

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON TRANSPORTATION**

**Seventy-Third Session  
March 31, 2005**

The Committee on Transportation was called to order at 1:37 p.m., on Thursday, March 31, 2005. Chairman John Ocegüera presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4406 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. John Ocegüera, Chairman  
Ms. Genie Ohrenschall, Vice Chairwoman  
Mr. Kelvin Atkinson  
Mr. John Carpenter  
Mr. Chad Christensen  
Mr. Jerry Claborn  
Ms. Susan Gerhardt  
Mr. Pete Goicoechea  
Mr. Joseph Hogan  
Mr. Mark Manendo  
Mr. Rod Sherer

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Assemblyman Lynn Hettrick, Assembly District No. 39, Douglas County,  
parts of Carson City and Washoe County  
Assemblywoman Sharron Angle, Assembly District No. 26, Washoe  
County (part)  
Assemblyman Rod Sherer, Assembly District No. 36, parts of Churchill,  
Esmeralda, and Lincoln Counties

**STAFF MEMBERS PRESENT:**

Marjorie Paslov Thomas, Committee Policy Analyst  
Randy Stephenson, Committee Counsel  
Linda Ronnow, Committee Attaché

**OTHERS PRESENT:**

Bob Fairman, Legislative Advocate, representing Nevada Transportation Coalition, Carson City, Nevada  
Daryl Capurro, Managing Director, Nevada Motor Transport Association, Sparks, Nevada  
Will Rasavage, Intern for Assemblywoman Angle  
Jeffrey Silver, Legislative Advocate, representing Bell Transportation, and Ryan's Express  
Richard Shelley, Director, Ryan's Express, Las Vegas, Nevada  
Ginny Lewis, Director, Nevada Department of Motor Vehicles  
John Slaughter, Management Services Director, Office of the County Manager, Washoe County, Reno, Nevada  
Michael Geeser, Government Affairs, American Automobile Association, Las Vegas, Nevada  
Dana Bilyeu, Executive Officer, Public Employees' Retirement System of Nevada  
William A. Bainter, Lieutenant, Statewide Commercial Coordinator, Nevada Highway Patrol  
Donald Drake, Legislative Advocate, representing Sunshine Yellow Cab, Reno, Nevada  
Richard Preston, Starving Students, Las Vegas, Nevada  
Patrick Smith, Legislative Advocate, representing The Frias Holding Company, Las Vegas, Nevada  
Jim Jimmerson, Limousine Company Owner, Clark County, Las Vegas, Nevada  
Patricia Morse Jarman, Commissioner, Consumer Affairs Division, Nevada Department of Business and Industry  
Rex Ewing, Owner, Ewing Brothers Towing Services, Las Vegas, Nevada  
Brent Carson, Legislative Advocate, representing On-Demand Sedan, and Desert Cab, Las Vegas, Nevada  
Brenda Laird, CPA, Chief Accountant, Office of the State Controller, Nevada  
Kimberly Maxson-Rushton, Commissioner, Transportation Services Authority, Nevada Department of Business and Industry

Keith Sakelhide, Administrative Attorney, Transportation Services Authority, Nevada Department of Business and Industry

Dave Kimball, Deputy Commissioner, Transportation Services Authority, Nevada Department of Business and Industry

Martha Barnes, Administrator, Central Services Division, Nevada Department of Motor Vehicles

Tom Fronapfel, Administrator, Field Services Division, Nevada Department of Motor Vehicles

Tim Crowley, Legislative Advocate, representing the University and Community College System of Nevada

**Chairman Oceguela:**

[Meeting called to order. Roll called].

I will open up the hearing on Assembly Bill 240.

**Assembly Bill 240: Makes various changes relating to regulation of certain motor carriers by Transportation Services Authority. (BDR 58-55)**

**Assemblyman Lynn Hettrick, Assembly District No. 39, Douglas, Parts of Carson City and Washoe:**

Mr. Fairman is going to explain to you what this bill does. Assembly Bill 240 is bringing Nevada's law into more close compliance with the Federal law. I think it would reduce costs and perhaps speed up some of the things that we do in regard to regulation of Transportation entities.

**Bob Fairman, Legislative Advocate, representing The Nevada Transportation Coalition, Carson City, Nevada:**

Assembly Bill 240 is to put the state of Nevada into compliance with the Federal regulations on charter buses throughout the state of Nevada. In the brief ([Exhibit B](#)) are letters from the federal government and their opinion stating that Nevada is not in compliance. On page ten is a letter that was sent to Mr. Don Gustavson on September 27, 2004. The opinion stated that it's been adjudicated in New Orleans, Louisiana, and Dallas, Texas, saying that they were not in compliance. On page 18, Senator Raggio asked for an opinion from the LCB [Legislative Counsel Bureau]. The LCB's opinion is the same as the federal government. We would like to see that this bill gets passed and help the state of Nevada get in compliance with the federal government.

**Daryl Capurro, Managing Director, Nevada Motor Transport Association:**

You have set A.B. 240 as the bill for comment and essentially you have some of the same provisions in A. B. 285, but A.B. 285 completely deregulates the TSA [Transportation Service Authority] and in effect puts them out of business. My comments will cover in support of either bill.

**Chairman Ocegüera:**

Some of the same language is in A.B. 240, A.B. 270 and A.B. 285, that is why I grouped them together. I wouldn't be offended if you commented on something that related to another bill.

**Daryl Capurro:**

We spent years defending regulation in the state of Nevada, both on an intrastate basis, and also on an interstate basis. We lost that interstate regulation a long time ago. The feds simply deregulated both passenger and freight transportation. Then they came back in the first ISTEA [Intermodal Surface Transportation Efficiency Act of 1991] bill, and essentially preempted the states from regulating anything other than in general terms in transportation, safety, insurance, and routing. They also allowed, under that bill, the states to continue to regulate certain types of transportation, all in the passenger area. That was limousines, taxicabs, and household goods movements. I believe they also allowed for tow-car regulation.

They preempted us from regulating buses, and our problems have continued since that time. The latest temporary regulation that was considered by the TSA deals with both issues and makes no change to TSA's position on regulating charter bus service. They simply refuse to believe that they no longer have regulatory authority. There is an LCB opinion on page 19 ([Exhibit B](#)). It has been issued with respect to this and says they don't have that authority. There is a federal opinion that was issued that says Nevada is not in compliance. There are two lawsuits that were adjudicated: one of them in New Orleans, and the other in Texas. Those states fought the same issue, and the same result occurred. The state has no right to regulate the operation of charter bus service.

I think it's time to end the question as to whether or not Nevada has that right to regulate rates or fares that are already preempted by the federal government. The federal law preempted us from regulating that.

When you get into the area of tow-cars, they were completely deregulated for one whole session. There were some incidents that occurred and they were re-regulated in the following session. The Nevada Highway Patrol and various local enforcement agencies took the position that they would not allow a tow-car company to operate on their rotation system. That is where they call

somebody to haul a wreck off the highway. That is called a third party or a nonconsent tow, unless they signed a contract with the entity, Highway Patrol, or a local enforcement agency. That contract covers the price they can charge, the types of facilities for storage, and whether it's covered or uncovered storage. That's the same sort of regulation that the TSA performs at the present time. First party tows, where you call someone to come and tow your car, were preempted, and we do not regulate that service. The third party tows are regulated through contractual arrangements between the Highway Patrol and various local enforcement agencies to be able to perform that service.

[Daryl Capurro, continued.] There are 15 certificated household goods carriers in Las Vegas. If you pick up the newspaper, listen to the radio, look in the phone book, or any other advertising type media, you will find 45 companies to haul your furniture. Clearly, regulation of that area just simply has not worked. I don't know what the total answer is. You have A.B. 285, A.B. 240 and parts of A.B. 270 in front of you. Two of them deal exclusively with the bus area. You also have to look at what else is supposed to be under control of the TSA, and those are limousines, nonconsent tows, household goods movements, and taxicabs any place outside of Clark County.

Let's refer to limousine operations. The only real problems that we experience with regard to the regulatory area of taxicabs and limousines is in Clark County; and that is simply because of the size of the area, the tremendous growth, the huge airport, and the competition for transportation services. None of those problems that have been experienced down there have been experienced in the rest of the state.

The Taxicab Authority, which is a statewide organization, is confined to regulating taxicabs in Clark County because of the 400,000 population threshold in the law. They regulate taxicabs in Clark County, and the TSA regulates limousines. At the airport, at any one time, you have the TA [Taxicab Authority] regulating taxicabs and the TSA regulating limousines. Approximately 80 percent of the limousine service companies in Clark County are owned by the taxicab companies. It would make a great deal of sense to transfer the authority to regulate limousines in Clark County to the Taxicab Authority.

