

A quorum being present, Chairman Price called the meeting to order on May 16, 1981 in room 214 of the Legislative Building. The purpose of the meeting was a work session to take action on bills previously heard.

MEMBERS PRESENT:

Assemblyman Price, Chairman  
Assemblyman Polish, Vice Chairman  
Assemblyman Beyer  
Assemblyman DuBois  
Assemblyman Glover  
Assemblyman Mello  
Assemblyman Prengaman  
Assemblyman Schofield  
Assemblyman Westall

MEMBERS ABSENT:

None

Mr. Price began the meeting by stating that there have been some questions raised on the constitutionality of AB 338 as imposing a special tax for mass transit. He added that he has asked David Stankow, Deputy Legislative Counsel, to speak on this bill.

Mr. Stankow stated that the constitution of the State of Nevada provides under Article IX, Section 1 that the legislative authority of this state shall be vested in the Senate and Assembly. It makes no exceptions. There are provisions for initiatives from the people and for the people to require referendums. The sales tax was a referendum measure. The people requested a referendum on it and passed it by referendum and therefore to amend the sales tax it must go to the people. Any other matter for which they have not requested a referendum "you may not" because the power is vested in the Senate and Assembly.

In answer to Mr. Mello's question regarding whether the 5 3/4% should have gone to the people, Mr. Stankow stated that it was not necessary because the sales tax is 2% and it has not been changed in this session. In order to raise the 2% you must go to the people. The City-County Relief Tax and the Local School Support Tax are not referendum measures and they are similar to sales tax only in that they are collected along with it and then distributed. He continued that it was not necessarily true that that they absolutely may not go to the people of a county to ask them whether a tax shall be imposed by the county. The legislature may be law authorize a county to collect an additional tax by enacting an ordinance and they may make the ordinance conditional upon a vote of the people. That the legislature may do because in adopting the authorization to enact the ordinance they have not adopted a law which would have to go to the people to confirm.

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Mr. Stankow continued by stating that legislature may require that a vote of the people be taken to make the ordinance effective. He stated that they may not require a vote of the people to make the statute generally effective.

Mr. Stankow stated he was not sure whether the counties have the power to ask the people what AB 338 addresses. He stated that if the legislature were to require that they go to a vote of the people they would have to do so as the legislature may impose any reasonable conditions on an ordinance.

Mr. Mello inquired if the counties could put it as a referendum, and Mr. Stankow stated that he was not sure but that it might be. He stated that on the state level and with the people's relationship with the legislature, the people are the only ones that can command a referendum, the legislature may not. Clark County could be told to hold a referendum and that they may hold a referendum.

Mr. Daryl Capurro stated that this was the same device that was used last session in allowing the RTCs to go before the people. Frank Daykin at that time stated that the state had no right to initiate a referendum but the counties did. The legislature could provide that the county could by ordinance provide this if they went to the vote of the people.

Mr. Mello stated that he wondered how anyone could sit here on this panel and be concerned with allowing counties the option to either impose this tax or put it on a referendum when the legislature did not put the 5 3/4% sales tax to the vote of the people. He stated that he felt this was basically the same thing.

Mr. Price referred Mr. Stankow to page 1 on AB 338, line 11 and inquired if they could amend this so that the county commissioners could either impose this at their desire without a vote of the people or enact an ordinance contingent upon a vote of the people. Mr. Stankow replied in the affirmative stating that the legislature could do that.

Mr. Mello inquired if it would be possible to place an amount for the two counties interested in it. Mr. Stankow stated that they could place language that it could not exceed a set amount but that they could not place individual amounts for the two different areas.

Mr. Beyer inquired if the terms public transit system and public mass transit system were interchangeable. Mr. Stankow replied that public transit system is defined and that the other term was acceptable and they were being used interchangeably without any problem.

Mr. Price presented amendment 905 which is attached to these minutes as Exhibit A and which makes this allowable without a vote of the people.

Mr. Price asked Jerry Hall, Washoe Regional Transport Commission, if they had addressed the questions raised about definition of sales tax.

Mr. Hall stated that this particular bill was structured after the City-County Relief Tax and makes reference to the School Support Tax. This is why it didn't provide for a vote of the people because those two taxes do not require a vote. In addition the School Support Tax also provides all of the many exemptions that would not be taxed under this bill, and the other bills.

Mr. Price stated that the retailers were concerned with the language of line 20 and Mr. Hall was going to check to see if that language should be changed as there seemed to be some confusion. Mr. Hall stated that he has discussed this with Mr. Stankow and he indicated that based on the way this legislation is drafted in making reference to the City-County Relief Tax and School Support Tax that the statement indicating levies on sales and use would not be required. The intent that had been expressed to Mr. Stankow is that it should be changed to provide that it would be a sales and use tax.

Mr. Mello inquired if Washoe County would need no more than a 1/4% and Mr. Hall stated that based on current projections he would not feel that they would need more than the 1/4% or even the full 1/4% over the next two years. He stated that the only assurance that he could give to the committee would be that he could not imagine the Board of Commissioners increasing it above what the need really would be and the needs are based upon the availability of capital equipment. This dictates in large part the operating expenses and this is the major part of their operating budget. Without the capital expense and capital equipment that operating expense will not continue to rise over the 1/4%.

