MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eighty-Second Session May 9, 2023

The Committee on Growth and Infrastructure was called to order by Chair Howard Watts at 12:33 p.m. on Tuesday, May 9, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblyman Howard Watts, Chair
Assemblywoman Tracy Brown-May, Vice Chair
Assemblyman Max Carter
Assemblywoman Jill Dickman
Assemblywoman Danielle Gallant
Assemblyman Bert Gurr
Assemblywoman Heidi Kasama
Assemblywoman Elaine Marzola
Assemblywoman Brittney Miller
Assemblyman Cameron (C.H.) Miller
Assemblywoman Sarah Peters
Assemblywoman Shondra Summers-Armstrong

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Marilyn Dondero Loop, Senate District No. 8

STAFF MEMBERS PRESENT:

Jann Stinnesbeck, Committee Policy Analyst Jessica Dummer, Committee Counsel Connie Barlow, Committee Manager



> Kathy Biagi, Committee Secretary Garrett Kingen, Committee Assistant

OTHERS PRESENT:

David Goldwater, representing Nuro

Katie Stevens, Head of State and Local Policy-West, Nuro

Morgan Roth, Senior Public Policy Manager, Motional

Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association

David Clyde, Associate General Counsel, Regional Transportation Commission of Southern Nevada

Dora Martinez, representing Nevada Disability Peer Action Coalition

Sean Sever, Deputy Administrator, Research and Project Management, Department of Motor Vehicles

Wayne Bahmiller, Branch Manager, Field Services Division, Department of Motor Vehicles

Paul J. Enos, Chief Executive Officer, Nevada Trucking Association

Aileen Zhong, Director, Government Affairs, Starship Technologies

Keith Rogers, Vice President, Student Affairs, University of Nevada, Las Vegas

Misty Grimmer, representing Nevada Resort Association

Nick Schneider, Government Affairs Analyst, Vegas Chamber

Ashley Garza Kennedy, Principal Management Analyst, Government Affairs, Department of Administrative Services, Clark County

Chair Watts:

[Roll was taken. Rules and protocol were explained.] Good afternoon, everyone. Welcome to today's meeting of the Assembly Committee on Growth and Infrastructure. We do have a quorum. We have four items on our agenda today, and we will be taking them in order. With that, we are going to get right into our agenda, and I will open the hearing on Senate Bill 182, which revises provisions governing motor vehicles.

Senate Bill 182: Revises provisions governing motor vehicles. (BDR 43-674)

Senator Marilyn Dondero Loop, Senate District No. 8:

I am here to present <u>Senate Bill 182</u> to you along with my copresenter, David Goldwater. This bill is about current law that assumes that the vehicle manufacturers will sell their vehicles to consumers. It does not contemplate a path for an autonomous vehicles (AV) manufacturer in Nevada to retain ownership and operate their own vehicles with commercial partners. This requires companies who want to do this to export vehicles to title in another state before being returned to operate those same vehicles in Nevada. This is a very arduous and unnecessary process that is hindering innovation and economic development in Nevada. <u>Senate Bill 182</u> provides manufacturers of fully autonomous vehicles the ability to title, register, and operate their own delivery vehicles. The legislation is limited in scope to encourage in-state manufacturing and maintain the current sales model for all vehicles currently sold in the state. It requires that vehicles must be manufactured in Nevada and are

operated by the automated driving system (ADS). Additionally, they must be sold to a legal entity under common control with the manufacturer, not consumers. As such, it does not affect the new or used in-state vehicle. Section 1, subsection 3 of Senate Bill 182 adds provisions to Nevada Revised Statutes (NRS) that a manufacturer certificate of origin or manufacturer statement of origin be accepted by the Department of Motor Vehicles as a proof of ownership for fully autonomous vehicles when the vehicles are manufactured, controlled, and operated in the state. I am now going to turn some time over to Mr. Goldwater as well as Katie Stevens, who will be joining us on Zoom. With your permission, Mr. Chair, I will turn it over to Mr. Goldwater.

David Goldwater, representing Nuro:

This is one of those rare instances where we did everything right beforehand, and we get to come to the Legislature holding hands. We had a problem to solve. That problem was we have a Nevada-based manufacturing company, Nuro, and they were manufacturing vehicles they wanted to title in Nevada [Exhibit C]. What we did not want to do is offend the direct sales law that protects consumers in Nevada. We were able to reach out to the Nevada Franchised Auto Dealers Association, in particular Mr. Andrew MacKay, who graciously worked with us through the interim to develop a piece of legislation that Senator Dondero Loop would be proud to introduce. We passed that through the Senate. We solved this problem. They will be able, hopefully with the passage and signing of this legislation, to manufacture and title vehicles—specific vehicles only allowed for delivery of packages and will not have human beings in them. They are not designed that way and we can move on from there. With that, I would like, if there are no questions, to introduce Nuro's representative and President of Government Affairs, Katie Stevens. She is available on Zoom for comments or questions.

