

The meeting was called to order at 5:00 p.m. by Chairman Price with the following members and guests present:

MEMBERS PRESENT: Chairman Price
Vice Chairman Polish
Mr. Beyer
Mr. DuBois
Mr. Glover
Me. Mello
Mr. Prengaman
Mrs. Westall

MEMBERS ABSENT: Mr. Schofield

GUESTS PRESENT: Pete Pradere, Nevada DOT
Garth Dull, Nevada DOT
Al Stone, Nevada DOT
Daryl E. Capurro, Nevada Franchised Auto
Dealers Association
Hale Bennett, Nevada DMV

S.B. 156 Removes statute made obsolete by repeal of federal law relating to the public domain.

There was no testimony taken on this bill. Mr. Glover moved DO PASS, Mrs. Westall seconded, motion carried unanimously with Mr. Schofield absent.

S.B. 157 Makes certain changes in bidding requirements and partial payments for road contracts.

Mr. Al Stone, Director of the Department of Transportation, testified this bill consists of four parts; they are:

1. To allow bid openings throughout the state. They feel this will eliminate the prospective bidders having to travel as far as they are doing today (to Carson City) which they feel will be of some savings.
2. Will allow the contractors to be in the area of where the project is. The purpose of the bill is to have a bid opening close to the vicinity of the project. This will give them a chance to make a better bid and review the project on the ground.
3. Prequalification requirement which is a redundant requirement and requires the time of at least one man year in the department. It is a requirement that is in addition to contractors being licensed as well as having to furnish a complete bid bond which covers the work of the contract should they not perform. The regulations covering prequalification are things such as receiving a letter from the contractor's banker saying that he may, if the contractor applies for a loan, supply a certain amount of money. There is nothing that really obligates the banker, or the submission by the contractor, to the information that is required under the prequalification as it exists today.

4. The retention is the amount of money held back from the contractor as the work progresses. Sixty years ago this was a necessary requirement because estimating procedures were not as good as they are today. This will be a money saver as far as contract bids are concerned because the contractor will not have to float 10% or better in this retention, and we will be able to pay him for exactly what he has accomplished during the life of the contract. We do like to hold the last 5% in order to encourage the contractor to complete the job so that we can get him out of the way of the traveling public but still limiting that to a maximum of \$50,000.

There being no further testimony, a motion was made by Vice Chairman Polish to DO PASS, Mr. Glover seconded. The motion unanimously carried with Mr. Schofield absent.

S.B. 298 Makes nonresident manufacturers eligible for special license plates.

Mr. Darryl Capurro, Executive Director of the Nevada Franchised Auto Dealers Association, explained that the first sections of the bill are currently in the law; the changes being made here are "Daykinisms." He explained the reason for this bill is there is only one resident manufacturer of trailers in the State of Nevada and the cars that we drive are manufactured outside the state. The problem we run into is the National Automobile Dealer's Association has had several of their conventions in Las Vegas at which time the major American manufacturers and imports bring into the area new vehicles for a number of reasons: display use by VIP's and others attending the convention. There is sort of a hiatus in the law: how do you register those vehicles so that they can operate on the highway. They are brand new vehicles; if you fully register them, they become used vehicles. You cannot put dealer plates on them because they are not dealer vehicles; they are manufacturer owned. You cannot put loaner plates for the same reason, owner plates are available to licensed and regulated Nevada residents, manufacturers, dealers, etc. What has been done in some cases is that they have put on a California manufacturer plate or from whatever state they may have come from. For many reasons, it is felt that we would be far better off if we would provide in our law for a non-resident manufacturer to apply for a license with the state as a non-resident manufacturer and pay the fees accordingly the same as resident manufacturers would have to and be allowed to operate, to be issued at the same cost that others are charged, a plate that would allow those vehicles to be on the road. Law enforcement, as in a D plate, would know who has that plate. The other thing we run into is that, for instance in a NADA convention, many of those cars remain in Las Vegas because the manufacturer sells them rather than taking them back to the local franchised dealership. If they were registered, they would be a used car; registration starts the clock on the warranty, also. With a manufacturer plate on them, they can have accumulated 2 or 3,000 miles and still not be into the warranty period. At the time they were sold to the first retail customer by the franchise dealer, all

of the privilege tax, sales tax, and other things would be collected. At that time, the customer would have the benefit of a full warranty period on the vehicle.

Hale Bennett, Chief of Registration, DMV, testified that DMV supports the concept of the bill. We have had considerable problems in that we don't really know how to handle the situation with conventions, and have occasionally used parade permits; it doesn't fit but we have used them. We have also used dealer plates which puts the dealers in a liability situation that we really don't want them to be and they don't want to be in either. We have encouraged manufacturers coming out of California to use California manufacturer's plates. We have used a number of different kinds of devises to solve the problem that this bill would solve directly for us.

In response to Mello's question as to what would happen to the plates, Mr. Bennett stated that they would assume that they would be issued to a manufacturer, literally on a permanent basis. We would record the issuance of the plates to the manufacturer in the computer system so that it would be available to law enforcement use throughout the state. We would not expect that they would turn the plates back in, but would expect that they would use them so long as they had a foreseeable use in the future, just as dealer plates are currently functioning.

Mr. Mello asked what they would do if this bill passes and General Motors takes ten plates, then you find one of these plates on a vehicle other than what it is supposed to be on.

Mr. Bennett replied that they would remove the plate and revoke the license. One of the first things they must do is to get licensed as a franchised dealer in the state. DMV has the right to revoke that license if he misuses the license, just as we can revoke any operating dealer's license and that is what we would do.

Mrs. Westall moved DO PASS, seconded by Mr. DuBois. Motion unanimously carried with Mr. Schofield absent.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Cheri Kinsley
Cheri Kinsley,
Committee Secretary

ASSEMBLY

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

Tuesday

Date.....March 31.....1981.....Time.....5:00 p.m.....Room.....214.....

Bills or Resolutions
to be considered

Subject

Counsel
requested*

SB 156	Removes statute made obsolete by repeal of federal law relating to the public domain.	
SB 157	Makes certain changes in bidding requirements and partial payments for road contracts.	
SB 298	Makes nonresident manufacturers eligible for special license plates.	

