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MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON TRANSPORTATION

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
February 10, 1981

The Senate Committee on Transportation was called to order by Chairman Richard E. Blakemore, at 2:20 p.m., Tuesday, February 10, 1981, in Room 323 of the Legislative Building in Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Richard E. Blakemore, Chairman  
Senator William Hernstadt, Vice Chairman  
Senator Joe Neal  
Senator Lawrence Jacobsen  
Senator Clifford E. McCorkle  
Senator Wilbur Faiss

COMMITTEE MEMBER ABSENT:

Senator James Bilbray

STAFF MEMBER PRESENT:

Kelly R. Torvik, Committee Secretary

Senator Jacobsen moved that the previous minutes of the Senate Committee on Transportation be approved.

Senator McCorkle seconded the motion.

The motion carried unanimously.

Senate Bill 80

Sharon Alcamo from the Driver's License Division of the Department of Motor Vehicles explained why the Department felt that S. B. 80 was necessary. She pointed out that due to rising printing costs it would be necessary to charge the public for the driver's license handbook. She predicted that the handbook would cost .25¢ per booklet to print. The Department planned on charging .50¢ per booklet. The excess revenue would be used to cover administrative costs.

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Senator Blakemore asked what other publications the Department planned to charge for. Ms. Alcamo stated that the driver's license handbook was the main publication that the bill addressed, although there are other miscellaneous publications that could be subject to a charge.

Senator Neal questioned why the .50¢ per booklet was not specified in the bill. Ms. Alcamo explained that the Department felt that .50¢ would not be a reasonable in all situations. This is the reason the cost would be left to the discretion of the Director.

Senator Blakemore explained that the basic idea behind the bill was to allow the Department to recoup their printing costs. They have considered putting the entire Department under the general fund because of the tremendous drain it has on the highway fund.

In reply to Senator Neal's question of where the money went, Ms. Alcamo said that at the present time it went into the general fund and from there would be reverted to the Driver's License Division's budget. The reason for this is because the Division is not self-supporting.

Ms. Alcamo stated that because the Division was not self-supporting, Section 2 of S. B. 80 is asking for an increase in fees that are charged for driver's licenses. She explained that the Division is far below the national average of fees charged for driver's licenses. (See Exhibit C). She noted that the figures sited in the exhibit should only be used as guidelines.

Senator Blakemore asked if an expired license would be considered a reinstatement. Ms. Alcamo answered that only the licenses that had been suspended or revoked require reinstatement. Expired licenses would be subject to a \$5.00 late charge if renewed past the 30 day grace period. Ms. Alcamo added that the Division felt that the \$20.00 reinstatement charge would act as a deterrent.

Senator Neal asked if the Motor Vehicle Department was operating at a deficit. Ms. Alcamo explained the the Driver's License Division is currently operating at a deficit and that was the reasoning behind a request for an increase in fees. (See Exhibit D). She said that any excess revenues would revert back to the general fund.

Senator McCorkle asked why there was such a dramatic reduction in renewals between FY 81-82 and FY 82-83. Ms. Alcamo pointed

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out that a number of years ago the driver's license renewal period was changed from five to four years to increase safety on the highways. This change caused there to be a 20 percent increase in renewals on every fourth year. This increase is commonly referred to as the double-renewal cycle.

Senator Hernstadt asked if it was possible to revert to the five year cycle to cut down the lines for registration. Ms. Alcamo stated that the Department did apply for temporary position to cover the increase when the double-renewal cycle began. She explained that the Division was working very hard to eliminate any lines.

Senator Hernstadt asked if there was any possibility that the license fee could be considered a tax and therefore used as an income tax deduction. Ms. Alcamo stated that she did not know but that she would check into the possibility.

Senator Jacobsen asked what it costs to produce a license. Ms. Alcamo did not have the current figures. She said that she would calculate them and supply the committee with the results. Senator Jacobsen felt that this information would be important in determining what the fees for licenses should be.

Ms. Alcamo pointed out that in section three of the bill there are conflicts with N.R.S. 486.161 in regard to the elderly and power cycles. Previous legislation had changed the over 70 year old driver back to a four year term for license renewal and it also eliminated power cycles from the law.

Ms. Alcamo went on to explain that in section four of the bill there was an increase in fees charged for the Department accepting service for a driver who cannot be located that has been involved in and is at fault for an accident. The reason the Department is asking for this increase is again due to the rising cost of administering these processes.

Senator Hernstadt asked how many services had the Department accepted. Ms. Alcamo approximated 70-75 per month.