Mr. Price stated that they wanted to make sure that the tax would be imposed in the same manner as the City-County Relief Tax and that there would be no difference. To this end he read the part of AB 369 which deals with this tax. The language appeared to be the same as found in that bill.

Mr. Capurro stated that he felt that this ties back to chapter 372 which is the sales and use tax act. AB 338 refers to chapter 374. He stated that they were not satisfied that the language does what it is suppose to do and that it should be tied down to the provisions of chapter 372.

Mr. Hall stated that the proposed amendment discussed with Mr. Stankow would have extended the language in 338 but that Mr. Stankow felt that additional language was not necessary in this bill. The School Support Tax bill has followup language which states that it is not the intent of the bill to impose the tax upon the retailers but that tax can be passed on to the consumer.

Mr. Capurro inquire about the specific exemption for motor fuel; to which Mr. Hall explained that this is referenced in the City-County Relief Tax and School Support Tax and therefore why reference it here. Mr. Capurro felt that it ought to be specifically mentioned in this chapter.

Mr. Beyer stated that he would be opposed to allowing the option for the county and would rather see it mandatory that they go to a vote of the people. He added that he resented subsidizing a transportation system that is not paying for itself. He felt that the people have expressed themselves very vocally in that they do not want to pay any more for these services; however he would have no problem with taking it to the vote of the people.

Mr. Prengaman stated that he felt it was necessary for them to look beyond their individual districts but to look at a county-wide problem. He added that the bond issues that have failed were probably due to the unfavorable climate of that time. He added that with the raising of the various taxes on motor vehicles, fuels, licenses, etc. that using buses would become much more attractive.

Mr. Price interrupted the discussion of this bill at this time in order to vote on another bill before some of the members would have to leave for other engagements.

#### AB 71

Copies of amendment 838 were distributed and Mr. Price explained that this language was agreed upon by the Insurance Commissioner as well as others interested. This is identical in language to the Insurance Commissioner's model privacy act. Exhibit B

Mrs. Westall moved for "amend and do pass" with amendment 838. Mr. Polish seconded the motion. The motion carried unanimously with Mr. Glover not voting because of conflict of interest.

#### AB 69

Copies of amendment no. 847 were distributed. Mr. Price stated that a subcommittee worked on this consisting of Mr. Prengaman and Mrs. Westall. This amendment is a compromise and that it requires the Insurance Commissioner to develop a shopper's guide and allows the division to come up with their own methods and criteria in developing it. Distribution will be to state agencies, libraries, and public places. It would still list the top five and the low five companies. Exhibit C.

Mrs. Westall moved for "amend and do pass" with amendment 847 and Mr. Polish seconded the motion. The motion carried with Mr. DuBois and Mr. Beyer voting against the motion.

AB 70

Copies of amendment 848 were distributed. Mr. Price stated that this would amend out everything on page 2 with the exception of section 4. The only thing retained deals with the criteria the insurance companies have which are not filed or approved by the Insurance Commissioner at the present time. Exhibit D.

Mrs. Westall moved "amend and do pass" with amendment 848 and to remove the existing conflict and Mr. Prengaman seconded the motion. The motion carried unanimously.

AB 338

Mr. Mello stated that Sparks is behind and cannot afford to pay to the Mass Transit fund and the only way they are going to be able to afford this is to go to this type of concept of allowing an either or option of the County Commissioners. He pointed out that he felt it was a matter if they believed in a mass transit system or not. He stated that the County Commissioners are also elected by the people and that he feels that sometimes legislators forget this and feel that they are the only ones that have the responsibility to represent the people of this state.

Mr. Mello moved to "amend and do pass" AB 338 using the amendment 905 and further amended to provide an either or option. Mr. Prengaman seconded the motion. A roll call vote was taken with the motion failing on a vote of 4-5. Those voting in favor were Mr. Mello, Mr. Prengaman, Mrs. Westall, and Mr. Price. Those opposed were Mr. Beyer, Mr. DuBois, Mr. Glover, Mr. Schofield and Mr. Polish.

Mr. Prengman stated that he felt the issue was so important to the citizens of Washoe County he would ask that no other action be taken on this bill until Monday.

AB 238

Amendment 757 was distributed. Mr. Price stated this amendment would require regulation in an area if there was only one company but if there were more the industry would be deregulated. Exhibit E.

Mr. Polish moved to "amend and do pass" with amendment 757 and Mr. Glover seconded the motion. The motion passed with Mr. Prengaman opposed to the motion and Mrs. Westall absent at this time.

AB 337

Copies of amendment 854 were distributed. Mr. Price pointed out this would allow for minibuses upon proper application. It would allow the company to own all or part of the fleet, to lease them out, have an owner-operator lease, etc. All the regulations and authority would be under the TCA which would make this a Clark County bill. Exhibit F.

Date: May 16, 1981

Page: Six

Mr. Capurro inquired what had been done about the definition of small bus. He stated that the present definition would apply to all buses. It was felt that perhaps a number of passengers should be included.

Darrell Dreyer stated that he understood Mr. Avance of the TCA really doesn't want this responsibility.

Mr. DuBois stated that he felt that it was a very creative answer to the mass transit problem.