During the last biennium, this agency drew approximately \$3 million from the Highway Fund to regulate. They get a small amount from charging fees to the companies that they regulate. I was told the figure they proposed is approximately \$4 million out of the Highway Fund for the biennium. If there was ever an agency that should be looked at with the possibility of elimination, this

is that agency. The duties and powers that they now utilize can be transferred to other agencies.

[Daryl Capurro, continued.] For purposes of insurance, you as an individual car owner, when you register your car, have to show proof of insurance. If you cancel that insurance, the insurance company notifies the DMV [Department of Motor Vehicles]. They notify you that you have to prove you have coverage. We have the same thing in heavy truck areas, whether it's fleet or individual trucks. DMV handles the regulations of insurance. One of the TSA's duties is safety inspections. I don't know if they are doing any inspections at the present time. It seems to me like that activity could be transferred to the Highway Patrol or someone else. I also think that there needs to be some additional manpower provided to them. There are positions within the TSA that could be transferred to accomplish that.

Things have changed over the past 30 years in the area of transportation regulation. At one time, it was extremely important to maintain regulation; I think that time has passed. We have been preempted for the most part by the federal government from regulating in the areas that we continue to regulate. I think there are some things that need to be addressed to eliminate some problems particularly in the area of the regulation of buses. Whether or not you choose to deregulate the rest of the issues, such as tow-cars, household goods movers, limousines, and taxicabs, I think this is a start in the direction of correcting some problems that have been long-standing in nature.

**Assemblyman Goicoechea:**

Did I understand you to say, if it was a consent tow then you don't need to be regulated?

**Daryl Capurro:**

We were preempted by the federal government from regulating consent tows. If you, as an individual, call for a tow car, it is not regulated as to price or availability to service you.

**Assemblyman Goicoechea:**

Not even by the federal regulations?

**Daryl Capurro:**

Taxicabs or tow-cars were never regulated by the federal government.

**Assemblyman Goicoechea:**

They were at one time by the state of Nevada, isn't that correct?

**Daryl Capurro:**

Yes and they still are for the non-consent tows, the third-party tows, where the Highway Patrol calls for a wreck to be removed from the highway, or where a parking lot owner calls a tow-car to remove something from their lot.

**Assemblyman Sherer:**

Does any other state regulate their motor coaches like we do?

**Daryl Capurro:**

I can't answer that.

**Bob Fairman:**

Yes, the states of Colorado, New Mexico, and Virginia. They are going through the same process as we are.

**Daryl Capurro:**

That issue was forced by lawsuits for both Louisiana and Texas which the regulation for buses was rejected, so their laws had to be changed because of those lawsuits.

**Assemblyman Carpenter:**

Who regulates the buses that are going cross country?

**Daryl Capurro:**

No one.

**Assemblyman Carpenter:**

Does anyone regulate the buses in Elko going back and forth to the mines?

**Daryl Capurro:**

If they are operated on an intrastate basis, they are regulated currently by the TSA, except that those operations are a charter operation and should not be regulated. That's our position, and that's the position that both the LCB opinion and federal opinion indicated ([Exhibit B](#)).

**Assemblyman Carpenter:**

Then the bus trips from Elko to the mine and the mine back to Elko, are all charter?

**Daryl Capurro:**

Yes, sir. That sounds like a charter operation. There is no lawful regulation in our opinion.

**Assemblyman Carpenter:**

Is there anyone to look at the safety issues?

**Daryl Capurro:**

Safety is one of the issues that is reserved to the state, it was not pre-empted. The state is allowed to conduct safety inspections and to require that insurance be carried on large or small motor vehicles, as well as certain routing restrictions.

**Assemblyman Carpenter:**

Does the Highway Patrol regulate the safety on them?

**Daryl Capurro:**

Yes, sir. As a matter of course in the past, the Highway Patrol has conducted school bus inspections. As far as the inspection, it generally takes place at a stop where they are stopping trucks at an inspection facility to check for safety.

**Assemblyman Carpenter:**

Then nobody checks those buses that are going up and down the road to the mines?

**Daryl Capurro:**

Those would be just as subject to a safety inspection as any other vehicle would be.

**Assemblyman Carpenter:**

If they don't go through a check station then they are never checked, right?

**Daryl Capurro:**

At the current time that is probably correct, because the safety inspection is currently with TSA under their opinion for charter bus or sight-seeing bus operations. We are not aware of any inspections being done.

**Chairman Ocegüera:**

I will leave the hearing opened on Assembly Bill 240, and open the hearing on Assembly Bill 270.

**Assembly Bill 270:** Revises provisions governing Transportation Services Authority and Taxicab Authority. (BDR 58-59)



**Assemblywoman Angle: Assembly District No. 26, Washoe County, (part):**

I come to you today with a presentation on A.B. 270 ([Exhibit C](#)). I would like to introduce my intern, Will Rasavage. He has prepared a PowerPoint presentation for you that will give you a summary on A.B. 270.

**Will Rasavage, Intern for Assemblywoman Angle:**

I would like to run through the highlights of A.B. 270. It addresses the Transportation Services Authority and the Taxicab Authority, in creating responsibility and protecting rights of the consumers.

[Will Rasavage presented the following from ([Exhibit C](#)).

A.B. 270 requests that employees of the Transportation Services Authority and the Taxicab Authority wear uniforms which identify who they are affiliated with.

- Staff should be required to use marked vehicles.
- This bill requires an employee of TSA or TA to have probable cause for stopping a vehicle.
- Develops a code of ethics for the TSA and TA that they must follow, as well as defining a list of procedures and policies.
- This bill requires that the TA and TSA staff give a carrier 72-hour official written notice prior to an audit or visit to the carrier facilities.
- In summary, A B. 270 addresses homeland security concerns for all Nevada citizens and ensures the people of Nevada should have confidence in Nevada State official authority.

**Assemblyman Hogan:**

Could you explain the rationale for requiring advanced notice of an inspection that might involve safety or other concerns?

**Assemblywoman Angle:**

I think that is a question better asked of Mr. Fairman. He is on the receiving end of these audits.

**Bob Fairman, Legislative Advocate, representing The Nevada Transportation Coalition:**

When the federal government takes it upon themselves to investigate us, or come to our site, they do a courtesy call of letting us know when they are coming; they give us 72-hours notice. There is no way we can hide any of our records for the inspections in that time. At least we know they are coming.

**Assemblyman Hogan:**

We are talking about an inspection of records, rather than what might be a surprise inspection of the condition of vehicles?

**Bob Fairman:**

Yes, sir. Most of the time we don't have all of our vehicles available for them to inspect. If all of our vehicles are there, then we could schedule a time for them to do the inspections.

**Chairman Oceguera:**

We will open the hearing on Assembly Bill 285.

**Assembly Bill 285: Abolishes Transportation Services Authority and transfers its duties and responsibilities to various governmental entities. (BDR 58-64)**

**Assemblyman Sherer, Assembly District No. 36, parts of Churchill, Esmeralda, and Lincoln Counties:**

I would like to thank the Committee for the opportunity to present A. B. 285, which I feel is an important piece of legislation to protect the people of Nevada. I am going to turn this presentation over to Mr. Bob Fairman.

**Bob Fairman, Legislative Advocate, representing, The Nevada Transportation Coalition:**

You have in front of you (Exhibit D) that states some of the problems that we have encountered from the TSA in regard to not having inspections, sending letters out that they were going to do inspections, us not complying with regulations that they create, and having workshops. In order to save funds, we have other agencies in the state of Nevada that could do the same work at a reasonable cost. They could address safety on inspections and take care of the industry in a safer way than through the TSA. I would like to state that if the TSA is not abolished, we would like to enhance them, and strengthen our relationship.

**Assemblyman Carpenter:**

When discussing the 72-hour notice, did you say the federal government gives you that amount of time?

**Bob Fairman:**

Yes, sir. The federal government sometimes gives you two weeks notice before coming to do the inspection.