Virgil Anderson from the Nevada Division of the AAA suggested that the committee consider a more modest increase of the driver's license fees. He did agree that an increase was necessary in order to make the Division self-supporting but felt that a 100 percent increase was too much. On behalf of Mr.

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Daryl Capurro of the Nevada Motor Transport Association, Mr. Anderson suggested that the committee have the Division of Driver's Licenses revenues returned to the highway fund. Any excesses in revenues could be used to sustain the highway fund.

Senator Jacobsen asked what Mr. Anderson felt was a reasonable fee to charge for driver's licenses. Mr. Anderson felt that anything less than a 100 percent increase would be accepted by the public.

Senate Bill 84

Mr. Al Stone, Director of the Department of Transportation, stated that passage of this legislation could lead to a loss of \$100,000,000 in state funds per year. He stated that the Federal Secretary of Transportation cannot approve any project in any state which has a maximum speed limit on any public highway within its jurisdiction in excess of 55 miles per hour.

Senator Hernstadt said that the national maximum speed limit is unenforceable as it is written. Mr. Stone was not aware of the fact that it was unenforceable. He did state that the highways were designed for 70 miles per hour; however, due to poor maintenance it would not be suggested to drive that fast.

Senator McCorkle stated that President Reagan has a mandate from his political party to repeal the 55 mile per hour speed limit. He stated that the President has two choices. Either to repeal the speed limit or to not enforce it. Mr. Stone said that the President did not have that choice because the law specifically states that the Secretary of Transportation will not approve any project within a state that has a speed limit in excess of 55 miles per hour.

Senate Bill 85

Mr. Stone introduced Mr. A. J. Horner from the Federal Highway Administration. Mr. Horner spoke in opposition to S. B. 85. (See Exhibit E).

Senator Blakemore asked what sanctions had been imposed on Montana since they passed a similiar bill. Mr. Horner stated that up to this time there had been no sanctions imposed but it would be more difficult every year for Montana to meet the federal requirements in keeping a percentage of the drivers under 55 miles per hour.

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Senator Neal asked Mr. Horner what the three categorical grants were that he referred to in his testimony. Mr. Horner said that they are categorical funds. They are for primary, secondary and urban highways. For the State of Nevada, the Federal Highway Administration has approximately \$25,000,000 for those programs.

George Vargas from the American Insurance Association called to the attention of the committee the fact that since 1978 there has been an insurance regulation which has prevented the consideration of demerits given for speed violations between 55 and 65 miles per hour with regard to insurance rates. He explained that this bill would only increase that limit by five miles per hour. And, since the bill does not provide that this exemption is only applicable in the case of a driver not getting more than two demerits in one year, as the regulation does, it would eliminate that requirement. Mr. Vargas did point out that enactment of the regulation did not have any significant effects on insurance rates.

Colonel Zadra from the Nevada Highway Patrol went on record as being opposed to any change in the 55 mile per hour speed limit. (See Exhibit F).

Richard Garrod, Farmers Insurance Group, stated that he was concerned that there would be more young drivers injured if this legislation were passed. He stated that statistics showed that in states where there is a relaxing of the speed limits there are more accidents among the young and inexperienced.

Senator Blakemore asked why there was not a significant drop in insurance rates when the speed limit was lowered. Mr. Garrod stated that there will be no drop in insurance rates as long as people are still getting injured.

Sharon Alcamo commented that passage of S. B. 85 would only have a minimal effect on the assessment of demerit points in the Driver's License Division. She did state that conviction reports would have to plainly state the speed violation.

Senator Jacobsen asked Mr. Stone if there was a general feeling among the highway administrators throughout the nation. Mr. Stone stated that generally the Eastern states felt that a 55 mile per hour speed limit was necessary to save lives and fuel. Mr. Stone felt that this was due to the traffic and the condition of the highways in the East. He believed that the general feeling of the Western states was for repeal of the speed limit.

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Senate Bill 80

Daryl Capurro from the Nevada Motor Transport Association, felt that there was a type of split in authority by having the Driver's License Division under the general fund while the remainder of the Department is under the highway fund. He felt that in order to make the Division self-supporting the cost of producing a driver's license should be considered before determining how much to raise the fees.

Senator Blakemore stated that a bill which would put the Division back into the highway fund was in fact being considered by the Legislature.

Senator Blakemore and Senator Jacobsen both felt that the committee should wait for the cost figures from Ms. Alcamo before any decision was made.

No action was taken on S. B. 84 or S. B. 85.

There being no further business, the meeting adjourned at 3:35 p.m.