Chair Watts:

Does that conclude your presentation? Fantastic. Members, any questions for our presenters?

Assemblywoman Kasama:

Could you explain again, maybe in layman's terms, the problem with titling here that the previous bill did not cover?

David Goldwater:

The problem was Nevada law currently restricts any kind of direct sale where the original equipment manufacturer can, without a specific bill of sale, go and register a vehicle. In this case, this legislation allows us to take the original proof of manufacturing of these vehicles and use that as the registration.

Assemblywoman Kasama:

So it had to go to a dealer before? It would have to go through a dealer. They would sell it and now you want the ability to sell it.

David Goldwater:

Or go out of state, sell there, and bring them back.

Assemblywoman Kasama:

Wonderful. Thank you.

David Goldwater:

Mr. Chair, again, Ms. Stevens is available. I do not know if she has anything to add to our presentation, but I do want to make sure whether she can fill in any blanks.

Chair Watts:

Thank you. Ms. Stevens, is there anything you would like to add at this time?

Katie Stevens, Head of State and Local Policy-West, Nuro:

We have invested in Nevada as David mentioned. We are building an in-line manufacturing facility with the capacity to manufacture tens of thousands of our electric delivery AVs. That is in North Las Vegas at Craig and Bruce—about 100,000 square feet. Then we have taken over 74 acres of the Las Vegas Motor Speedway, as well, for a testing facility. We have been thrilled to invest and create jobs in Nevada. This allows us additional flexibility to be able to double down in the state, manufacture our fleet, and operate a fleet of electric AVs in the state.

Assemblywoman Brown-May:

I want to confirm what we are talking about with an autonomous vehicle of this nature. This is not a passenger vehicle, and it is manufactured by the company that then maintains control of it. This organization would not manufacture an autonomous vehicle and then sell it to another company to be able to operate. They would still maintain control of the original vehicle that they are manufacturing. Is that correct?

Katie Stevens:

Yes, that is correct.

Chair Watts:

Members, any additional questions? Seeing none at this time, thank you for your presentation. With that, we will move on to testimony in support of <u>S.B. 182</u>. Is there anyone wishing to provide testimony in support?

Morgan Roth, Senior Public Policy Manager, Motional:

I am calling in support of <u>S.B. 182</u>. We think it is the right move for Nevada to continue to spur autonomous vehicle innovation.

Chair Watts:

Is there anyone else wishing to provide testimony in support? [There was no one.] We will move on to anyone who wishes to testify in opposition to <u>S.B. 182</u>. [There was no one.] We will now move to testimony in the neutral position on <u>S.B. 182</u>. Welcome, Mr. MacKay.

Andrew MacKay, Executive Director, Nevada Franchised Auto Dealers Association:

We are at the table in the neutral position—a very weak neutral. We love the concept of the bill. It is wonderful for economic development. Mr. Goldwater mentioned something that I think is worth reiterating. This was probably done as well as you can do. He and I started talking about this a year ago to the date. We initially thought this would be situated in NRS Chapter 484D, which is the autonomous vehicle statute. Then, quite frankly, as I testified in the other house, there are folks in this building who are a heck of a lot smarter than I am. We realized that it was not possible; it had to be put into NRS Chapter 482A. We worked closely, actually all the way up to the Green Energy Conference at the Peppermill, and ironed it out. I want to thank him, thank Nuro, for reaching out to us early and working with us and then Senator Dondero Loop. Quite frankly, this is a good economic development bill. It is going to result in a lot of jobs. So although we are neutral, pass it, please.

Chair Watts:

Neutral, certainly without concern. We appreciate that. Anyone else wishing to provide neutral testimony on <u>S.B. 182</u>? [There was no one.] Would the sponsors like to come forward and make any closing remarks? Thank you—way to set up a good pace. With that, I will close the hearing on <u>S.B. 182</u> and we will open the hearing on <u>Senate Bill 17</u> (1st Reprint), which revises provisions relating to regional transportation commissions.

Senate Bill 17 (1st Reprint): Revises provisions relating to regional transportation commissions. (BDR 22-384)

David Clyde, Associate General Counsel, Regional Transportation Commission of Southern Nevada:

Thank you for taking the time to hear <u>Senate Bill 17 (1st Reprint)</u> which amends the Regional Transportation Commission of Southern Nevada's (RTC) enabling statute, *Nevada Revised Statutes* Chapter 277A. The changes in this statute, or in this bill, can be broken into three sections. The first section, which is section 2 of this bill, is regarding our bus shelter and bench advisory committee. This committee was created by statute in 2005 to advise the RTC on the construction, maintenance, and installation of bus shelters in southern Nevada. The statute, however, is very prescriptive, outlining: (1) the number of members on the committee, including by jurisdiction; (2) the number of times the committee is to meet each year; and (3) the length of term of each member. In recent years, the RTC has struggled to find people interested in serving on this committee.