**Assemblyman Carpenter:**  
What are they inspecting?

**Bob Fairman:**  
They are doing the same thing as the Transportation Service Authority.

**Jeffrey Silver, Legislative Advocate, representing Bell Transportation and Ryan's Express:**

With me is Mr. Richard Shelley from Ryan's Express, a charter bus operator, and Brent Bell from Bell Transportation. I would like to state that I had previously sent a letter to this Committee in defense of the Transportation Services Authority and the fine work that they do. It may seem incongruous that an attorney representing companies that are being regulated would want more regulation or would want that regulation to continue. It is a very simple formula here in Nevada. That is, in an economy that relies on tourism, it's very important to have the certainty of strong and efficient regulation. I have never heard of the organization that Mr. Fairman represents, but I can say a decrease in regulation will only enhance the opportunities for illegal operations in every aspect of the transportation industry, from the movers to the limousine and taxicab industries.

With respect to the specific bills that are at hand here, I can only say that the Transportation Services Authority has done an admirable job, especially for the last year and a half. They have totally reorganized their enforcement capabilities, and are very professional in the manner in which they conduct their business. I don't know that having a uniform or a marked vehicle will serve anyone other than the illegal operator or those who are trying to hide something.

I represent Bell Transportation; it's a company that operates 240 limousines and 115 mini-buses, and they have no problem with an unmarked vehicle or a plain clothes officer from the Transportation Services Authority. There are so many operations coming from other states where they have no insurance and no safety regulations. In fact, they are ripping off our tourism economy here by over-charging them for the services that they perform. It seems to me that we should be very sensitive and err on the side of regulation rather than on deregulation.

I have this image in my mind of a turned-over bus at the Spaghetti Bowl off-ramp [Interstate 15 at U.S. 95 in Las Vegas]. I am not saying that having the TSA would somehow prevent that, but I know that kind of newscast will go worldwide. If it's because that bus was not inspected by the TSA or other officials in Nevada, I think that we are not doing our jobs; we are derelict in our

responsibilities. The TSA does inspect charter buses on a regular basis. The federal government does inspections on a regular basis even more frequently. For us to suggest that we should somehow eliminate all regulation of charter buses is courting disaster.

[Jeffrey Silver, continued.] In TEA-21 [Transportation Equity Act of 1998], the bill that was referred to by Mr. Fairman, there was a specific exemption allowed for safety, insurance, and tariffs. I think those are crucial issues about which we should consider contacting our federal representatives to expand upon rather than contract upon. I think it's vital for us to be able to assure ourselves that anyone who's plying the streets and highways of our community, dealing with our residents and tourists, to have the requisite safety and responsibility to pay off obligations if there should be an unfortunate accident.

To move in the direction that Mr. Fairman and others have suggested is going to create serious consequences for the industry. Assembly Bill 285, is a major piece of work; it took me a long time to go through all the various elements of this bill. I am perplexed that we would dedicate that kind of resource at the request of a special interest like Mr. Fairman and his organization, which I don't think represents the bulk of the industry, without consulting a city, a county, or a member of any of these other organizations that are going to have to shoulder the responsibility of this regulation. I am astounded that this bill is before you today. I would also say the job that the TSA is performing has been exemplary. I would heartily support this denial of all three bills that have been proposed.

**Assemblyman Hogan:**

We have heard some testimony suggesting that there is a serious lack of legal authority for the TSA to conduct many of its functions, and testimony referencing to federal court decisions in Louisiana and Texas, as well as a couple of opinions rendered. Have you had the opportunity to review any of those documents, and do you have any comments for us on the subject of the authority of the TSA?

**Jeffrey Silver:**

I have not seen those cases. I would remind everyone that we are in the Ninth Circuit Court of Appeals, and decisions that are rendered in other parts of the country seemingly don't apply to any of us here in this part of the world. If, in fact, Mr. Fairman, Mr. Capurro, or anyone else felt that Nevada's regulatory apparatus was overstepping their bounds, it's a very simple process; they can file whatever lawsuits they think are appropriate. I don't think that's the case; I think the Congress made it very clear that states should have a certain degree of autonomy.

**Assemblyman Carpenter:**

Is it your opinion that the TSA is supposed to regulate buses in the state of Nevada?

**Jeffrey Silver:**

To the extent that the buses are in fact mini-buses, 16 passengers or less, then they are regulated by the TSA. If they are more than 16 passengers, the regulation consists of an initial screening which would be for purposes of safety, insurance rates, and, thereafter, an annual inspection.

**Assemblyman Goicoechea:**

Is the TSA in northern Nevada inspecting these charter buses on an annual basis?

**Jeffrey Silver:**

It is my understanding that they are doing those things on an annual basis. I think that was the mandate of Chairman Sandra Lee Avants of the TSA.

**Chairman Ocegüera:**

Mr. Silver, I understand and appreciate your legal expertise; however, I would like to caution you that this is the process that bills go through.

**Richard Shelley, Director, Ryan's Express Transportation, Las Vegas, Nevada:**

Being one of the larger motor coach operators in Las Vegas, our opinion is the TSA has shown to be a necessity for the area in all areas of public interest. I have been involved with the TSA through the sedan and limousine industry and now with the motor coach industry. There are certain areas of TSA jurisdiction or policies that from time to time should be reviewed, but to abolish it entirely right now is a mistake. The areas of compliance with safety, insurance, and maintenance have assured the public that we have strong companies, strong management, as well as safe, experienced drivers, and well maintained vehicles. Upon application to the TSA new companies coming into the market must show their stability as a company. The TSA will ensure that we have financially secured companies delivering safe equipment for our public. The TSA does perform maintenance inspections on an annual basis; we see them all the time. I would not like to see them go away at this time.

**Ginny Lewis, Director, Nevada Department of Motor Vehicles:**

Since the Department is on the receiving end of this bill, I think that the proposal is poorly thought out. I don't think that you take a problem and break it down and give it to other agencies. I think you need to give them the resources and hold them accountable. I understand that there is an audit that was recently done for the TSA. In fairness to them, give them an opportunity to implement

some of those recommendations. If it's the desire to go forward and abolish the TSA, I think that the best approach is to do an interim study. Let us all come to the table and discuss this and put together the best plan. We have taken this bill and prepared a fiscal note. I know that this is not the Committee to discuss it, but from DMV's [Department of Motor Vehicles] perspective, it is over \$3 million a year to implement this. If we are going to take this over we are going to request the resources so that we can do it properly. With all due respect to Assemblyman Sherer, I think there is a better solution than taking this and splitting apart into multiple agencies.

**John Slaughter, Management Services Director, Office of the County Manager, Washoe County, Reno, Nevada:**

We are opposing A.B. 285, particularly Section 155, which appears to create an expectation that the county would regulate licenses, taxicabs, and limousines in Washoe County. Washoe County currently has no existing infrastructure to regulate taxicabs or limousines within our organization. The Committee needs to consider as policy, whether a city, or county, or state be the agency that regulates a service such as a taxicab or limousine that crosses jurisdictional boundaries. If you think about a visitor who flies into the Reno Airport, grabs a cab or limousine and takes that to South Lake Tahoe, they have crossed several city and county jurisdictional boundaries. We don't believe, as a public policy, that a city or county would be the best place for that type of regulation.

**Michael Geeser, Government Affairs, American Automobile Association, Las Vegas, Nevada:**

AAA [American Automobile Association] opposes A.B. 285. If there is a problem as has been alluded to earlier, then AAA believes that it should be corrected. But to do away with the TSA, we don't believe is in the best interest of Nevadans.

**Dana Bilyeu, Executive Officer, Nevada Public Employees Retirement System:**

My testimony ([Exhibit E](#)) is related to Assembly Bill 270, specifically, Sections 9 and 16 of the bill that would provide for police and firemen early retirement coverage for peace officers employed by both the Taxicab Authority and the Transportation Service Authority. The retirement system has a process to evaluate positions for coverage in the early retirement fund that support the public policy purpose for that fund. To my knowledge, the TA has come through that process twice and has been denied coverage. We have not seen the employees of the TSA come through that process. The bill itself simply places them in the early retirement fund, which would be very different from how we approve any other position in the state. For those reasons, we are opposing those sections of the bill.

**William Bainter, Lieutenant, Nevada Highway Patrol:**

The Nevada Highway Patrol opposes A.B. 285 as written. This bill would give the NHP [Nevada Highway Patrol] authority to regulate tow-car companies in Nevada, which equates to approximately 122 carriers in 575 trucks that are currently in operation. NHP does not have the resources to regulate tow-trucks, and that would require an additional 13 personnel. Our fiscal note has indicated that we need approximately \$1.3 million per year to do these additional responsibilities. The Division is concerned that no study was completed to support this bill, and the Division also believes that it would be unrealistic for us to assume this authority by October 1, 2005.