Mr. Price stated that the PSC is adamantly opposed to this system and most big transportation systems are opposed to it and simply do not want to try it. He stated that he felt that it would be the answer to many transit problems found in NLV.

Mr. DuBois moved to "amend and do pass" using amendment 854 and Mr. Schofield seconded the motion. The motion passed on a roll call vote with 6-2. Voting in favor were Mr. DuBois, Mr. Mello, Mr. Prengaman, Mr. Schofield, Mr. Polish and Mr. Price. Voting against were Mr. Beyer and Mr. Glover. Mrs. Westall was absent.

Mr. Price stated that he felt the definition could be handled on the Senate side if necessary.

#### SB 52

A copy of a proposed amendment was distributed (Exhibit G). Mr. Glover explained that this would put the fine for excess weight on a graduating scale.

Mr. Glover moved for "amend and do pass" and Mr. Polish seconded the motion.

Under discussion, Mr. Mello questioned why the lower end of the scale fine had been lowered. Mr. Glover stated that this was because it really wasn't aimed at the guy who was just barely over the weight limits. He cited the example of coming over the mountains, a truck could pick up enough snow to put him over the limit. The higher level of weight is where the damage is really done to the road. He explained that the amendment was developed by DMV, Darryl Capurro, and himself and that all groups were in agreement with it. This would match or exceed the Oregon plan and it is a reasonable compromise.

The motion carried unanimously with Mrs. Westall absent.

#### AB 67

Mr. Glover moved to "indefinitely postpone" and Mr. Beyer seconded the motion. The motion carried unanimously with Mrs. Westall absent.

SB 262

Mr. Glover moved to "do pass" and Mr. Polish seconded the motion.

Mr. Mello inquired how much of this increase would go directly to improvement of the highways.

Al Stone, Director, Department of Transportation, stated that the entire increase would go towards the preservation of existing systems of highway.

Mr. Mello inquired what the rationale was for raising motorcycles as much as the bill proposes. Mr. Stone stated from national data they determined that Nevada's fee was extremely low and that it was presently fifth from the bottom. He stated that it was the heavier vehicles that do the most damage and that they were trying to not have an excessive increase on any vehicle.

Mr. Price inquired where the state would stand after the increase, to which Mr. Stone replied about 15th from the bottom. Mr. Stone pointed out along this same line, that light passenger vehicles were at the bottom, heavy passenger weight cars were at the bottom, etc.

Darryl Capurro stated that SB 477 has an additional three million dollars in motor carrier area which is on top of this. There is a three bill package; the gas tax bill, registration bill and SB 477. The rates that are in this bill have to be taken in context with what the overall increase will be. A small pickup pays \$25.00 presently while a large Cadillac pays \$5.50. Trucks pay on the basis of weight from that point on. All three bills should be considered as a part of a complete package which will effect vehicles.

Hale Bennett, DMV, stated that there are a number of bases for charging registration fees. Age of vehicle, weight of vehicle, value and a fix fee; or some combination of all four of these. They go from a low of \$5.50, which this state has, to a high of \$79.00 in the District of Columbia. If this state goes to \$12.00 we will be 15th from the bottom. When considering truck fees, they felt that a lot of light weight trucks are currently used as a recreation or transportation and not to haul things, but just as a passenger car is used. However, these trucks pay a lot more than a passenger car does. He stated that larger trucks would have a fair size increase when coupled with the other fee increases that are currently being contemplated.

The motion carried unanimously with Mrs. Westall absent at this point.

SB 459

A memo from the Department of Transportation was distributed to the committee. A copy of this memo is attached to these minutes as Exhibit H.

Mr. Stone explained that the fees found in the memo were basically what is currently being charged by the State of California. He stated that he still felt that it would be better if the fees were not tied down by the statute.

Mr. Mello inquired if these fees would be placed into the department's regulations, to which Mr. Stone stated that they would be adopted by regulation.

Mr. Price stated he had an amendment that deals with abandonment and how they dispose of excess property. He stated that the understanding would be that the bill would not include the fees but that the Department would move towards adoption of the fees proposed by regulation.

Mr. Glover moved for "amend and do pass" and Mr. Polish seconded the motion. The motion carried with Mrs. Westall and Mr. Beyer absent at this time.

As there was no further testimony to be heard or action to be taken, Chairman Price adjourned the meeting.

Respectfully submitted,

Sandee Gagnier,  
Assembly Attache



ASSEMBLY

AGENDA FOR COMMITTEE ON TRANSPORTATION  
SATURDAY UPON  
Date MAY 16, 1981 Time ADJOURNMENT Room 214

Bills or Resolutions  
to be considered

Subject

Counsel  
requested\*

THIS AGENDA CANCELS AND SUPERSEDES THE PREVIOUS AGENDA FOR THIS DATE

WORK SESSION

- |        |   |
|--------|---|
| AB 69  | Prescribes duties for commissioner of insurance.  |
| AB 70  | Imposes duties on insurers in relation to rates and coverage for motor vehicle insurance.                       |
| AB 71  | Limits disclosure of information by insurers, agents and organizations which support the business of insurance. |
| AB 238 | Exempts armored trucks from various regulations pertaining to motor vehicle carriers.                           |
| AB 239 | Provides money for drivers' education and makes certain other changes relating to drivers' licenses.            |
| AB 326 | Changes wording of signs indicating speed limits for school zones.  |
| AB 337 | Provides for regulation of small buses by taxicab authority.  |
| AB 338 | Authorizes counties to impose tax for support of public transportation.   |
| SB 52  | Establishes schedule of fines for overloaded vehicles.  |
| SB 262 | Increases certain fees for registering and licensing motor vehicles.  |
| SB 459 | Allows fee for inspection of encroachments and devices used for outdoor advertising.                            |
| SB 528 | Revises definition of moped.  |

\*Please do not ask for counsel unless necessary.