Respectfully submitted by:

  
Kelly R. Torvik

APPROVED BY:

  
Senator Richard E. Blakemore  
Chairman

Dated: 2/12, 1981

SENATE AGENDA

## COMMITTEE MEETINGS

Committee on Transportation, Room 323.Day Tuesday, Date February 10, Time 2:00 p.m.

S. B. No. 80--Provides for increases in certain fees of department of motor vehicles.

S. B. No. 84--Increases maximum speed limit on Nevada highways.

S. B. No. 85--Excludes certain convictions for speeding from demerit points system and prohibits insurance rate increases therefor.

ATTENDANCE ROSTER FORM

SENATE COMMITTEE ON TRANSPORTATION

DATE: 2/10/81

PLEASE PRINT NAME	PLEASE PRINT ORGANIZATION & ADDRESS	PLEASE PRINT TELEPHONE
SHARON ALCAMO	DMV-DRIVER'S LICENSE DIVISION	885-5360
PETE ZADRA	" HIGHWAY PATROL	885-5300
GARY WOLFE	" HIGHWAY PATROL	885-5300
DARYL E. CAPURA	NEV. MOTOR TRANSPORT ASSN	331-6884
John W. Borda	NEV. MOTW TRANS. ASSN.	331-6884
Richard P. Gaird	FARMERS GROUP INC	882-1890
VIRGIL ANDERSON	AAA	882-1790
Donald W. Heath	NEVADA DIVISION OF INSURANCE	885-4270
Kraus	NEVADA INS DIVISION	885-4270
Al Stone	NEVADA DOT	885-5440
GREG NOVAK	FEDERAL HIGHWAY ADMINISTRATION	885-5322
ANTON HORNER	" " "	885-5320
IRA LEVINE	INTERM	784-4487
Jean M Kvam	Intern	826-8266
S Morrow	Nevada Appeal	
Sergio S. Sangua	AMER. INS ASS'N	786-5000



## MEMORANDUM

February 10, 1981

To SENATE TRANSPORTATION COMMITTEEFrom SHARON ALCAMO, CHIEF, DR. LICENSE DIVISION SASubject: NATIONAL DRIVER'S LICENSE FEES AND TERMS OF LICENSES  
FIFTY (50) STATES AND THE DISTRICT OF COLUMBIA.

The national average fee charged for a driver's license is:

Original	\$ 9.90 per license*
Renewal	\$ 8.79 per license*
Duplicate	\$ 2.31 per license
Reinstatement	- \$14.35 (Average for the 26 states which charge reinstatement fees.)

\*In order to calculate the national fee average, we prorated the fee based on a four year term of license to make it consistent with Nevada.

The following is an individual breakdown by state of the fees and terms of license:

STATE	ORIGINAL	PRORATED	RENEWAL	PRORATED	DUPLICATE	TERM OF LICENSE	REINSTATEMENT
Alabama	\$ 10.00		\$ 10.00		\$ 1.50	4 years	\$ 25.00
Alaska	5.00	4.00	5.00	4.00	2.00	5 years	5.00
Arizona	5.00	\$ 6.68	5.00	\$ 6.68	4.00	3 years	10.00
Arkansas	13.00		13.00		2.00	4 years	-0-
California	3.25		3.25		1.25	4 years	6.00
Colorado	5.50		5.50		5.00	4 years	20.00
Connecticut	7.50		21.00		3.00	4 years	10.00
Delaware	10.00		10.00		2.00	4 years	15.00
Dist. of Columbia	12.00		12.00		2.00	4 years	10.00
Florida	9.50		6.50		2.50	4 years	25.00
Georgia	6.50		6.50		1.50	4 years	10.00
Hawaii	4.00		4.00		1.00	4 years	-0-
Idaho	7.00	9.33	7.00	9.33	3.00	3 years	-0-
Illinois	8.00	10.66	8.00	10.66	3.00	3 years	8.00
Indiana	6.00		6.00		3.00	4 years	-0-
Iowa	10.00		10.00		2.00	4 years	15.00
Kansas	6.00		6.00		1.00	4 years	-0-
Kentucky	4.00	8.00	4.00	8.00	2.00	2 years	5.00
Louisiana	3.50	7.00	3.50	7.00	1.50	2 years	15.00
Maine	10.00		10.00		2.00	4 years	10.00
Maryland	15.00		6.00		6.00	4 years	-0-
Massachusetts	13.00		10.00		3.50	4 years	-0-
Michigan	7.50		6.00		1.50	4 years	-0-
Minnesota	10.50		10.50		2.00	4 years	2.50
Mississippi	5.00	10.00	5.25	10.50	1.25	2 years	-0-