**Assemblyman Carpenter:**

We heard testimony that already regulates the tow-trucks when they are on your rotational schedule. Why would it cost so much more to regulate them when they are coming to tow me, rather than tow a wrecked car off the road?

**William Bainter:**

We set up contracts with tow companies; however, we rely on the TSA and their authority for tariffing and the other requirements in statute that these companies must comply with. Which would include CPCN [Certificate of Public Convenience and Necessity] and conducting background investigations on new carriers. We don't get involved in reviewing carrier financial records.

**Assemblyman Goicoechea:**

On the Interstate 80 corridor where you have so many mine charters running, does Nevada Highway Patrol ever have the opportunity to pull over and inspect charter buses?

**William Bainter:**

We have full authority to pull over a charter bus that is on a Nevada roadway. Those buses aren't necessarily going where we have fixed check-sites in operation.

**Assemblyman Goicoechea:**

Have you ever pulled any over and found any violations?

**William Bainter:**

Yes, everything from driver violations to mechanical violations.

**Assemblyman Carpenter:**

Can you provide statistics to us in the Elko area from Highway Patrol on how many of those buses they have pulled over and what kind of inspections they are doing?

**William Bainter:**

Yes, I can.

**Donald Drake, Legislative Advocate, representing Sunshine Yellow Cab Reno, Nevada:**

We wanted to speak on behalf of A.B. 285. In the last few weeks, the TSA has testified before various committees that everything is fine, and that the audit that LCB has provided is being adhered to. This is not the case. There have been no vehicle inspections as the LCB audit has pointed out. They haven't done any; there hasn't been any verification; and there's been no certification. Taxi meter inspections haven't been done in five years. How do we assure the public that they're getting a square deal from a taxi operator? It was pointed out in this audit that there are vehicles beyond service age. One operator in Reno has 15 of those vehicles. If the LCB audit had been extended into the year 2005, they would have found over 75 vehicles from one operator that must be removed.

What did the TSA do? Instead of telling the operator that these vehicles should have been removed a year ago, they granted them a 60-day extension, which has expired and the 75 vehicles are still on the road. Of the 5 performance measures that the LCB picked out, all are deficient as far as the TSA is concerned because of poor record keeping on behalf of the TSA. If I violate a record keeping infraction, I get fined \$2,500. The agency is out of control; the agency is ripe with mismanagement; and the agency does not provide a benefit for the tax payers or the traveling public. Many of the statements that they have made are incorrect.

**Richard Preston, Starving Students, Las Vegas, Nevada:**

We are a certificated household goods carrier in Nevada, as well as seven other states. Six of these states all have some sort of regulation and we are opposed to A.B. 285 primarily because we feel that the household goods industry does need some sort of regulation. This bill does not provide for deregulation, it simply provides for a reregulation, and parceling out the duties of the TSA to various other agencies. Agencies which may or may not be equipped, financed, or have the experience to deal with the particular problems that come about. In the past year, I know of many illegal or abandoned carriers that the TSA has put out of business in Las Vegas. There continues to be a need for the TSA in that they can put out of business many of these other abandoned carriers that arise. For the most part, we welcome any other competition provided that we all are playing on a level playing field. It's not a matter of the TSA denying entry into the market of any household goods carrier, it's a matter of all of us being under the same regulation.



**Assemblyman Hogan:**

Could you summarize the type of interaction that your company has with the TSA, in terms of any impact that they have on your tariffs, the frequency of inspections, their responsiveness to correspondence, requests for information, and assistance from your company?

**Richard Preston:**

They have been very responsive with anything that we have done with them. Our trucks have been stopped for inspection. We are required to provide certain records to them on a periodic basis. Our particular company has been inspected twice in two years. They have notified us in the morning that they are coming, and they come and inspect the records regarding our personnel. They inspect the maintenance records of the trucks to make sure that the trucks are being maintained in an appropriate manner, are insured, and appropriately licensed. Every interaction that I have had with them has been very professional, and it's been welcomed because we need some sort of regulation in the household goods industry.

**Patrick Smith, Legislative Advocate, representing The Frias Holding Company, Las Vegas, Nevada:**

The Frias Holding Company operates approximately 100 limousines here in southern Nevada, as well as 30 shuttle buses. They enjoy their relationship with the TSA and its employees. They have found them to be extremely fair and unbiased as a regulatory organization. We would not support any sort of break-up or abolishment as outlined in the bill.

**Jim Jimmerson, Limousine Company Owner, Clark County, Nevada:**

I am someone who has probably been subject to more scrutiny in the process about which some of the Assembly members and witnesses have been complaining. My first license was obtained in April, 2004. My second license was obtained December 30, 2004. I have served under Governor Miller and Governor Guinn as Chairman of the Taxicab Authority for Clark County, Nevada. I served as Chairman supervising the regulation of cabs.

I may have different views than some of the industry people who have spoken here today against these bills because I understand the regulatory side of this. I understand the need to protect the public interest. The "public interest" is a phrase I haven't heard from anyone who has spoken in favor of this bill. The bills are tailored to serve private interests or to avenge gripes or injuries, perceived or imagined, by the TSA, TA or by regulators in this field, tow companies alike. I am here today in opposition to each of the three bills. The concept that we can reject A.B. 285, but make a deal on A.B. 270 and

A.B. 240 would be a real disaster. I urge you as a Committee, and as a whole, to reject that type of a proposed compromise that undoubtedly will try to arise from this. This is not well conceived or thought out legislation. I understand when the Sunshine Cabs representative is critical of that and I think he has legitimate points to raise. He seems knowledgeable for his area of the state.

[Jim Jimmerson, continued.] The TSA is understaffed and underbudgeted to operate in the areas where there may be complaints. The solution is better funding and uniformity of enforcement. The solution is not deregulation of county by county or city by city. The need in transportation is very similar to gaming. We always looked at that in the taxi world, what level you want to have a unified interpretation of our laws.

When Assemblyman Hogan asked about Louisiana and Texas decisions, those are speaking particularly to charter buses focusing on interstate, not intrastate commerce. The federal government or Senate have preempted certain areas there. The same need to have insurance, safety issues, hours of operation, tariffs and those types of things are very real, and candidly, we do it better. You do it better in northern Nevada, and we do it better in southern Nevada on a state level. If you break it up into individual smaller counties or municipalities, you are inviting disaster. Not to mention that you subject transportation to the melee of a political process that will have inconsistent results depending upon whether you cross Sahara Avenue or not in Clark County, and the same application in Sparks or Reno.

Having been approved for two licenses, I can tell you a personal view. Access to a license is very real and very obtainable. It is not an easy process, nor was it intended to be an easy process. It certainly has not stood in the way of competition from my experiences and observations. I see a need for the TSA. I was asked by your Transportation Committee two years ago to speak. One of the questions they asked was what's the difference between the TA and the TSA? The most important distinction that I perceive when comparing the TA governing Clark County for cabs versus the TSA governing both, is that the TSA has more teeth in their statutes and regulations against owners, than the state statutes under NRS 706 [*Nevada Revised Statutes*] governing taxicab owners. That is a material distinction that is serving the state's best interest. The owners are directly responsible to respond to inquiries, charges, and investigations of the TSA. It's the cab driver who faces the brunt of regulations from the TA. I respectfully oppose each bill. These three bills will need a good deal more work before they achieve broad support in your Committee, your house, or the Legislature.

**Patricia Morse Jarman, Commissioner, Nevada Consumers Affairs Division,  
Nevada Department of Business and Industry:**

At this time we would like to echo the sentiments of the DMV [Department of Motor Vehicles]. We oppose A.B. 285 at this time. The Consumer Affairs Division was mentioned in this bill in regard to movers of household goods, which has been a horrific problem in the state of Nevada for approximately 15 years. The fiscal note that we submitted is in excess of \$1.5 million, and we feel that money should be given to the TSA so that they can do the job adequately.

**Rex Ewing, Owner, Ewing Brothers Towing Service, Las Vegas, Nevada:**

We have been in business since 1949. A lot of our towing is nonconsent towing which is regulated by the Transportation Service Authority. We have had a good relationship with the Transportation Service Authority, and I would like to see the towing stay under the Transportation Service Authority. Our invoice lists the name and phone number of the TSA, if they don't agree with anything on the bill or their tow-in service. It is very important to the tourist who comes to Las Vegas, and to business owners. A lot of your nonconsent towing has to do with towing vehicles from hotels and apartment complex without the consent of the owner. Our rates are regulated through the Transportation Service Authority on nonconsent towing, which makes it fair for us, and it also makes it fair for the consumer. I appreciate them and they do a good job to better the towing industry in Las Vegas. Bob Howell, who owns A-Action Towing in Las Vegas, is for keeping the Transportation Service Authority over towing also.