ASSEMBLY

AGENDA FOR COMMITTEE ON TRANSPORTATION  
SATURDAY UPON  
Date MAY 16, 1981 Time ADJOURNMENT Room 214

Bills or Resolutions  
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Subject

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WORK SESSION

AB 69  
AB 70  
AB 71  
AB 238  
AB 239  
AB 326  
AB 337  
AB 338

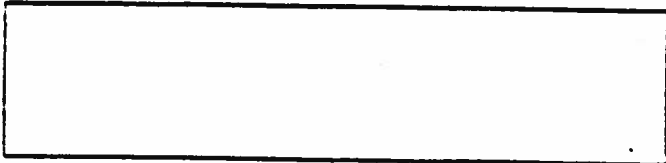
SB 52  
SB 262  
SB 459  
SB 528

\*Please do not ask for counsel unless necessary.

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to Assembly	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. 338	Joint Resolution No.
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	BDR 32-1483	
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	Proposed by Committee on Transportation	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment No. 905



Amend section 1, page 1, line 2, by deleting "2 to 13," and inserting:

"2 to 14,".

Amend sec. 4, page 1, line 20, after "rate of" by inserting:

"not more than".

Amend sec. 9, page 3, line 6, by deleting "county; and" and inserting:

"county if the system is included in a regional transportation plan adopted by the regional transportation commission; and".

Amend sec. 9, page 3, line 7, by deleting "Perform" and inserting "Provide for or perform".

Amend the bill as a whole by adding a new section designated section 14, following section 13, to read as follows:

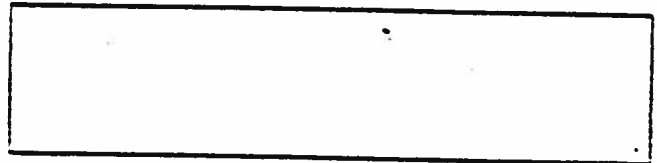
"Sec. 14. A public transportation system may, in addition to providing local transportation within a county, provide:

1. Services to assist commuters who drive in communicating with others to share rides;
2. Transportation for elderly persons and the handicapped;
3. Parking for the convenience of passengers on the system; and
4. Stations and other necessary facilities to ensure the comfort and safety of passengers."

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to	Assembly
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. 71	Resolution No.
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	BDR 57-11	
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	Proposed by	Committee on Transportation
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment N<sup>o</sup> 838



Amend sec. 3, page 1, by deleting line 13, and inserting:  
"the insured person."

Amend sec. 3, page 1, by deleting line 20 and inserting:  
"which the insured person furnished."

Amend sec. 5, page 2, line 4, by deleting the period and inserting:  
", including a broker."

Amend sec. 6, page 2, by deleting lines 5 through 8 and inserting:

"Sec. 6. "Insured person" means a natural person who:

1. In the case of property or casualty insurance is a past, present or proposed named insured or holder of a certificate;
2. In the case of life, health or disability insurance is a past, present or proposed principal insured or holder of a certificate;
3. Is a past, present or proposed policyholder;
4. Is an applicant or has applied for insurance in the past;
5. Is or has been a claimant; or
6. Derived, derives or will derive coverage under a policy of insurance or certificate to which sections 2 to 26, inclusive, of this act apply."

Amend sec. 11, page 2, line 30, by deleting "government or insurer," and inserting:

"government, insurer or person who is regulated pursuant to the Fair Credit Reporting Act, 15 U.S.C. 1681(c),"

To: E & E  
LCB File  
Journal  
Engrossment  
Bill

Drafted by: JGS:smc Date: 5-2-81

Amend the bill as a whole by adding new sections designated sections 11.3 and 11.5, following section 11, to read as follows:

"Sec. 11.3. 1. Sections 2 to 26, inclusive, of this act apply to insurers, agents and supporting organizations which:

(a) In the case of life, health or disability insurance:

(1) Collect, receive or maintain information in connection with insurance transactions with insured persons who are residents of this state; or

(2) Engage in insurance transactions with insured persons who are residents of this state.

(b) In the case of property or casualty insurance:

(1) Collect, receive or maintain information in connection with insurance transactions involving policies, contracts or certificates of insurance delivered, issued for delivery or renewed in this state;

or

(2) Engage in insurance transactions involving policies, contracts or certificates of insurance delivered, issued for delivery or renewed in this state.