The intent of this bill is to do a couple of things. The first is to create some flexibility for the RTC board—this to better address community need. The section of this bill would allow the advisory committee to take on other transportation issues or to be combined with another RTC advisory committee. It would also allow for flexibility and the appointment of members, as long as the committee is made up of at least one member from the general public and two members who represent the employee organization for our transit contractors. It also decreases the number of mandatory meetings from six meetings a year to four and creates a similar committee in Washoe County. Section three of this bill is regarding the Nevada Yellow Dot program. The Yellow Dot program, created in 2015, creates a decal that

can be placed on a vehicle to notify first responders of any medical information in a glove compartment. As new apps and other technologies have become available, we have seen a decrease in overall interest regarding this program. Although we are happy to continue to provide the Yellow Dot decals, as long as there is interest, we are looking for long-term flexibility if there is no interest to move it from a mandatory requirement to permissive.

Finally, in section 4 there is some added language. It clarifies the RTC's authority to develop transportation projects that promote innovative and emerging technologies. As the RTC begins to implement new technology projects, such as our autonomous shuttle project called Go Med in the Las Vegas Medical District, and as we bring in hydrogen and battery-electric buses and other projects, we want to add the words "emerging technologies" into our statute. This not only clarifies our ability to engage in new technologies, but also better mirrors the Bipartisan Infrastructure Law that was passed last year at the federal level. That concludes the changes in the bill. I would like to thank you again for hearing this bill and would be happy to answer any questions.

Chair Watts:

Members, any questions?

Assemblywoman Brown-May:

Could you talk through the implications of changing the population requirement from 700,000 to 100,000? How many more counties will be affected?

David Clyde:

That would expand it from Clark County to also include the Washoe County RTC.

Assemblywoman Summers-Armstrong:

You mentioned that the Yellow Dot campaign has lost interest. Can you talk about what the RTC had been doing for the last interim to get this information to the public about the program?

David Clyde:

We have partnered with local entities. I would need to go into, and want to talk to, our staff to better understand the specifics of how we have engaged with our local partners. But we have been able to provide it in several different locations and have done what we could to publicly inform them over the last eight years regarding the program. But I would be happy to provide more information to you.

Assemblywoman Summers-Armstrong:

Can I take your answer to mean that you all have not collected any quantitative data on what you have done? How many people you have reached? What is the response that you have gotten to the program? Things like that.

David Clyde:

I would need to check that. I do not know.

Chair Watts:

Thank you. I think there is probably some interest from a few members of the Committee. It would probably be helpful if you could send some follow-up information with a little bit of additional background about when the program was instituted and some of the information you have around the educational and awareness efforts, as well as any trends that you have in terms of utilization of the program.

Assemblywoman Miller:

My question remains the same question I had during our discussion when we met beforehand. If I remember correctly, you were saying that this could be replaced by electronics or apps on phones and such. However, my concern with that remains that there are a lot of people who do not like to put all the information on their phones and use apps. I am really looking at it from the position of a first responder. If there is a car accident and if we need to get in to help someone, seeing a yellow sticker is a very obvious thing that is identified as opposed to trying to find someone's phone or look up information. Can you explain how you anticipate it would actually be administered or processed?

David Clyde:

We will check with our partners in southern Nevada to see what the overall process is. I would not want to speak out of turn on exactly how first responders address those accidents. I am not an expert in the area, but I am happy to collect that information to get it to you.

Chair Watts:

So we will just add that to the list too. That was going to be one of my questions, and I think we have had a similar conversation about options to utilize technology and we have had some conversations about utilizing technology and some of our data systems, particularly through the Department of Motor Vehicles, to have people opt in and provide certain information and make it available to first responders and others. If you can provide us with any thoughts that you have at this time on how the scope might be expanded, that would be useful.

Members, any additional questions? All right. So it seems like everything is on the Yellow Dots. We look forward to getting that follow-up information. With that, we will move to testimony. Thank you for your presentation. We will begin with testimony in support of Senate Bill 17 (1st Reprint). Anyone wishing to provide testimony in support, please come forward. [There was no one.] We will move to anyone wishing to testify in opposition to S.B. 17 (R1).