**Brent Carson, Legislative Advocate, representing On-Demand Sedan; and Desert Cab, Las Vegas, Nevada:**

I am here on behalf of a couple of my clients, On-Demand Sedan, and Desert Cab. My clients would like to echo the comments that have been given by Bell Transportation and Mr. Silver, Mr. Jimmerson, and the Frias Companies.

**Daryl Capurro:**

I just wanted to correct some testimony given by Mr. Silver in his presentation. He indicated that routing was not part of the TEA-21 [Transportation Equity Act of 1998] allowance for the state and that it was tariffs. I would like to read the specific language in TEA-21 ([Exhibit B](#)), Title 49 USC 14501. [Reading from ([Exhibit B](#)) pages 4 and 5].

Limitations on state law. No state or political subdivision thereof shall act or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to 1(C), the authority to provide intrastate or interstate charter bus transportation.

Matters not covered. Paragraph 1 shall not restrict the safety regulatory authority of a state with respect to motor vehicles, the authority of a state to impose highway route controls or limitations based on the size or weight of the motor vehicle, or the authority of a state to regulate carriers with regard to minimum amounts of financial responsibility relating to insurance requirements and self insurance authorization.

Nowhere in here does the state retain the ability to control tariffs.

**Brenda Laird, CPA Chief Accountant, Office of the State Controller, Nevada:**

We have submitted written testimony ([Exhibit F](#)). I will summarize it briefly. We would like to request that two sections of A.B. 285 be amended. Those sections create new funds, and we would ask that they create new accounts rather than funds, for financial reporting purposes. We also request clarification on a transfer under Section 184, requiring the State Controller to transfer from the TSA amounts to four separate funds. Currently, the Controller's office does not have sufficient information to determine the allocation of these transfers, mostly to the fact that the Transportation Service's regulatory fund is funded primarily with a lump sum appropriation. Therefore, we request that a provision be made to the State Controller's office with the dollar amount of each allocation so that we can actually perform the transfer.

**Kimberly Maxson-Rushton, Commissioner, Nevada Transportation Services Authority, Nevada Department of Business and Industry:**

I am happy to go through and correct any errors that I believe were testified to earlier with respect to the provisions of TEA-21 and its application to the States authority. I can give you those with specificity. I can provide copies to this Body that solidifies the fact that the state does have the authority and has retained the authority to not only ensure safety as well as insurance coverage of charter bus operators and consent-hauling tows. TEA-21, the term used to describe federal legislation that was referenced by Mr. Fairman earlier, clearly provides the state the authority to require that a tariff be filed. Those are specific points that pertain to the state's authority to regulate.

There were also statements made to the safety inspections. I can assure you that the TSA has always and continues to ensure that safety inspections are done on all carriers under the jurisdiction of the TSA. It includes those that are fully regulated such as the limousine industry, as well as those that are partially regulated, such as the tow truck industry, and the charter bus industry.

What has changed is pursuant to a decision made by Chairman Avants and the Commissioners in 2003.

The TSA inspectors no longer physically do the safety inspections. The TSA requires that, consistent with the provisions set forth under the Federal Motor Carrier Safety Improvement Act of 1999, the inspections be done on an annual basis, and then other spot inspections as consistent with both the regulatory and statutory scheme be conducted. They shall be conducted by certificated mechanics that meet the federal standards and requirements with respect to oversight of transportation and motor carriers throughout the states, as well as interstate authority.

[Kimberly Maxson-Rushton, continued.] There was an audit of the TSA between the period of 1997 and 2003. That audit did not specifically state or find that the TSA had not conducted the safety inspections. Instead, it made a finding that the recordation and the documentation to substantiate that the carriers completed the safety inspections as required pursuant to *Nevada Revised Statutes (NRS)* and *Nevada Administrative Code (NAC)*, had not properly been maintained by the TSA.

While that is a glaring issue with respect to our oversight and the authority and demonstration that the safety inspection is being done, it was, in fact, that the documentation was not properly handled. However, since that time, and it's also noted in the audit, it's been corrected. Policies and procedures have been put in place to ensure that the safety inspections have been done. We reported, not only to the Interim Finance Committee in 2004, but also to the satisfaction of the auditors that in 2004, 100 percent verification of annual safety vehicle inspections were done. I think that is important to note because it's consistent with the provisions set forth, as I have enumerated pertaining to TEA-21.

The fundamental goal of the TSA is to ensure safety of the traveling public. There have been numerous comments with respect to things that are done and not done, the treatment of individuals that appear before us, the correspondence of individuals, and the application process. I can assure you that each one of those cases is addressed properly, and that individuals who appear before us are always treated with the utmost professionalism and courtesy.

At the end of the day, I believe that there are two policies in which the TSA is always consistent. Those are safety with respect to the traveling public and

fairness. Acting in accordance with those policies ensures that the provisions of both NRS and NAC are followed. The regulatory system, as currently in place, is effective, is working, and is doing the job that this legislative body ordered it to do when it was separated from the PUC [Public Utilities Commission] in 1997 in accordance with the statutory promulgation set forth very clearly under *Nevada Revised Statute 706.151*.

[Kimberly Maxson-Rushton, continued.] What I would like to do, having made those general comments, is open it up to specific questions. One thing that I think is of utmost importance to note for the Committee is the fact that, consistent with the concerns raised by many of the charter bus operators that came before you today in support of A.B. 240 and A.B. 270, TEA-21 provisions were not noticeable or were not put into place with respect to Nevada's regulatory scheme. TSA has opened up a workshop with respect to a docket and proposed regulatory changes dealing with the specifics of TEA-21. That is to ensure there is a significant difference between the provisions that apply to fully regulated carriers, and those that apply to charter buses and consent-only tows.

I have provided the members of this Committee a copy of both the final amendments and drafts of both the regulations ([Exhibit G](#) and [Exhibit H](#)). Hopefully, you can see that is demonstrative of the fact that there is a significant difference between the treatment of both fully regulated carriers and partially regulated carriers. I would be remiss if I didn't say that we actually owe a debt of gratitude to Mr. Fairman and to other members of the industry, for bringing this to our attention. While in practicality and application, the provisions of TEA-21 have always been followed since the promulgation in 1998.

The regulatory scheme, while it had been corrected in large part, still had some errors that needed correcting. Those errors were brought to our attention, and, as a result, the regulatory scheme was undertaken, a docket was opened, and those changes made as of last Thursday. What you have before you ([Exhibit G](#) and [Exhibit H](#)) are the new temporary amendments with respect to NAC Chapter 706.

I think that clearly indicates that the TSA is always working to ensure that its jurisdiction is consistent with that of this Body and the federal authority, and to ensure above all the safety and fairness to the traveling public and to the carriers that we certificate.

**Assemblyman Carpenter:**

Do you have any of the documentation where you've inspected those charter buses in Elko?

**Kimberly Maxson-Rushton:**

Yes, sir. All the documentation is retained for the retention period consistent with provisions under *Nevada Revised Statutes*. It's maintained for three years. I can provide you a copy following today's hearing.

**Assemblyman Carpenter:**

When your certified mechanics inspect one of those buses, do you put a sticker on them so that people riding them everyday know they have been inspected?

**Keith Sakelhide, Administrative Attorney, Transportation Service Authority,  
Nevada Department of Business and Industry:**

What the TSA does is maintain a tracking log of all vehicles that are operated under our authority. Any vehicle that is not current with its annual vehicle inspection is subject to immediate removal from service. If a carrier does not properly maintain the safety inspection for any vehicle at any time, that vehicle is immediately taken out of service with a mechanical repair order or a cease and desist order.

**Assemblyman Carpenter:**

My son and friends ride those buses in Elko. How do I know that they have been inspected, if there isn't some kind of sticker or placard that would tell them that it has been inspected?

**Keith Sakelhide:**

Any vehicle that has a CPCN reflecting the grant of operation authority by the state, meets the appropriate safety requirements. The fact that there is a CPCN on that vehicle should assure the traveling public that vehicle has been inspected and safety inspection reports have been maintained by the authority.