2. The rights granted by sections 2 to 26, inclusive, of this act extend to natural persons who are residents of this state and:

(a) Are subjects of information collected, received or maintained in connection with insurance transactions; or

(b) Seek to engage in insurance transactions relating to life, health or disability insurance, or transactions relating to policies of property or casualty insurance delivered, to be delivered or renewed in this state.

*final* A person is a resident of this state if his last known-mailing address, as shown in the records of the insurer, agent or supporting institution, is located in this state.

3. The provisions of sections 2 to 26, inclusive, of this act do not apply to:

(a) Insurance relating to a business or profession; or

(b) Information collected from public records in the custody of a governmental agency and maintained by an insurer for the purpose of insuring the title to real property.

Sec. 11.5. When he is acting to administer and enforce the provisions of sections 2 to 26, inclusive, of this act, the commissioner may examine the records of a supporting organization in Nevada or elsewhere in the same manner as he is empowered to examine the records of insurers by this code."

Amend sec. 12, page 2, lines 42 and 43, by deleting "applicant and policyholder" and inserting:

"insured person".

Amend sec. 12, page 2, by deleting line 50 and inserting:

"than the insured person."

Amend sec. 12, page 3, line 4, before "persons" by inserting "classes or types of".

Amend sec. 12, page 3, line 5, by deleting "19" and inserting "18".

Amend sec. 12, page 3, line 11, by deleting "applicant or policyholder" and inserting:

"insured person".

Amend sec. 12, page 3, line 16, by deleting "a person who has been proposed for coverage" and inserting:

"an insured person".

Amend sec. 12, page 3, by inserting between lines 22 and 23:

"3. In lieu of the notice prescribed by subsection 1, an insurer or agent may provide an abbreviated notice informing the insured person that:

(a) Personal information may be collected from persons other than an insured person;

(b) Any information collected by the insurer or agent may in certain circumstances be disclosed to third persons without authorization from the subject or insured person;

(c) The insured person has a right to inspect the information and correct any errors which he maintains are included; and

(d) The insurer or agent is required to furnish a full notice required by subsection 1 if it is requested by the insured person."

Amend sec. 12, page 3, line 23, by deleting "3." and inserting "4."

Amend the bill as a whole by deleting section 13 and adding a new section designated section 13, following section 12, to read as follows:

"Sec. 13. 1. A notice required by section 12 of this act must be given not later than the time specified for that type of notice in subsections 2 to 5, inclusive, of this section.

2. If the notice relates to an application for insurance, it must be given no later than:

(a) The delivery of the policy or certificate, if personal information has been and is to be collected only from the insured person.

(b) At the time the collection of personal information is begun, if the information is intended to be collected from any person other than the insured person.

3. If the notice relates to renewal of a policy, it must be given no later than the date of the renewal. No notice is required if:

(a) Notice which meets the requirements of section 12 of this act has been given within 24 months before the date of the renewal; and

(b) Personal information has been and is to be collected only from the insured person.

4. If the notice relates to reinstatement of a policy or a change in benefits under a policy, it must be given no later than the time at which the request for the reinstatement or change is received by the insurer. No notice is required if personal information has been and is to be collected only from the insured person.

5. If the notice relates to a policy of property or casualty insurance, it must be given within 3 business days after the coverage is bound, whether the notice relates to an application, renewal, reinstatement or change in benefits."

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Amend sec. 14, page 3, by deleting line 47 and inserting:

"Sec 14. Each insured person".

Amend sec. 14, page 3, line 48, by deleting "insurance and".

Amend sec. 15, page 4, line 12, before "person" by inserting "insured".

Amend sec. 16, page 4, line 38, after "basis" by inserting:

"which is founded upon specific information which is available for inspection by the commissioner,"

Amend sec. 17, page 4, line 44 before "person" by inserting "insured".

Amend sec. 17, page 4, line 45, before "person" by inserting "insured".

Amend sec. 17, page 4, line 48, before "person" by inserting "insured".

Amend sec. 18, page 5, by deleting line 38 and inserting:

"tion, or that the disclosure is necessary to protect itself against fraud."

Amend sec. 18, page 5, line 43, by deleting "if no person" and inserting:

"if:

(a) No person".

Amend sec. 18, page 5, by inserting between lines 45 and 46:

"(b) All records and materials which identify particular persons are returned or destroyed."

Amend sec. 19, page 6, line 43, by deleting "executed," and inserting:

"received by the insurer, agent or supporting organization,".

Amend sec. 19, page 6, lines 46 and 47, by deleting "date on which the form or statement was executed," and inserting:

"effective date of the policy,".

Amend sec. 20, page 7, line 27, after "other than" by inserting "an agent or".

Amend sec. 20, page 7, line 40, by deleting "a person" and inserting:

"an insured person".



Amend sec. 21, page 7, line 42, by deleting "a person" and inserting:

"an insured person".

Amend sec. 22, page 8, lines 36 and 37, by deleting "a person" and inserting:

"an insured person".

Amend sec. 22, page 8, by inserting below line 49: .

"(c) Information which is privileged and which relates to suspected criminal activity on the part of an insured person."

Amend sec. 24, page 9, by deleting line 36 and inserting:

"Sec. 24. Each insurer or agent who is responsible for one or more of the following, which are not adverse underwriting decisions, shall provide the applicant or policyholder with the specific reason or reasons for the action:"

Amend sec. 24, page 9, by deleting lines 47 through 49 and inserting:

"standard risks."