Dora Martinez, representing Nevada Disability Peer Action Coalition:

We are in opposition. Just like many of your concerns regarding that app, some of the members do not have a phone. Also, one of our concerns regarding the amendment to the bill, and I think he said section 2, in putting on just one person representing the general public, it should be more than that because persons with disabilities do use the public transit. I am not allowed to drive because I cannot see. I think our voice, people with disability voices, should be heard and be included at the table. So we would suggest more than one.

There is the general public—a person who is nondisabled, maybe a cyclist. Then it would be good to have a person with a disability who uses a wheelchair, cane, or service dog—that type of thing. If that could be added or amended into the bill, that would be really wonderful. I always remind you: #nothingaboutuswithoutus. It is always good to be included and be proactive rather than reactive. Thank you so much.

Chair Watts:

Is there anyone else wishing to speak in opposition? [There was no one.] We will move to testimony in neutral on <u>S.B. 17 (R1)</u>. [There was no one.] Mr. Clyde, any closing remarks? [There were none.] Staying on pace, we will close the hearing on <u>S.B. 17 (R1)</u> and open the hearing on <u>Senate Bill 66 (1st Reprint)</u>, which revises provisions relating to public safety.

Senate Bill 66 (1st Reprint): Revises provisions relating to public safety. (BDR 43-256)

Sean Sever, Deputy Administrator, Research and Project Management, Department of Motor Vehicles:

Thank you for letting us present Senate Bill 66 (1st Reprint) to you today. This is a housekeeping bill that is in response to a federal audit that would keep the Nevada commercial driver's license (CDL) statutes aligned with federal regulations regarding motor The Federal Motor Carrier Safety Administration (FMCSA) recently carrier safety. conducted a review of Nevada's legal authority to comply with federal Chief Data Officers (CDO) mandates, and a new statute is required that would require a person convicted of certain offenses to be disqualified from operating a commercial motor vehicle for a certain period, including for life if that individual uses it in the commission of a felony involving a severe form of human trafficking, which is section 2. Sections 4 and 8 prohibit an employer from allowing a person convicted of certain offenses from operating a commercial vehicle, which includes civil penalties. Section 6 allows the Department of Motor Vehicles (DMV) to implement a drug and alcohol clearinghouse through regulations and policy that CDL drivers, DMVs, and employers can access to check the status of CDL driver drug and alcohol violations. Section 9 of the bill addresses commercial motor vehicles stopping at railroad crossings, which gives these provisions more statutory weight than what is in the Nevada Administrative Code (NAC). This does not change anything that they are doing now, and the Nevada Trucking Association is in support. Sections 10 and 10.5 revise the list of acts that constitute a crime of holding a person in involuntary servitude and the crimes of coercion to conform more closely with the federal definition. The Public Defender's Office did have concerns with this section when the bill was on the other side, so we met, adjusted the language, and now we are in agreement.

We also realized that the Administrative Office of the Courts submitted a fiscal note on this bill, and we have reached out to them for a meeting to see why their impact is different than other court systems that submitted zero fiscal notes. The five-day turnaround they are

concerned with in this bill is already in statute, so our bill does not change that. In summary, this bill is just clean-up language that will bring the DMV into compliance with Federal Motor Carrier Safety Administration provisions. I have Mr. Wayne Bahmiller here. He is the field services manager at the DMV to help with questions at this point. Thank you.

Chair Watts:

Thank you for the presentation, Mr. Sever. Members, do you have any questions for the DMV?

Assemblywoman Brown-May:

You are talking about maintaining the database and following up, correct? We are in the middle of the DMV transformation. We hear about it frequently. What are the implications of creating this new procedure to comply with federal regulations on the existing demand that you have?

Wayne Bahmiller, Branch Manager, Field Services Division, Department of Motor Vehicles:

The database is not created by the Department of Motor Vehicles. It is actually created by the Federal Motor Carrier Safety Administration, and the DMV basically queries the database for any drivers who are not in compliance with the Drug and Alcohol Clearinghouse standards. It also requires us to do that at every issuance, and then if anybody were to be on the database, the database then notifies the DMV of somebody who is on that database.

Assemblywoman Brown-May:

Thank you for that clarification. Just to be clear, are we doing that query currently, or is this a new process that we are going to institute at the DMV for personnel expectations?

Wayne Bahmiller:

This will be new.

Assemblywoman Summers-Armstrong:

Mr. Sever, I was trying to find our text conversation. I have lost track of it. Could you please address what we discussed in the office so that we can get it on the record?

Sean Sever:

I did discuss those with Mr. Bahmiller, and he will go over those for us.

Wayne Bahmiller:

The information from this is coming from the Federal Motor Carrier Safety Administration (FMCSA). They are the ones who implement the final rule, and once that happens, it requires states to comply within three years of that rule. People who will get access to the Drug and Alcohol Clearinghouse are the commercial driver's license (CDL) drivers. They

will register with FMCSA themselves. The employers of those CDL drivers will register with FMCSA and then the DMV will receive information for anybody who is not in compliance with the Drug and Alcohol Clearinghouse. The DMV is also required to query the Drug and Alcohol Clearinghouse at every issuance.