**Assemblyman Carpenter:**

Those CPCNs might have been put on those buses twenty years ago. If there isn't an update, there is no way that I would know if those buses have ever been inspected. I think you need to have a different method to identify those buses. You probably don't get out to Elko very often, but if you have these mechanics that are doing it, they should put a sticker or placard on those buses. If the health department comes into my business and inspects it, they give me a certificate.

**Kimberly Maxson-Rushton:**

I welcome the suggestion. That is consistent with what we do with respect to the limousines. There is an annual licensing fee and a specific sticker, in addition to the CPCN markings. If that is a suggestion that you would like for us to implement, I would certainly be happy to take that back to Chairman Avants at our next regularly scheduled agenda meeting and address that. There is a tracking log of each vehicle that operates in the state of Nevada under our jurisdiction. It tracks when the last vehicle inspection was done and that there is insurance on that vehicle. All of these things are monitored on a time sensitive basis so as to ensure that it's in compliance. If, at any time, the insurance lapses an inquiry is made. In rural locations we call them and ask for specifics regarding the recordation of the documentation to be provided to the TSA. In the event that it doesn't meet with the satisfaction of the enforcement and investigative staff, someone is then sent out there to actually inspect it. If that vehicle is operating without the proper amount of insurance, no safety inspection, or perhaps deficiencies existing with respect to the vehicle, then the vehicle is immediately put out of service and a sticker is put on it that indicates it is out of service. The carrier owner-operator would be subject to a citation and fine which could be up to \$10,000, depending how egregious the violation is. If there is any change or if you would like to offer any suggestions as to specifics, we would be happy to consider that.

**Assemblyman Hogan:**

I am curious about how the TSA operates in a general sense. Are you the person who has the overall day-to-day oversight of operations, record keeping, and some of the elements of work, or is there an overall general manager?

**Kimberly Maxson-Rushton:**

[Kimberly Maxson-Rushton outlined the organizational structure of the TSA.] Deputy Commissioner Kimball is responsible for not only the budget preparation but primarily the personnel within the office and also the day-to-day operations. Because of the uniqueness of the organization, it's important the Commissioners retain an arms length interaction with the enforcement staff, so as to not cross lines with respect to their bias or objectivity in hearing matters that come before them, such as application hearings or citation hearings.

**David Kimball, Deputy Commissioner, Transportation Service Authority, Nevada  
Department of Business and Industry:**

The combined total of the fiscal notes of the two agencies that are within the Nevada Department of Business and Industry are estimated at \$1.3 million. The DMV and the Consumer Affairs Division and the Taxi Authority estimated it would cost them \$3 million, \$1.5 million, and \$4 million, respectively, a year to do it. It tells you one of two things; either we are extremely under funded and



undermanned, or there is no cost-savings, which was mentioned earlier by those for this bill. Taking a small agency and dividing it into numerous other agencies, is not efficient.

**Chairman Oceguera:**

[Placed email from Clark Whitney of Quality Towing ([Exhibit I](#)) in opposition to the bills into the record.]

I appreciate the suggestions that have been before the Committee today and understand where everyone is coming from. I realize that some changes need to be made to the TSA, but abolishing it altogether is not the answer. The TSA performs an important role in ensuring different means of public transportation in southern Nevada are indeed safe and serve the public.

I have some proposed changes that I believe will not only bring the state into line with the federal legislation, but will also keep the bus companies from going to unfair lengths in order to comply with the new regulations. The TSA serves in the interest of the public in southern Nevada and in northern Nevada, and to do away with it would be a mistake that could compromise the welfare of the public. The TSA has not placed any undo burden on charter bus companies or any other companies for that matter and, therefore, is not warranted a proposal of abolishment. Under my proposal, a new section will be added to NRS 706 which will specifically address the bus companies and deregulate them in accordance with the federal statutes. These amendments will deregulate the bus companies, which is what they are seeking, and not do away with the TSA. I believe that this is the best course of action that this Committee can take.

I came up with some regulatory changes to come into compliance with the federal regulations. Since charter bus operators are no longer fully regulated in the state, they are no longer required to go through the same application requirements as fully regulated carriers. My proposed change will make charter buses go through a less stringent application process for a Certificate of Public Convenience. The TSA isn't currently making the charter bus companies fill out the stringent requirements because they no longer are required to. The language in the statute is still the same, in that it holds the same requirements as fully regulated carriers. My suggestions will create a new section in NRS that applies directly to charter bus operators and allows the TSA to regulate them without stepping on the toes of the federal government. If we do adopt the amendments that I propose, then the bus companies and the TSA will be happy. What I will do is get those proposals as soon as I have them drawn up. We will talk about this issue again and see if that's the direction you want to go.

[Chairman Oceguera continued.] I will close the hearing on A.B. 240, A.B. 270, and A.B. 285.

I will open the hearing on Assembly Bill 507. I will turn the gavel over to Vice Chairwoman Ohrenschall.

**Assembly Bill 507: Changes designation of fireman to firefighter.  
(BDR 43-1329)**

**Assemblyman Oceguera, Assembly District 16, Clark County, Nevada (part):**

It is my honor and privilege to present you today A.B. 507, which would change the term "firemen" to "firefighters" in the Nevada statute. As a firefighter for the past 16 years, I have seen a dramatic change in the force as more and more women have chose this profession, and they are changes for the better. I serve every day with remarkable women who have chosen a profession that puts their lives on the line to protect their communities. Their contribution should be recognized in one simple way, to bring our Nevada law into the twenty-first century by changing the very outdated term firemen.

There are those who will belittle efforts such as these. I was taken to task this morning in an editorial in one of our state's newspapers for my advocacy on this bill. I could not disagree more. I would only ask anyone who says this bill isn't necessary or who says this bill is unimportant to spend just one day in the shoes of these women who serve on our behalf. I think it is a very simple statute change; it is the very least that we can do to recognize their contributions. I urge your support for passage of this bill.

**Vice Chairwoman Ohrenschall:**

I will close the hearing on A.B. 507. I would be prepared to take a motion.

ASSEMBLYWOMAN GERHARDT MOVED TO DO PASS  
ASSEMBLY BILL 507.

ASSEMBLYMAN ATKINSON SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Christensen was not present for the vote)

**Chairman Oceguera:**

[Meeting called back to order.] Let's move to the work session document. I will ask Marjorie Paslov-Thomas to go over the work session document for us.

**Assembly Bill 62: Authorizes Department of Motor Vehicles to issue drivers' licenses, instruction permits and identification cards to certain persons affiliated with University and Community College System of Nevada. (BDR 43-155)**

**Marjorie Paslov-Thomas, Committee Research Analyst:**

Turn to your blue binders ([Exhibit J](#)). There are two bills for work session today. A.B. 62 and S.B. 132. Assembly Bill 62 authorizes the DMV [Department of Motor Vehicles] to issue drivers licenses, instruction permits, and identification cards to international research scholars, spouses and dependents of international students, international instructors, or international research scholars.

As introduced, the bill provides that a drivers' license issued to the aforementioned people may be extended indefinitely upon presentation of the appropriate documentation to DMV. There were some conceptual amendments proposed. If you turn to page 2 ([Exhibit J](#)), Tom Fronapfel, Administrator, Field Services Division, DMV, proposed four amendments and then added two more ([Exhibit K](#)).

The first one requires that an expiration date be placed on a drivers' license or identification card for those people. It would be a four-year expiration date. The drivers' license or identification card may be extended after that expiration date, if the person submits proof that he still meets the requirements to have that card.

Proposal number 2 limits the period for an instruction period to a one year maximum, unless that person is leaving before that one year period expires. The expiration date would be the same as the date of departure from the United States.

Proposal number 3 allows the DMV to issue or renew a drivers' license or identification card that expires on the date on which the person is required to depart from the United States.

[Marjorie Paslov-Thomas, continued.] Proposal number 4 is a new section clarifying that the expiration date for identification cards for applicants born outside the United States must expire with the day of departure from the United States.

Proposal number 5 has to do with providing a form acceptable to the department regarding the status of the visa of the applicant.

Proposal number 6 is a technical change suggested by the DMV.

Proposal number 5 was proposed by Lucille Lusk of Nevada Concerned Citizens. She asked that the DMV place a phrase such as "foreign national" or "spouse dependent of international research scholar" in a prominent location on the face of the driver's license.

If you look behind Tab B ([Exhibit J](#)), DMV did provide some samples of what those drivers' licenses would look like.

**Chairman Oceguera:**

I think we have made this workable for all the parties.

**Assemblyman Atkinson:**

Did we determine that they have to go through the same process as anyone else to get a drivers' license, as far as testing?