STATE	ORIGINAL	PRORATED	RENEWAL	PRORATED	DUPLICATE	TERM OF LICENSE	REINSTATEMENT
Missouri	\$ 3.00	\$ 4.00	\$ 3.00	\$ 4.00	\$ 3.00	3 years	-0-
Montana	8.00		8.00		1.00	4 years	-0-
Nebraska	7.00		7.00		2.00	4 years	25.00
Nevada	6.00		6.00		2.00	4 years	5.00
New Hampshire	12.00		12.00		2.00	4 years	-0-
New Jersey	8.00	16.00	8.00	16.00	3.00	2 years	-0-
New Mexico	5.25	10.50	5.25	10.50	1.25	2 years	-0-
New York	13.00		8.00		3.00	4 years	-0-
North Carolina	4.00		4.00		1.00	4 years	15.00
North Dakota	8.00		8.00		1.00	4 years	8.00
Ohio	5.00		5.00		1.00	4 years	-0-
Oklahoma	9.00	18.00	7.00	14.00	2.00	2 years	25.00
Oregon	9.00		9.00		3.00	4 years	25.00
Pennsylvania	20.00		20.00		5.00	4 years	-0-
Rhode Island	13.00	26.00	8.00	16.00	1.00	2 years	-0-
South Carolina	4.00		4.00		4.00	4 years	-0-
South Dakota	6.00		6.00		3.00	4 years	25.00
Tennessee	6.00	12.00	6.00	12.00	2.00	2 years	-0-
Texas	7.00		7.00		1.00	4 years	-0-
U	5.00		5.00		3.00	4 years	-0-
Vermont	18.00	36.00	8.00	16.00	2.00	2 years	-0-
Virginia	9.00		9.00		3.00	4 years	25.00
Washington	10.00	20.00	7.00	14.00	3.50	2 years	10.00
West Virginia	5.00		5.00		1.00	4 years	-0-
Wisconsin	8.50	17.00	4.00	8.00	2.00	2 years	18.50
Wyoming	2.50		2.50		2.50	4 years	-0-

REVENUE ANALYSIS FOR INCREASE IN FEES

CURRENT FEES TYPES OF LICENSES	CURRENT FEES*	ANTICIPATED 81-82 VOLUME	FEES GENERATED	ANTICIPATED 82-83 VOLUME	FEES GENERATED
Original license (70 yrs.)	3	835	2,505	880	2,640
Original license	6	72,841	437,046	76,744	460,464
Renewal (70 yrs.) 5.5%	3	11,338	34,014	7,665	22,995
Renewal	6	194,812	1,168,872	131,702	790,212
Duplicate/Change	2	92,769	185,538	97,778	195,556
Motorcycle Endorsement	3	6,633	19,899	6,991	20,973
Reinstatement	5	3,310	16,550	3,488	17,440
I. D. Card Original	6	3,291	19,746	3,468	20,808
I. D. Card Original (70 yrs.)	3	128	384	134	402
I. D. Card (Duplicate)	2	530	1,060	558	1,116
<b>TOTAL</b>		<b>386,487</b>	<b>\$1,885,614</b>	<b>329,408</b>	<b>\$1,532,606</b>

PROPOSED FEES TYPES OF LICENSES	PROPOSED FEES*	ANTICIPATED 81-82 VOLUME	FEES GENERATED	ANTICIPATED 82-83 VOLUME	FEES GENERATED
Original license (70 yrs.)	3	835	2,505	880	2,640
Original license	12	72,841	874,092	76,744	920,928
Renewal (70 yrs.)	3	11,338	34,014	7,665	22,995
Renewal	10	194,812	1,948,120	131,702	1,317,020
Duplicate/Change	4	92,769	371,076	97,778	391,112
Motorcycle Endorsement	4	6,633	26,532	6,991	27,964
Reinstatement	20	3,310	66,200	3,488	69,760
I. D. Card Original	12	3,291	39,492	3,468	41,616
I. D. Card Original (70 yrs.)	3	128	384	134	402
I. D. Card (Duplicate)	4	530	2,120	558	2,232
<b>TOTAL</b>		<b>386,487</b>	<b>\$3,364,535</b>	<b>329,408</b>	<b>\$2,796,669</b>

	<u>FY 81-82</u>	<u>FY 82-83</u>	<u>TOTAL</u>
Anticipated Gross Revenue Generated By Increasing Fees	3,364,535	2,796,669	6,161,204
Anticipated Gross Revenue Generated - Current Fees	<u>1,885,614</u>	<u>1,532,606</u>	<u>3,418,220</u>
Anticipated Revenue Increase	1,478,921	1,264,063	2,742,984

\* Each fee includes \$1 for the photo license fee except the reinstatement fee.