One of the questions is, will it prevent more people from gaining employment than now? That is a negative and there will be no need for data cleansing because whenever we interface with the Drug and Alcohol Clearinghouse, they will do a query to make sure the record is already there. The CDL drivers already have this information in another system called the Commercial Driver's License Information System, or CDLIS. I believe that is all the questions we had.

Assemblywoman Summers-Armstrong:

All right, so the database will be a federal one. How often will employees have to be requested to go back in, and let us say that currently, these rules and regulations are under NAC. Is that what you said? That is governed by which organization and how more often will this have to be done?

Wayne Bahmiller:

The driver would query the Drug and Alcohol Clearinghouse. If an employer tested that driver and he tested positive for drugs or alcohol, he would be put into the clearinghouse and then the DMV would receive notification that they tested positive. The DMV would be required to downgrade the commercial driver's license of that person until they go through the process for return to duty. Once they have done the return-to-duty process with the employer, they will again notify the DMV and the DMV will then upgrade the commercial privileges and return the privileges back to the driver.

Chair Watts:

I have a question, just to make sure. I definitely understand the intent of the bill, but I want to make sure we get this clear for the record. Are there any provisions in this bill that are either more stringent than what is required under the recently enacted federal law or are in addition to the requirements of the federal law? Or is this 100 percent an adjustment to make sure we are going to be in compliance moving forward?

Wayne Bahmiller:

What the bill does is fill the gaps that we have between the Commercial Federal Regulations (CFR) and what we are missing in *Nevada Revised Statutes*. It also gives the department the authority to implement the Drug and Alcohol Clearinghouse and adopt regulations for that. When we adopt the regulations, we will not be permitted to go above and beyond. That is already stated in NAC, and we have to be status quo with that.

Chair Watts:

Seeing no other questions, we will move on to testimony in support of S.B. 66 (R1).

Paul J. Enos, Chief Executive Officer, Nevada Trucking Association:

I am speaking today in favor of <u>Senate Bill 66 (1st Reprint)</u>. We do a lot with both the DMV and the Federal Motor Carrier Safety Administration in terms of regulating CDLs. These are things that the DMV needs to do in order to comply with federal law and still be able to issue CDLs. You know, in terms of the Drug and Alcohol Clearinghouse, that is something that has really been in effect since January 2020. When you take a look at the data, the number of drivers who, unfortunately, have been kicked out of the system for a very important reason is actually greater than our truck driver shortage. I will say I do believe it makes the roads safer. Looking at the data from Nevada from the beginning of 2020 through the end of last year, we have about 1,800 folks who are no longer able to drive. We do think this is better for safety in terms of getting those folks off the road. In terms of compliance with federal law, this does bring Nevada into compliance with FMCSA, something that we do care deeply about.

Mr. Chair, sorry I am on the phone, but I am available if anybody has any questions on these things.

Chair Watts:

I do not see any questions. Thank you for your testimony. Do we have anyone else wanting to testify in support of <u>S.B. 66 (R1)</u>? [There was no one.] We will move to testimony in opposition to <u>S.B. 66 (R1)</u>. Is there anyone wishing to provide testimony in opposition? [There was no one.] We will go to testimony in neutral. Is there anyone wishing to testify in neutral on <u>S.B. (66 R1)</u>? [There was no one.] With that, we will close the hearing on <u>S.B. 66 (R1)</u> and open the hearing on <u>Senate Bill 422 (1st Reprint)</u>, which revises provisions relating to public safety.

Senate Bill 422 (1st Reprint): Revises provisions relating to public safety. (BDR 43-663)

Aileen Zhong, Director, Government Affairs, Starship Technologies:

It is an honor to be able to present <u>Senate Bill 422 (1st Reprint)</u> alongside Dr. Keith Rogers, who will be presenting from the Las Vegas building, and Misty Grimmer, representing the Nevada Resort Association, who will be presenting the friendly amendment to this bill. I will give you a quick introduction of Starship and what personal delivery devices (PDDs) are. Starship is the leading provider of autonomous food delivery through our PDDs, completing over five million autonomous deliveries across the world. Personal Delivery Devices are all-electric, low-speed, low-mass devices that typically travel at walking speeds and are approximately 75 pounds in weight. The PDD was specifically built to be pedestrian-sized. The PDD is about 22 inches wide, 27 inches in length, and about 46 inches in height, which includes the flag that blinks—just imagine a cooler that is on wheels. These devices are typically utilized for food, grocery, retail, and university deliveries.