**Chairman Oceguera:**

I believe we did. Marjorie is indicating to me that Tom Fronapfel said yes; they would have to meet all the same requirements and test to get that license.

**Assemblyman Hogan:**

In the first amendment on page 2, we might want to avoid the use of the pronoun "he" in the final line. Simply correct it to say, "submits proof that the requirements to have an identification card are still met."

**Chairman Oceguera:**

I think in most statutes, we reference "he" in the general neutral form.

**Randy Stephenson, Committee Counsel:**

Yes, we have a provision in the NRS that says "considering pronouns." We do use the masculine "he", and it specifically includes the feminine.

**Assemblyman Claborn:**

The people who receive these licenses, do they follow the same procedures as I to receive a license?

**Assemblyman Carpenter:**

Were there any questions asked or concerns about security issues on this?

**Chairman Oceguela:**

Certainly, this was discussed. I was surprised that we were able to come up with something that would be workable for everyone. One of the security concerns was putting a tab across that said, "not from this country," so that they couldn't use it for voting purposes.

**Assemblyman Atkinson:**

Who would know, because it says international on it that they can't vote or even register?

**Chairman Oceguela:**

I don't know what the verification process is.

**Assemblyman Goicoechea:**

What exactly is the DMV going to require of this person to establish when they walk in and say, they want a drivers' license—I am at UNLV [University of Nevada, Las Vegas] or UNR [University of Nevada, Reno]? What are they going to require to show as documentation? Is it a passport?

**Martha Barnes, Administrator, Central Services Division, Nevada Department of Motor Vehicles:**

I wasn't here during the testimony of this bill, but I don't think there is going to be any change to the requirements as the person comes in to request a drivers' license. That would have been specific, and it should have been in the hearing, if there was going to be any change to that.

**Assemblyman Goicoechea:**

I don't know if we ever got into that exactly. If somebody walks through the door, what would they be required to submit to you?

**Martha Barnes:**

They would need to have a birth certificate. I believe there are other things that they take, but that isn't my area of expertise.

**Chairman Ocegüera:**

I have that information; it is a visa. The licensee submits proof that is required by the Department that he is an international student or instructor. What this bill is doing is adding to an already existing statute that has those requirements for applying for an international license in it. We are adding that for the spouse, children, or international instructors who are here for a longer period of time. The statute was already in place. For your reference it is NRS 483.247, if you want to look it up

**Randy Stephenson:**

I think that is probably an accurate answer. In the bill on page 4, subsection 7, it states, "No drivers' license may be issued pursuant to this section until the department is fully satisfied as to the applicant's competency and fitness to drive a motor vehicle." It sounds like it is basically up to the Department. Whatever they have to do now they are still going to have to do, for this new group of persons.

**Assemblyman Hogan:**

On the drivers' license document, I think the term "foreign national" is perhaps the one that is most immediately understandable, particularly to people in voter registration rolls, or in the polls.

**Chairman Ocegüera:**

The "foreign national" term is what we are suggesting in amendment number 5 by Lucille Lusk. Her two suggestions are "foreign national" or "spouse, or dependent of an international research scholar." I don't know that you have to present a driver's license when you vote.

**Assemblyman Carpenter:**

I can see the need for this. There must be some other security issues in place when they come to this country.

**Assemblyman Sherer:**

Don't they get a visa for a specified period? I thought it expired on the birth date.

**Chairman Ocegüera:**

That is correct. One of the provisions states this would expire upon the date of the expiration of the visa. It is one or the other, whichever is shorter.

**Assemblyman Claborn:**

How many people are we actually talking about here?

**Chairman Ocegüera:**

Just from the Community College System it's around 2,700.

**Assemblywoman Gerhardt:**

Did we ever get clarification on whether we can or cannot accept an international drivers' license?

**Marjorie Paslov-Thomas:**

The Department of Motor Vehicles did provide an opinion saying that the international drivers' licenses do work. The problem is that those international licenses expire before the person has to leave. The other problem, as DMV sees this, is that the dependents and spouses cannot get a drivers' license or identification card because they can't show that they are working. They are not employed, and apparently under the federal rules they cannot work.

**Assemblyman Hogan:**

With respect to the security concerns, I think we are going to have to rely upon the processes by which they enter the country, by which they are verified and received by the educational institution, and by the documentation they need to provide at the time they apply. I don't see this as elevating us from the yellow status to the orange status. I would be inclined to support the bill as amended.

**Assemblyman Goicoechea:**

I agree with Assemblyman Hogan, but the real crux of the whole thing is going to depend on the Department of Motor Vehicles. It is simple enough that they aren't going to know when they walk in if they are a college professor, a wife of a college professor, or a student. It is going to end up with the DMV to decide that the documentation that they provide is valid and the security of a state and a nation is protected. That is where we are at. I don't think we are going to compromise that if we change anything in the statute.

**Assemblyman Atkinson:**

Did we determine how many states do this?

**Chairman Ocegüera:**

[We'll wait for an answer to Mr. Atkinson's question.]

**[Assembly Bill 218](#): Directs Department of Transportation to conduct study of need and feasibility of constructing certain arterial road for Interstate Highway No. 95 in Las Vegas, Nevada. (BDR S-1174)**

[Chairman Ocegüera, continued.] I just wanted to let Ms. Ohrenschall know that I have drafted the letter to the DMV and Jacob Snow from our last meeting. [Referred to letter]

Dear Mr. Fontaine,

You are aware the Las Vegas Valley continues to grow at a phenomenal rate. This remarkable growth has exerted pressure on our transportation system. Existing infrastructure has been constructed over many years and with the continued demand and intensified use of our roadways, we must meet the transit needs of our community. Recently, the Assembly Committee on Transportation heard Assembly Bill 218, which was introduced by Assemblywoman Genie Ohrenschall.

This measure directs Nevada's Department of Transportation to conduct a study of the need and feasibility of constructing an arterial road directly connecting Interstate 95 to North Hollywood Boulevard in Las Vegas. Testimony indicated that in the northwest area of the Las Vegas Valley, there is severe traffic congestion and lack of mobility for the motoring public. Kent Cooper, Assistant Director of the Planning Division at NDOT and Jacob Snow, General Manager, Regional Transportation Commission (RTC) of southern Nevada testified before the Committee that the transportation planning in Las Vegas valley is a collaborative effort between NDOT, RTC and local government agencies. Mr. Cooper and Mr. Snow agreed that the RTC could include Hollywood Boulevard in this study of a possible Sahara super-arterial under the Unified Planning Work Program for fiscal year 2006, rather than requiring a separate study through A. B. 218.

Therefore, as Chairman of the Assembly Committee on Transportation, I urge you to make studying this location a priority. It is imperative that NDOT work closely with the RTC to improve traffic flow and reduce travel time at critical locations throughout the valley, particularly along North Hollywood Boulevard.

Thank you for your consideration in this manner, as always I am available for discussing any questions you may have regarding this issue. John Ocegüera.

Ms. Ohrenschall, does that satisfy your need on A.B. 218?



**Assemblywoman Ohrenschall:**

Yes, it does.

**Chairman Oceguela:**

Let's look at Senate Bill 132 to see if it's any easier.

**Senate Bill 132: Authorizes peace officers to issue traffic citations that are prepared electronically. (BDR 43-520)**

**Marjorie Paslov-Thomas:**

Senate Bill 132 allows peace officers to issue traffic citations that are prepared electronically as well as manually. There are no proposed amendments.

**Chairman Oceguela:**

There was a question for Mr. Sherer on this bill and we received a correspondence. This is from the Administrative Office of the Courts. (Read from Exhibit J.)

This afternoon you conducted a hearing on S.B. 132, which adds the words "electronically" to NRS 484.

At the hearing, Assemblyman Rod Sherer requested information regarding electronic parking tickets. Our research indicated NRS 171 already includes the use of electronic citations. A copy of these statutes is attached.

Therefore, we feel it is not necessary to add further language to S. B. 132.

I have spoken with Mr. Sherer, and this satisfied his concerns.

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS  
SENATE BILL 132.

ASSEMBLYWOMAN OHRENSCHALL SECONDED THE MOTION

THE MOTION CARRIED. (Mr. Christensen was not present for the vote)

We will move Senate Bill 132 to the floor.

We will move back to Assembly Bill 62.