EXHIBIT D

STATEMENT ON SB-85  
Federal Highway Administration  
A.J. Horner

Thank you for this opportunity to present the position of the Federal Highway Administration on Senate Bill No. 85.

I have reviewed Senate Bill No. 85 and in particular, Section 6 which pertains to the National Maximum Speed Limit. I interpret this section to eliminate the charging of demerits against drivers who violate the 55 mph national speed limit between 55 and 70 mph.

It is my opinion that this provision will eliminate a deterrent that is needed to help reduce violations of the national speed limit. Section 154 of Title 23 U.S.C. Highways, which prescribes a national speed limit of 55 mph, also requires state monitoring and compliance with attendant penalties if compliance is not achieved.

As an example, Section 154(f)3 specifies that if for the 12-month period ending September 30, 1981 a State submits data showing that the percentage of motor vehicles exceeding 55 mph is greater than 50 per cent, then the Secretary of Transportation shall reduce the State's apportionment of Federal-aid primary, secondary and urban funds up to 5 per cent. For the 12-month period ending September 30, 1982, the allowable per cent exceeding 55 mph will drop to 40%. The maximum penalty, if imposed in Nevada would amount to a loss of \$1.25 million of Federal-aid for FY 1983.

The reduction is increased to 10% after FY 83 and could be double this amount. The per cent of total vehicles exceeding 55 mph in Nevada since imposition of the national speed limit has ranged from 55% to 64%. This represents 6 years of data. Unless greater compliance is achieved in the future the requirements of Section 154 may not be met. It is my recommendation that Section 6 of Senate Bill No. 85 not be enacted into law since it will eliminate an effective deterrent to violations of the national speed limit and make it more difficult for Nevada to meet the compliance requirements of Section 154, Title 23 U.S.C.

TO: Nevada Senate - Committee on Transportation  
 FROM: Nevada Highway Patrol  
 SUBJECT: S.B. 84

It is respectfully requested the Committee consider the following points, as they may relate to S.B. 84.

Information supplied to Nevada by the National Highway Traffic Safety Administration in Washington, D.C. indicate that since the enactment of the 55 MPH Speed Limit, there has been a savings of 3.4 billion gallons of gasoline per year and a total of over 33,000 lives saved.

To briefly state the case, the United States Department of Transportation has established compliance criteria which mandates that each state must have at least a forty percent compliance with the 55 MPH limit by September 30, 1980, and this graduates to seventy percent compliance by 1983, with failure to meet the criteria subject to sanctions of from five percent to ten percent of Federal highway construction funds. The Nevada Department of Transportation would be seriously impacted by any such cut in highway funds.

To avoid any possibility of a fund cut, the Nevada Highway Patrol stretched itself to the limit in 1980, expending fifty-one percent of its enforcement effort on the 55 MPH limit which it continues to do today at the expense of taking personnel from high accident areas and placing them on highways to meet the forty percent compliance level established for 1980.

Recent statistics compiled by the Nevada Highway Patrol indicate seventy-two percent of all vehicles on the road are traveling at speeds under 60 MPH, with 91.3 percent of all vehicles traveling under 65 MPH. Our fatal accident information indicate the following:

FATALITIES AT OVER 55 MPH

1973	1974	1975	1976	1977	1978	1979	1980
119(51%)	83(44%)	85(44%)	75(39%)	105(46%)	122(45%)	142(40%)	81(27%)

From the foregoing, it should be apparent a strong position can be developed, either in support or opposition to the 55 MPH Speed Limit. The Highway Patrol has a prime responsibility to the highway users in Nevada; to reduce property damage, personal injuries and death on our highways and for that reason and the still present possibility of losing Federal highway construction funding, the Nevada Highway Patrol wishes to officially go on record before this Committee, as supporting the 55 MPH speed limit. We do not believe the 55 MPH in itself has a significant impact on total accidents, but we know for a fact, the greater the speed, the greater the likelihood of injury or death should a traffic mishap occur.

DRIVING TIMES COMPARING 55 MPH & 65 MPH SPEED LIMITS

	<u>55 MPH</u>	<u>65 MPH</u>	<u>Time Difference</u>
Reno to Fallon	1 Hr. 5 Min.	55 Min.	10 Min.
Reno to Elko	5 Hr. 15 Min.	4 Hr. 27 Min.	48 Min.
Reno to Las Vegas	8 Hr. 3 Min.	6 Hr. 49 Min.	1 Hr. 14 Min.