Safety is paramount to our operations where PDDs successfully cross over 140,000 streets daily and have encountered millions of people. The PDDs have a bubble of awareness that includes cameras, ultrasonic sensors, GPS, and a whole neural network that allows them to safely navigate the world. Additionally, a remote assistant can be activated automatically by

the PDD where a human operator can assume control at any time. Before any operations begin, a location is carefully site-mapped by humans and PDDs in order to find the best routes and paths for operations. The operations are completely geofenced and the PDD will not go outside of those boundaries. Currently, Starship operates in over 50 jurisdictions across the world, six countries, and over 35 universities. Additionally, 24 states across the U.S. and Washington, D.C., have similar legislation in the last few years which provides a framework for PDD operations.

This bill, specifically, is being brought forward because at the University of Nevada, Las Vegas (UNLV), operation began last year but expansion has been stalled and it is confined to only one area of campus. This is because Clark County believes they do not have the permitting authority to grant operations to cross streets beyond that confined area of the campus, meaning there are a lot of students who do not have access to this delivery service. Since then, we have worked hand in hand with Clark County and a number of other stakeholders to develop the language you see before you. Senate Bill 422 (1st Reprint) will provide state guidance and a framework for local jurisdictions for this emerging technology. Specifically, this bill will ensure that PDDs have the ability to operate in pedestrian areas including sidewalks and crosswalks. The bill also includes requirements such as traveling under 10 miles per hour (mph) and not interfering with pedestrians or traffic, and it requires operators to maintain a minimum liability insurance. Most importantly, this bill will allow for local jurisdictions to maintain their authority to limit where operations can occur. Local law enforcement also maintains their authority to enforce traffic laws. As I mentioned earlier, we have a friendly amendment where this bill will confine operations to only Nevada System of Higher Education (NSHE) institutions. Thank you for your time, and I will pass it over to Dr. Rogers.

Keith Rogers, Vice President, Student Affairs, University of Nevada, Las Vegas:

This technology is to address some of the challenges that we are facing on campus. We have a number of students who live nearby campus, which would be across Tropicana, across Maryland Parkway, or across Cottage Grove. Currently, we are unable to serve those populations of students using this service, so our interest is being able to provide those students the same access to healthy and affordable food as their peers on campus. That is over 3,000 students who are currently residing in those sort-of-nearby housing units. Additionally, we have a high number of students after hours who go without meals because they do not feel comfortable, or they may not want to order food through traditional delivery apps that may charge higher rates than what they are able to get on campus. This solution also supports our late-night dining option that allows students who are studying in various locations on campus and nearby to be able to maintain their studies and be able to access food in a healthy and accessible way. That concludes my comments.

Misty Grimmer, representing Nevada Resort Association:

I want to express my appreciation to Starship and to UNLV for working with us on this amendment [Exhibit D] and also to your Committee staff since I was a bit tardy getting my amendment in to you all. I do believe it is now up on NELIS [Nevada Electronic Legislative Information System]. What was important to the resorts was to clarify in statute

that the devices would be just servicing NSHE property and directly adjacent sidewalks, crosswalks, and things of that nature and not be expanded beyond that. As many of you who have attended our tourism caucus meetings know, Strip safety is very important to us. If there was any expansion of this type of device outside of the university property, we would want to be part of the conversation and have that policy decision come back to the Legislature for consideration. We do appreciate that UNLV and Starship have been willing to implement parameters as to where the devices can operate.

Chair Watts:

I believe that concludes your presentation. Wonderful. We will open it up to questions from the Committee.

Assemblywoman Gallant:

I have a few questions with this legislation. I understand the resorts do not want it coming onto the Strip. However, within residential areas, is there a plan or a possibility for it to be able to expand in that direction? Are you just not yet geared up for that? My second question is, do you have any competition in this area, in this area?

Aileen Zhong:

To answer your question, we have been in residential areas, but this bill specifically will limit where we can operate. Clark County, specifically, will be able to limit where these operations can take place. Right now, we are focused on dorms and university housing, so if that is not within the parameters of UNLV, then we are not allowed to operate in any of those residential areas. Also, at this point it is not fiscally responsible for us to go into residential areas. We do not typically go, and this bill specifically will not likely allow us in those specific areas because that is not where the dorms are. The second part of your question was if we have any competition in this arena. Yes, there are a number of PDD providers that exist in the space. They mainly operate in areas like Los Angeles, Florida, and a number of other locations. I would say there may be 15 to 20 other operators that exist. So any time they would want to operate in Nevada, they would need to go through a similar process that we would be going through with Clark County.

Keith Rogers:

I will just add a response to the first part of the question in terms of the locations where they would operate. We will work closely with Clark County, as we have done with defining the UNLV current jurisdiction. The robots will only travel where they are mapped to go. As we work with Clark County to define that sort of parameter, that is the only order location where they could deliver within the defined map that we set along with Clark County's support.