Amend sec. 26, page 10, line 7, before "Any" by inserting "1."

Amend sec. 26, page 10, by inserting below line 9:

"2. If the commissioner finds that an insurer, agent or supporting organization has violated any provision of sections 2 to 26, inclusive, of this act, he may, after giving reasonable notice and holding a hearing, order him to cease and desist from engaging in the violation, and may, in his discretion, order one or both of the following:

(a) If the person knew or reasonably should have known that he was in violation, payment of an administrative penalty of not more than \$1,000 for each act or violation, but not more than an aggregate penalty of \$10,000. If the person was an agent, the penalty may not be more than \$500 for each act or violation.

(b) Suspension or revocation of the person's license or certificate of authority if he knew or reasonably should have known that he was in violation.

3. Any person who violates a cease and desist order of the commissioner issued pursuant to this section is subject, after notice and hearing and upon order of the commissioner, to one or both of the following:

(a) Payment of an administrative penalty of not more than \$5,000 for each violation.

(b) Suspension or revocation of the license or certificate of authority.

4. An order of the commissioner made pursuant to this section is a final order in a contested case."

Amend sec. 27, page 10, line 12, by deleting "1981." and inserting "1982."

Amend the bill as a whole by adding a new section designated as section 28, following section 27, to read as follows:

"Sec. 28. This act shall become effective on July 1, 1982."

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to	Assembly
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. 69	<del>Joint</del> Resolution No.
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	BDR 57-9	
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	Proposed by	Committee on Transportation
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
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Amendment No 847



Amend the bill as a whole by deleting section 1 and by renumbering sections 2 and 3 as sections 1 and 2.

Amend sec. 3, page 2, by deleting lines 30 and 31 and inserting: "expensive and five least expensive insurers, using a method of determination developed by the commissioner:".

Amend sec. 3, page 2, line 34, by deleting "and".

Amend sec. 3, page 2, by inserting between lines 34 and 35:

"(d) A list of all insurers which offer automobile insurance in Nevada; and".

Amend sec. 3, page 2, line 35, by deleting "(d)" and inserting "e)".

Amend sec. 3, page 2, by inserting between lines 35 and 36:

*flush* "The guide to prices of automobile insurance may not be more than one sheet of paper which is not more than 8 1/2 inches by 11 inches in size."

Amend sec. 3, page 2, line 37, by deleting "quarter, and deliver" and inserting "year."

Amend sec. 3, page 2, by deleting line 38.

Amend sec. 3, page 2, by deleting lines 42 and 43 and inserting: "purchasers of automobile insurance."

4. The commissioner shall provide for the distribution of the guide to prices of automobile insurance and the guide for the purchase of automobile insurance, at no cost to the users, through the depart-

Amend the bill as a whole by deleting section 4.

To: E & E  
LCB File  
Journal  
Engrossment  
Bill

Drafted by DS:ni Date 8-7-81

671

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Assembly</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	<del>Joint</del>	
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	Bill No. <u>70</u>	<del>Resolution No.</del>
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR <u>57-10</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by <u>Committee on Transportation</u>	
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment No 848

Resolves conflict with Senate Bill No. 125.  
Makes substantive changes.

Amend section 1, page 1, line 3, by deleting "for chapter 699 of NRS";.

Amend the bill as a whole by deleting section 3 and by renumbering sections 5 and 6 as sections 3 and 4.

Amend sec. 2, page 2, by deleting line 2 and inserting:  
"a new section which shall read as follows:".

Amend sec. 4, page 2, line 20 by deleting "Sec. 4."

Amend sec. 6, page 2, line 30 by deleting "4 and 5" and inserting "2 and 3".

Amend sec. 6, page 2, line 32 by deleting "The remaining sections" and inserting "Section 1".

To: E & E  
LCB File  
Journal   
Engrossment  
Bill

Drafted by DS:ml Date 5-7-81

672

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input checked="" type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Assembly</u>	<u>Assembly</u>
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	<u>Joint</u>	<u>Joint</u>
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	Bill No. <u>238</u>	Resolution No. <input type="checkbox"/>
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR. <u>58-223</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by <u>Committee on Transportation</u>	
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
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Amendment No 757

Replaces Amendment No. 741.

Amend the bill as a whole by deleting sections 1 and 2 and inserting:

'Section 1. Chapter 706 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. Except for the provisions of subsection 4 of NRS 706.171, and of NRS 706.281, 706.457, 706.458 and NRS 706.481 to 706.631, inclusive, and as otherwise provided in this section, none of the provisions of NRS 706.011 to 706.791, inclusive, apply to any person, firm or corporation providing specialized motor carrier service by armored truck to transport money or other valuable commodities within this state.

2. The provisions of NRS 706.311 to 706.371, inclusive, apply to persons, firms and corporations providing specialized motor carrier service by armored truck to transport money or other valuable commodities within this state only if there is not more than one such entity providing that service in the area which is served by that entity.

3. As used in this section, "armored truck" means a vehicle whose carrying capacity is one ton or more and which has a specially constructed bullet-resistant body, including specially constructed windshields and window glass."

