior state, Nevada is not aware of that and therefore, he continues to drive with an active Nevada driver's license. If this individual were required to file proof of financial responsibility in this state, based on the requirement from this state, they could keep tabs on that individual and know whether or not he is maintaining that proof of responsibility that is required from his prior state.

Mr. Mello asked how many people he would estimate get their license and plates and then drop their insurance, and was advised that they would estimate 20%. Mr. Mello then asked why we don't do what Mr. Beyer had previously mentioned and that is have the insurance Company notify DMV of the cancellation; he suggested it would not be so difficult for them to call DMV and notify them of a cancellation of insurance. He doesn't agree with the statement that it would take a million and a half dollars to prepare a computer to perform that service.

Mrs. Alcamo testified she understands that Mr. Jacka and Mr. Bennett are going to be providing that fiscal note which was requested in Senate Finance. Mr. Mello pointed out that does relate to this bill,

and the bill could be amended to include that requirement, however, he emphasized that he feels that service could be provided by the insurance carriers without much problem.

Mr. Glover then asked if they would have any problems with having the person file a financial responsibility statement with the State of Nevada and disregard what the other state does; we are trying to get control over that person's driving and that would be the simplest way in his opinion. Mr. DeForest explained that the state of prior residency would probably require the statement to be on file with that state and if it was not on file, their driving privilege would not be clear in that state. What we would be looking at would be agreements on a national level between the states that are involved.

Considerable discussion followed on various areas of the bill including damage estimates done to a vehicle, reports of filing on accidents, etc.

Testifying next was Mr. Richard Garrod, Farmers Insurance Group, who stated they do not like to see the amount of damage to be reported raised from \$250 to \$350. In the states where they are trying to maintain a historical record of the number of insureds, one of the devices which is used by the Department of Motor Vehicles is reviewing the accident reports to find out who said they were insured and who said they weren't insured. By raising the limit, you are dropping a number of people out of the reporting picture which will reduce the vital statistics based upon the filing of the SR-1's with the DMV. This is the main reason they would like to see the level maintained at \$250.; they feel you will have a more accurate reporting of those who are involved in accidents but, as he pointed out, they have not been very successful in other states.

He testified further that if they were certain that the estimate filed with the DMV would be the same estimate that was filed with the insurance company for repair of damages, they would be happy. If an individual has to put a cash deposit with the DMV for say \$400 worth of damages, he would guess the repair bill that would come to the insurance company would be for \$600. The insured is going to play both ends of the market. When the question was raised about cancellations, in 1980 with Farmers Mid-Century they had less than a 5% increase in cancellations over the year 1979. They were running about 20% cancellations of Mid-Century Policies in 1979 and it went up to 25%. In the Farmers' group itself, they ran less than a 3% increase for the year 1980 over the year 1979, so they believe people are retaining the insurance. But with Mid-Century, he admits they are high - they are one of the highest standard companies in the state. You cannot track the cancellations or whether they have reinsured with someone else at the termination of the policy. That would be the problem that you would be sticking the state with;

sending out all these notices when they receive a cancellation notice from the insurance company then, when the driver says "I do have insurance" it would end up in a great deal of correspondence between the State and the insurance companies trying to prove whether he did or did not.

There was no action taken on the bill at this time.

AB 326 - Changes wording of signs indicating speed limits for school zones.

Testifying in support of this bill, with amendments, was Mr. Ralph Phillips, with the Nevada Traffic Control Committee and Department of Transportation. The NRS today states that you must post the hours of the day in which the speed limit is enforced in the school zone; this has caused problems with schools changing their routine and these signs are expensive to reprint. They have had numerous meetings and have the backing of Clark and Washoe Counties School Board to the effect of posting "when children are present"; it wouldn't necessarily have to be the hours they are going to school but would be in effect 24 hours per day. He proposed in addition to posting "when children are present" that we add to the bill a statement of when a speed limit sign beacon is used with the sign "when flashing" to identify the periods the school speed limit is enforced. They would like to use the two types of devices rather than just what the law states today i.e., posting the hours. He distributed copies of EXHIBIT I showing the figures for state-maintained installations and cost per installation of the pressure sensitive overlays and metal plate devices.