Assemblywoman Gallant:

I guess my concern is that a lot of times what we find is we come here, and we create legislation based on the technology that we have today, and then as technology improves, we have to come back and change the legislation. I am wondering if there is some happy

medium between the Resort Association and then also allowing for some growth within this this arena so that as the technology does improve, it could have a wider net. I understand that businesswise, you are not ready. I am just thinking in terms of Nevada and what could be some type of happy medium. You do not have to respond. It is just a suggestion.

Chair Watts:

I definitely appreciate that we do deal with a lot of emerging technology issues here. At the same time, I think given that this is where the interest is right now, we can look at expanding this a little bit and see how it is going within that campus community and then take it from there. Now we will go to Assemblyman Carter.

Assemblyman Carter:

My question has to do with the head end. Which vendors have access on the front end to be suppliers on this? Does it include organizations like dispensaries? How is the security on these vehicles from the time they go off-property into the public domain to prevent getting raided, contaminated, or anything else you can imagine happening to them?

Aileen Zhong:

We will only be working with UNLV. Whatever institutions or vendors they want us to partner with, we will partner with on campus. In terms of dispensaries specifically, there is a provision in the bill that allows for the county specifically to prohibit any type of delivery of alcohol or dispensary-related products.

There was a second part to your question—the security of the contents while it is transiting. The PDD itself is very secure. It is locked between transport, so you can only unlock the device if you have one of the tablets that exist for the vendor to load the PDD. If you are on the receiving end, you have a phone application in which you can unlock the robot when the robot is at your door or wherever you set the robot to get your food.

Keith Rogers:

I would add some remarks for the latter question. The robots only transport one order at a time. So it would not be a case where it has multiple orders going to multiple locations. We just go to one person and then return back to the home base to be filled for a second order. Regarding what would be delivered in terms of the UNLV initiative, we will only deliver food that is provided through our food service providers on campus, such as Steak 'n Shake or Panda Express. Only those vendors who are on campus would be authorized to receive orders through the app, load the robot, and then program the robot to deliver.

Assemblywoman Dickman:

How easy would it be to snatch the entire PDD?

Aileen Zhong:

Thank you for that question. The PDDs weigh about 75 pounds, and they actually have an alarm system that goes off anytime someone tries to pick it up. It is fairly loud and obnoxious. It also has cameras all around the robot itself. The good news is it actually

becomes ingrained as part of the community. So we do see very, very low rates of vandalism, because when you see a student transporting food and someone trying to vandalize the robot or push the robot, a lot of the students actually intervene because they understand that could be their food being transported. So there is a lot of that.

Assemblywoman Peters:

Maybe I missed this at the beginning of the presentation. Did we talk about liability in the event of an accident? Who holds that liability? Is it the university or would it be the operator? What is the penalty for someone being hurt or property being damaged by the device?

Aileen Zhong:

To answer your first question, the bill has a provision that requires a \$500,000 minimum liability insurance, so that covers a lot of the issues that you just discussed. It covers everything from vandalism, any injuries, and any vehicle damage that may occur. Starship holds all the liability.

Assemblywoman Peters:

In the event that something or someone is harmed, is there any existing penalty or citation for motor vehicle offenses? For example, if you hit someone's home, you can also get a ticket. Then you have the liability piece, but you also get a citation. So I want to know if this would fall under a citation for a motor vehicle because I think even bicycles fall under that category as well.

Aileen Zhong:

To clarify, are you asking whether or not the PDD itself would be under a penalty for jaywalking, for example?

Assemblywoman Peters:

Jaywalking or any kind of traffic violation, I suppose, since it is a moving vehicle. Would it qualify for any penalties under moving traffic violations?

Aileen Zhong:

That is a very good question. I am not sure I have encountered that question specifically, so let me get back to you on that. I would imagine that it would be similar types of penalties because it is classified as a pedestrian.

Assemblywoman Summers-Armstrong:

I want to clarify something you just said and that is that this PDD would be classified as a pedestrian, not a motor vehicle. Is that what I am hearing?

Chair Watts:

Yes, and I believe these delivery devices would be traveling on sidewalks and would not be traveling on roadways. Correct?

Aileen Zhong:

Yes, that is correct. And just to follow up on the question earlier, the penalties will be the same. It is written out in section 5, subsection 4.