Amend the title of the bill on the first line by deleting "the" and inserting:

"certain".

To: E & E  
LCB File  
Journal  
Engrossment ✓  
Bill

Drafted by DS:smc

Date 4-30-81 673

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to	Assembly
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. 337	Joint Resolution No.
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	BDR 58-1678	
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	Proposed by	Committee on Transportation
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
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Amendment N<sup>o</sup> 854



Amend section 1, page 1, by deleting lines 2 and 3 and inserting:  
"hereto the provisions set forth as sections 1.3 and 1.5 of this act.

Sec. 1.3. 1. "Small bus" means a motor vehicle which is designed or con-

Amend the bill as a whole by adding a new section designated section 1.5, following section 1, to read as follows:

"Sec. 1.5. 1. A certificate holder for a small bus business may:

(a) Lease small buses from, or contract with, drivers who own small buses;

(b) Employ drivers to operate buses which he owns or leases from others; or

(c) Carry on his business using both of the means of ownership set forth in paragraphs (a) and (b).

2. A driver may be:

(a) An employee of a certificate holder, whether or not he owns a small bus and if he does, whether or not it is leased to the certificate holder;

(b) An independent contractor, whether or not the contract includes the lease of a small bus which he owns.

To: E & E  
LCB File  
Journal  
Engrossment  
Bill ✓

3. The administrator shall adopt regulations governing the provisions to be included in leases of small buses and contracts between certificate holders and drivers."

Amend sec. 22, page 8, line 29, by deleting the period and inserting:

"or to enter into contracts with certificate holders to act as drivers of small buses."

Amend sec. 3, page 2, line 3, by deleting "1" and inserting "1.3".

S. B. 52 AMENDMENTS

Amend Section 1, Page Two, by deleting lines 12 to 15, inclusive, and inserting the following provisions therefore:

1 to 1,500 .....	\$10.00
1,501 to 2,500 .....	1 cent per pound of excess weight
2,501 to 5,000 .....	2 cents per pound of excess weight
5,001 to 7,500 .....	4 cents per pound of excess weight
7,501 to 10,000 .....	6 cents per pound of excess weight
10,001 and above .....	8 cents per pound of excess weight





A. E. STONE  
Director

STATE OF NEVADA  
DEPARTMENT OF TRANSPORTATION

1263 SOUTH STEWART STREET  
CARSON CITY, NEVADA 89712

May 7, 1981

TRANSPORTATION BOARD  
ROBERT LIST, Governor, Chairman  
RICHARD M. BRYAN, Attorney General  
WILSON MCGOWAN, State Controller

EXHIBIT H

IN REPLY REFER TO

S. B. 459

MEMORANDUM FOR MEMBERS OF THE  
ASSEMBLY TRANSPORTATION COMMITTEE

In response to the Committee's inquiry, S. B. 459, establishing fees for the processing of encroachment permits and increasing the scope of the fees currently charged for outdoor advertising sign permits, stems from a recommendation of the Governor's Management Task Force based on that group's study of the Department of Transportation.

S. B. 459 proposes to amend two existing statutes, NRS 408.423 which requires that an encroachment permit be obtained prior to placement of non-highway-related improvements within State highway rights of way, and NRS 410.400 which currently allows the Department to administratively establish a sign permit fee sufficient to defray the costs for processing and issuing sign permits. The Task Force noted that the Department is incurring a significant cost (about \$175,000 in 1980 for 637 encroachment permits issued and about \$177,000 in 1979 for 711 encroachment permits issued) in reviewing, issuing and inspecting encroachment permit installations of non-highway improvements from which no income is derived. It will be noted that while the number of encroachment permits issued in 1980 declined about 10% from the number issued in 1979, the costs incurred in 1980 versus 1979 declined only about 1%. This differential is attributed to the Department's increasing operating costs primarily due to general inflationary trends.

In order to accommodate the Task Force recommendation, the Department of Transportation is proposing, under the amendment to NRS 408.423, to be authorized to assess fees for the review, processing, issuance and inspection of encroachment permits and facilities placed thereunder. It is the intent of the Department to recover only its costs incurred as if reflected in S. B. 459. Legislative authorization to assess fees as proposed will rectify the current situation where in highway users' taxes now subsidize the Department's costs incurred in controlling placement of non-highway related encroachments, primarily utility facilities, driveways, sidewalks, and drainage facilities within State highway rights of way.

The Department of Transportation has developed a proposed fee schedule for encroachment permits which is delineated as follows:

2/17/81

<u>Categories</u>	<u>Description</u>	<u>Amount</u>
I	Underground installations, including but not limited to telephone, gas, sewer, electric and water lines, storm drains, traffic signal appurtenances, television cables, street light circuits.	\$200.00
II	Aerial installations, including but not limited to electrical and telephone lines, television cables, fire alarm cables.	100.00
III	Highway access approach or driveway for single family residence or rural, low-density use.	50.00
IV	Highway access approach or driveway for commercial traffic, includes two openings.	100.00
V	Permits related to subdivision or large commercial developments including but not limited to roadway widening, turning lanes, acceleration/deceleration lanes, curb, gutter, sidewalk, drainage structures, approaches, street lights, traffic signals, adjustment of roadway safety features.	400.00
VI	Miscellaneous, including but not limited to chain installers, bike paths, awnings, fences. Any permit, regardless of category, requiring an abnormally great amount of engineering or inspection would be charged on actual cost.	50.00

Local governmental entities and other State agencies, when working on their own systems and not performing work necessitated by or on behalf of a new development, would be exempted from fees.