Mr. DuBois asked if the object of this bill is to cut back on maintenance of the signs and was advised that was not the object. The object is that the way the NRS reads today, the only method they can have is by posting hours of the day and this becomes an expense in changing the hours when the school changes the hours. It is being violated already - Carson City posts "when children are present" and there are quite a few other schools that are doing the same thing.

There was concern expressed by some members of the committee who explained that most drivers are tuned into slowing down when they approach a school crossing; with this new wording, they would not have to slow down unless they saw someone there - which means the accelerated speed would be maintained more often.

Mr. Phillips explained he has discussed this with Mr. Bossi, the Traffic Engineer in Clark County, and was advised that in order to get around changing the specific hours, such as morning, noon and

night, they have gone to 8 to 5:00 the whole day and that's the hours the speed limit is enforced. There is a good deal of the day when there are no children present. He suggested that if we are going to go along with this bill, that we add in "speed limit sign beacon" as that's what it is called in the Uniform Traffic Control Manual which they all follow. They didn't want that particular sign or device eliminated if we were going to go with "when children are present". With this flashing beacon has a yellow flasher in conjunction with the language. His point is that if we are going to pass this bill, that we allow that device also to be a standard device.

Mr. Beyer asked if the fiscal note attached is the cost of changing the signs and was advised by Mr. Phillips that he has some costs that were developed through the Department of Transportation at a cost of \$1800 to convert the signs they know of - they may not all be necessary because some are controlled with flashing beacons and it doesn't say the hours of the day on them. It could run as high as \$1800 if we go over the existing metal or it could go as high as \$2100 if we replace the sign in its entirety - that is state-wide. That doesn't include cities and counties so it could be somewhat of a burden to them.

What the Nevada Traffic Control Committee's concern with this bill is that it does not include the flashing devices we have in operation today. We don't want these signs eliminated. His intent was to add to the bill "or when a special speed limit sign beacon is used, with the sign "when flashing", to identify the periods the school speed limit is enforced".

Mr. Prengaman stated he has a real problem with the "when children are present" as he visualizes the schools in his district and alot of the schools, particularly at night are hidden from the streets. A police officer can sit there and write tickets all night long but people coming along unless that sign was flashing, would not know children were present even if they were in the crosswalk. He feels there is a lot of areas for abuse.

Mr. Phillips stated that there is no way we could afford to put electrical devices at every school zone or school crossing so we have to accomodate those other areas by some means. The NRS today says we must post the hours of day in which the speed limit is to be in effect and due to complaints they have had from numerous school boards and some cities that say "we are going to put, 'when children are present'," requested the bill.

There being no further questions or testimony on this bill, the committee considered the next item on the agenda, that being:

AB 388-Provides method of turning vehicles at certain places on highways and revises provision for pedestrians' right of way in crosswalks.

Testifying on this bill was Mr. Ralph Phillips, with Nevada Traffic Control Committee and Department of Transportation who stated that this bill has two parts: one has to do with turning - whether it is a one-way or two-way street; the other has to do with pedestrians in a crosswalk. He feels the reason this came up in their committee was the fact that it is very difficult sometimes to enforce rules and regulations. For instance, on the crosswalk portion. The law states today that if a person is in your half of the street (that is on a two-way street) - if he is in your half of the street, you must stop - if he is in a designated crosswalk whether it is painted or imagined at an intersection. It is very difficult for an enforcing officer to know which is your side of the street. The committee's feeling is that when the law said when a person was in the crosswalk, this would be the same as pertains to school children. If you are in a crosswalk no matter which side of the street you are on, the driver of the vehicle stops. That's true with school children but with the present NRS it is not the case for adults. With adults, it is on your side of the roadway. In answer to several questions from the committee, Mr. Phillips diagrammed some instances on the blackboard.

Mr. Mello pointed out that the real problem will come in the large cities where there are several lanes (sometimes 6 lane highways) in people slowing down to look clear across and being hit by someone behind them.

There was no action taken at this time.

\*AB 73 - Makes organizational structure of department of motor vehicles discretionary with director.