**Assembly Bill 62: Authorized Department of Motor Vehicles to issue drivers' licenses, instruction permits and identification cards to certain persons affiliated with University and Community College System of Nevada. (BDR 43-155)**

**Assemblyman Goicoechea:**

We are going to put on the driver's license that he is a foreign national. Can he take that driver's license and go to another state that has reciprocity with the state of Nevada. Could he exchange that driver's license, if he resided in another state, and then come back again with the other state's driver license to Nevada, and end up with a clean license?

**Tom Fronapfel, Administrator, Field Services Division, Nevada Department of Motor Vehicles:**

We have considered, indicating on the back of those licenses or identification cards, the fact that the card or license is not renewable or transferable. They would not be able to go to another state, get a clean license, and then come back to Nevada without us knowing they are a foreign national. It is something that we have considered in-house, and not just for these individuals but for others as well.

**Assemblyman Goicoechea:**

I think its incumbent upon the Department of Motor Vehicles to have the requirements in place to avoid the breach of security. It's going to be up to the DMV. What would you require of one of these students if they walked?

**Tom Fronapfel:**

The only difference is the way the bill was written and the way the original statute was written for the international students and instructors. The University and Community College system would provide a letter to those individuals so they could bring this to the Department of Motor Vehicles as part of the information required to obtain that license or ID card. We would know in that sense if they were international students, research scholars, instructors, or dependents. In terms of what the requirements would be for getting the license, instruction permit, or identification card, would not be any different than any other non-Nevada resident.

**Assemblyman Goicoechea:**

I believe you can cross the border in Mexico if you have a drivers' license, and when you are on the other side, they will accept a valid drivers' license as a means to come back across the border. Once you have the drivers' license in hand, expired or otherwise, there would be the ability to get back across the border.

**Tom Fronapfel:**

I would presume there would be in the circumstance that you just mentioned, if they went to visit in Mexico. That would be a document that they could use to return to the United States. I don't know how the Mexican government deals with someone who is an international student. I don't see any preclusion from that individual coming back into the United States.

**Assemblywoman Gerhardt:**

I would like some clarification on the international drivers' license. Can't they get an international license and use it in this country?

**Tom Fronapfel:**

I believe they can. Some of the issues that have come up previously were whether they held an international license or a license from their own country. That license could expire while they were doing their school instructional work in the United States. In that case, they would have to apply for a new Nevada drivers' license and meet the requirements for that license or identification card.

**Assemblywoman Gerhardt:**

They couldn't just renew their international license here?

**Tom Fronapfel:**

I don't know what the provisions are for renewing an international license from the United States. I can look into that but I don't know offhand what those are.

**Assemblyman Atkinson:**

How many states put the international wording on them?

**Tom Fronapfel:**

I am not personally aware of any other states that have that specific language. Our card indicates whether they are an international student or an international instructor.

**Tim Crowley, Legislative Advocate, representing the University and Community College System of Nevada:**

This bill was brought forward primarily on behalf of the University of Nevada, Reno, which has a significant level of international professors. The issue at hand is primarily their dependents and children who are here living for extended periods of time and need to function as citizens of Nevada, but are not United States citizens. They need some mechanism to be able to get a drivers' license. If you are living in the state over 30 days, you are required to get a drivers' license. The dilemma is that they are not United States citizens. With the amendment, they would be allowed to get the drivers' license and be able to carry on their life as if they were Nevada residents going to carry out their daily responsibilities. That's why we brought it to you, and we're looking for your approval.

**Assemblyman Atkinson:**

You said living in the state for over 30 days you have to get a license, but isn't there a provision in the DMV, if you are a student, you don't have to get a Nevada license. You can keep your California, Arizona, or other state license?

**Tom Fronapfel:**

Yes, students from other states, as long as their licenses are valid, may use them to drive in the state of Nevada while they are going to school here. The same would apply for the international students. If they came with a license from their own country, or an international license, that would be valid until such time it expires. I think the intent of the bill was to allow those individuals, dependents, spouses of international students, scholars, and instructors that did not come to the United States with a valid license to drive. It would allow them the opportunity to obtain one and function normally while living in Nevada.

**Tim Crowley:**

It's also the dependents of these people who are coming. If a student from Arizona came, that person would be allowed to use the Arizona license. That person's children or spouse would not be granted that privilege.

**Assemblyman Carpenter:**

When you are hiring new professors, do you have any security check done on them? Does homeland security take care of that?

**Tim Crowley:**

I don't know.

**Chairman Ocegüera:**

This is testimony from the earlier hearing that says the students are screened through SEVIS [Student and Exchange Visitor Information System], administered by the Department of Homeland Security. It provides a database linkage between educational institutions and the United States government, Department of Homeland Security, State Department, and United States Citizenship and Immigration Service. This population is legally present in the U.S., and closely monitored through SEVIS.

**Assemblyman Manendo:**

We have the first four amendments on page 2 in our work session document. My motion would be to amend and do pass Assembly Bill 62 with the first four amendments and also adding a fifth amendment that would be on page 3 of the bill on line 2. The bill now states, "include documentation which shows proof of the age and identity in the form acceptable to the Department" after the applicant on page 2 line 3. We would amend existing Section 6 on line 43 of page 4 to become Section 7.

**Chairman Ocegüera:**

You are not proposing the amendment regarding the foreign national.

**Assemblyman Manendo:**

No.

**Chairman Ocegüera:**

I think that would make more people comfortable with it.

**Assemblyman Manendo:**

If the Chairman doesn't have a problem with that, then I don't either.

**Chairman Ocegüera:**

I think that probably is important to satisfy several people's concerns.

**Assemblyman Manendo:**

I don't know how many people, when they register to vote, are actually using their drivers' license. If someone is going into a public library, they fill out a form and they mail it in. If someone is going to try to cheat the system they are going to do it. Do we need to put that on there to give people some comfort level?

**Chairman Ocegüera:**

ASSEMBLYMAN MANENDO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 62 WITH THE 6 AMENDMENTS LISTED IN REVISED EXHIBIT J AND AMENDMENT 7 SUBMITTED BY LUCILLE LUSK.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

He is putting in everything that has been submitted to us, 1 through 4, 5, and then the new page that has 6. It will be 6 and 7.

**Assemblyman Goicoechea:**

That would include listing on the license "foreign national?"

**Chairman Ocegüera:**

That is correct. We have a motion and second on the floor, is there any more discussion?

**Assemblyman Claborn:**

I am going to support the bill.

**Assemblyman Hogan:**

Assuming what I think is a very small risk on the homeland security side. I would be inclined to vote for the legislation.

**Assemblywoman Ohrenschall:**

I will vote for the bill, but I reserve the right to vote against it if I so decide on the floor of the Assembly.

**Assemblyman Atkinson:**

I still have way too many reservations. I am probably going to vote against it at this time.

**Assemblywoman Gerhardt:**

I am going to vote against it as well. I really would like some clarification on whether an international drivers' license would suffice. I believe that they would and could be used in Nevada, and I think we are jumping through a lot of hoops for something that they can address on their own with an international license.

**Chairman Oceguera:**

There is a motion and second on the floor.

THE MOTION CARRIED WITH ASSEMBLYMAN ATKINSON AND  
ASSEMBLYWOMAN GERHARDT VOTING NO. (Assemblyman  
Christensen was not present for the vote.)

We will move to amend and do pass Assembly Bill 62 to the floor.

There being no further business, the meeting is adjourned [at 4:25 p.m.].

RESPECTFULLY SUBMITTED:

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Linda Ronnow  
Committee Attaché

APPROVED BY:

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Assemblyman John Oceguera, Chairman

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name: Committee on Transportation**

**Date: March 31, 2005**

**Time of Meeting: 1:30 p.m.**

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A	Agenda	2 pages
	B	Bob Fairman	Documentation and letters. A. B. 240.
	C	Assemblywoman Angle	Transportation Services Authority and Taxicab Authority Power Point presentation. A. B. 270. 5 pages
	D	Bob Fairman	Letters abolishment of the TSA
	E	Dana Bilyeu	Testimony A. B. 270. 3 pages.
	F	Brenda Laird	Testimony A. B. 285. 1 page.
	G	Kimberly Maxson-Rushton	Notice of adoption of temporary regulation. TSA docket number 04-09007 (Charter Buses). 10 pages.
	H	Kimberly Maxson-Rushton	Notice of adoption of temporary regulation. TSA docket number 04-09008. (Tow Car). 5 pages.
	I	Clark Whitney	Email. Various concerns and comments regarding A.B. 285. 2 pages.
	J	Marjorie Paslov-Thomas	Work Session. 16 pages.
	K	Tom Fronapfel	Proposed amendments to A.B. 62. 3 pages