By applying the proposed fee schedule to the encroachment permits actually issued during 1979 and 1980, we find that we would have generated a permit-related income of \$114,200 in 1979 to offset our cost of \$177,000 and 1980 revenues of \$106,290 to offset our costs of \$175,000. We have deliberately set our fee schedule somewhat low, primarily to insure that we are not overcharging for the services rendered. In reviewing our past costs incurred, we found that the overhead account against which our costs were charged also reflected costs in processing other types of transportation permits and nonrelated charges. We have since established a separate cost account against which encroachment permit costs are to be levied. This will enable more accurate and efficient analysis of costs than was previously possible. Additionally, we did not want to set a fee that was prohibitively high for the Category I permits, those relating to minor driveways, as half of the permits we issue relate to these more minor encroachments. We are concerned that a higher than proposed fee would encourage construction of residential and rural approaches with no permit at all.

Memorandum for Members of the  
Assembly Transportation Committee  
May 7, 1981  
Page three

Although we understand the concern of the Assembly Transportation Committee over allowing the Department to administratively establish fees, we believe that protection is provided from excess fees in both S. B. 459, which would enable the Department of Transportation to only recover its actual cost, and in the regulatory process that must be observed to adopt any fee structure. Any regulations promulgated to establish fees must be presented for review to the Legislative Counsel Bureau, must be subjected to public review and comments at public hearings, and perhaps most importantly, must be approved by the Transportation Board of Directors comprised of the Governor, the Attorney General, and the State Controller. We have not found that this process provides a blank check for everything we propose.

Several of the Assembly Transportation Committee members questioned the different methods of fee assessment for encroachment permits used in other jurisdictions. Our research shows that many different methods are used with the California Department of Transportation charging a flat \$47.00 processing fee, plus actual cost for engineering and inspection time. We believe that their system would penalize those processing encroachments some distance from our district offices due to the extreme travel time that would be charged to perform inspections. The Washington State Department of Transportation and Highways has for years used a graduated fee schedule similar to that which we propose. Many local entities assess a fee as they would for a building permit based upon a percentage of the construction cost. Given all of the varied methods of assessment available, we believe that our proposed fee schedule is the most simple, least costly method to administer and provides a substantial measure of equity.

Regarding the proposed change to NRS 410.400 incorporated in S. B. 459, the current statute allows the Department of Transportation to administratively establish a permit fee for outdoor advertising signs. Current provisions only allow the fee to be assessed to defray costs of processing and issuing permits, not the additional costs of periodic inspection and surveillance of the 2,000 miles of Interstate and Primary highways that must be patrolled to locate and remove illegally erected signs. Although Federal funds are available and participate in 75% of the Department of Transportation's cost in purchasing and removing illegally erected and maintained signs that are nonconforming, review and removal of illegal signs occurs under the State's police power and does not qualify for federal participation.

While our current \$8.00 per sign annual permit fee generates an income of \$4,888.00 per year (611 signs are under permit), our annual cost in maintaining compliance with State and Federal law is about \$30,000.00. Failure to comply with the Federal law and regulations would invite federal sanction in the form of withdrawal of 10% of our annual Federal-aid highway apportionment.

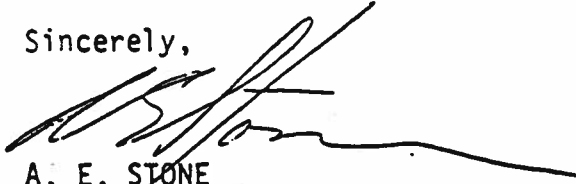
Here again, we are requesting an amendment to the existing law allowing us to increase our sign permit to not only recover the cost of processing and issuance of sign permits, but also to recover the costs of our overall sign program maintenance. An increase in the annual sign permit fee from \$8.00 to \$50.00 would be required. We are also requesting that we be allowed to continue to establish the fee by regulation, since over the long term, we fully expect our operational costs to become lower as remaining nonconforming signs are removed, reducing our enforcement problems, and as more conforming signs are built, increasing our fee base.

Memorandum for Members of the  
Assembly Transportation Committee  
May 7, 1981  
Page four

The Assembly Transportation Committee expressed concern that the Department of Transportation would abuse the authority to administratively ~~establish fees.~~ We believe that allowing fees to be established administratively has certain advantages over statutorily setting fees, particularly in terms of flexibility, and that important and significant safeguards exist to prevent abuse of any administrative authority granted. Not only does the Department of Transportation have to scrupulously follow the Administrative Procedures Act in promulgating regulations, and also gain the approval of its elected Board of Directors, but the Department is also subject to the review of this Legislature every two years. Any apparent abuses of our administrative authority would undoubtedly receive the attention of this body, which would prescribe the proper corrective action.

Your favorable consideration of S. B. 459, as drafted, is requested.

Sincerely,



A. E. STONE  
Director

AES:jn