Chairman Price explained that there were amendments coming to this bill on the reorganization of the DMV bill. He reminded the committee that the last time we heard this bill, we had some questions raised about whether this bill would open up the door for the demise of the Department of Highway Patrol and they were quite correct in that assessment. There was an amendment for consideration at this time (Amendment #322) and at the conclusion of the discussion, Mr. Schofield moved to adopt the amendment and amend and do pass; motion seconded by Mr. Mello and carries unanimously with Mr. DuBois being absent.

There being no further business, the meeting was adjourned.

Respectfully submitted,

*Cheri Kinsley*  
Cheri Kinsley, Committee Secretary

\* A letter from Sheriff Galli is attached behind Exhibit I.



ASSEMBLY

AGENDA FOR COMMITTEE ON.....TRANSPORTATION.....

Monday

Date March 30, 1981 Time 5:00 p.m. Room 214

Bills or Resolutions  
to be considered

Subject

Counsel  
requested\*

- | Bills or Resolutions<br>to be considered | Subject  | Counsel<br>requested* |
|--|--|-----------------------|
| AB 109.                                  | Makes various changes to laws governing financial responsibility of owners or operators of motor vehicles.                           |                       |
| AB 326                                   | Changes wording of signs indicating speed limits for school zones.   |                       |
| AB 388                                   | Provides method of turning vehicles at certain places on highways and revises provision for pedestrians' right of way in crosswalks. |                       |

\*Please do not ask for counsel unless necessary.



# WHEN CHILDREN ARE PRESENT

## PRESSURE SENSITIVE OVERLAY

District	Cost Per Installation			Number of Installations	Total Cost
	Labor	Materials	Total		
1 Las Vegas	\$6.00	\$12.00	\$18.00	32	\$576.00
2 Reno	"	"	"	37	666.00
3 Elko	"	"	"	8	144.00
4 Ely	"	"	"	24	432.00
Tonopah	"	"	"	0	0.00
6 Winnemucca	"	"	"	<u>3</u>	<u>54.00</u>
			TOTAL	104	\$1,872.00

## METAL PLATE

District	Cost Per Installation			Number of Installations	Total Cost
	Labor	Materials	Total		
1 Las Vegas	\$6.00	\$15.00	\$21.00	32	\$672.00
2 Reno	"	"	"	37	777.00
3 Elko	"	"	"	8	168.00
4 Ely	"	"	"	24	504.00
5 Tonopah	"	"	"	0	0.00
6 Winnemucca	"	"	"	<u>3</u>	<u>63.00</u>
			TOTAL	104	\$2,184.00

**Note:**

The above figures are for State maintained installations only. They do not include installations maintained by local entities.

3/30



# WASHOE COUNTY SHERIFF'S DEPARTMENT

P. O. Box 2915  
RENO, NEVADA 89505  
Phone: (Area 702) 785-6220

**ROBERT J. GALLI**  
SHERIFF

VINCENT G. SWINNEY  
UNDERSHERIFF

RUSSELL T. SCHOOLEY  
CHIEF, OPERATIONAL SERVICE BUREAU

LORNE E. BUTNER  
CHIEF, ADMINISTRATIVE SERVICE BUREAU

MILLS B. LANE  
CHIEF, INVESTIGATIVE SERVICE BUREAU

February 19, 1981

Mr. Robert Barengo, Speaker  
NEVADA STATE ASSEMBLY  
Legislative Building  
Capitol Complex  
Carson City, Nevada 89710

Dear Bob:

Regarding AB 73, I have some deep concerns about Section 4 which gives the Director what appears to be unlimited power to organize and direct the Nevada Highway Patrol as he sees fit. This would not, in my opinion, as the bill is presently structured, prevent the Director from establishing a State police in the State of Nevada; I am sure you will agree this would not be in the best interests of all of the Sheriffs or the general public. Frankly, it appears to me the entire bill gives too much latitude to the Director of DMV.

From all reports I hear, you have been doing an outstanding job as Speaker, and I join with many others in commending you.

Best personal regards,

  
ROBERT J. GALLI, SHERIFF \*

RJG:NSM