Chair Watts:

Thank you. There is another thing I want to make sure we have clear. Essentially, from what I can see, this is all authorizing language. This is setting the maximum parameters that you can operate in. It is limiting that to the campus environment and the immediate surrounding area. I know, for example, that when we talk about UNLV, we know there is, in particular, some housing and other facilities that are across Maryland, across Tropicana—those are some I think of immediately. There may be some that actually cross roadways on the west and north parts of the campus as well. We are setting up that this may be allowed—to cross these roads, use those sidewalks on those roadways within that area, and not outside of it at this time. For that to happen, the county commission would work with the PDD company to craft an agreement with the particulars of allowing that use. This is really opening the door, but the details would then be hammered out between, for example, your company or another company that offers these services, and the county. Then, of course, the other piece you mentioned is the collaboration with the university in terms of the vendors providing the goods and working that all out. Can you speak to that to make sure that understanding is correct?

Aileen Zhong:

Yes, that is correct. This is essentially allowing PDDs to operate and allowing Clark County or any other jurisdiction that is part of the NSHE institution to be able to have these operations exist on sidewalks and crosswalks because it is currently not allowed. The local level is where a lot of these things will be ironed out. For example, I know Clark County wants to reduce the speed in which the robots will be operating. That is one example of the types of regulations that will allow us to operate in that specific jurisdiction.

Chair Watts:

Members, any additional questions? Seeing none, we will move to testimony in support of Senate Bill 422 (1st Reprint).

Nick Schneider, Government Affairs Analyst, Vegas Chamber:

We are in support of <u>S.B. 422 (R1)</u>. We supported this bill on the Senate side. We really appreciate that this is not only authorizing an innovative and emerging industry, but also providing some regulations around giving it the rights, as well as the duties, of a pedestrian. We are in even more support with the friendly amendment.

Dora Martinez, representing Nevada Disability Peer Action Coalition:

I would like to thank Aileen and her staff. We met before and we raised our concern. I do represent a lot of people with many different types of disabilities. As you can imagine being blind, having Sarge as my service dog, walking really quick, up to 4 mph, and navigating the sidewalk where there are tree limbs, telephone poles, garbage cans, people on e-bikes, and then there is the PDD. But thank you to Assemblywoman Peters for her liability questions;

we are in 100 percent support with this bill and the friendly amendment. Sometimes here in Reno, Nevada, it is unpredictable weather. We have these PDDs at the University of Nevada, Reno. So far, Sarge will go up to them and I miss them. They tend to go slow but then they whine, he gets scared. So, we appreciate that and thank you so much for everything.

Chair Watts:

Is there anyone else wanting to testify in support of <u>S.B. 422 (R1)</u>? [There was no one.] We will now move on to testimony in opposition to <u>Senate Bill 422 (1st Reprint)</u>. [There was no one.] With that, we will move to testimony in the neutral position on <u>Senate Bill 422</u> (1st Reprint).

Ashley Garza Kennedy, Principal Management Analyst, Government Affairs, Department of Administrative Services, Clark County:

I come up here in neutral on <u>Senate Bill 422 (1st Reprint)</u>. We have been working with Starship and UNLV on this bill prior to session starting. I appreciate Ms. Martinez for calling in and talking about the public safety, especially for Americans with Disabilities Act compliance. That is actually one thing we worked on in the very beginning: How do we ensure that they are operating on safe sidewalks and crosswalks, which are the more ideal crosswalks that are super packed, from a public safety perspective? We appreciate the language that Starship has worked on to ensure that we have the local authority to define what this looks like. In practice for the Committee's awareness, if this bill moves forward, we will go through an ordinance process where we would define the operating area in a very public setting to ensure that it is very clear where they are operating and where they are allowed. They will be licensed as a business like anybody else in Clark County. I assume the local jurisdictions outside of Clark County will be doing the same thing. I wanted to put that on the record and thank Starship and UNLV.

Chair Watts:

Thank you very much for providing some of that additional context. Anyone else wishing to provide testimony in the neutral position on <u>S.B. 422 (R1)</u>? [There was no one.] We will close the hearing on <u>Senate Bill 422 (1st Reprint)</u>. That brings us to the last item on our agenda and that is public comment. Is there anyone wishing to make public comment?

Dora Martinez:

I am so sorry. I meant to say this, but I would like to say it in public comment. The Starship folks were very accommodating. They do have an audio descriptive video, but we did talk with them about bringing in the deaf and hard-of-hearing population, so they will be providing that. I just wanted that to be on the record. Thank you so much.

Chair Watts:

Thank you so much. Have a wonderful rest of your day. Do we have anyone else wishing to make public comment? [There was no one.] If I had known it was going to go this fast, I would have put even more bills on our agenda today.

Members, our next meeting will be on Thursday, May 11, 2023, at 1:30 p.m., our regularly scheduled time, and we will be hearing three bills. We are adjourned [at 1:40 p.m.].

	RESPECTFULLY SUBMITTED:
	Kathy Biagi
	Committee Secretary
APPROVED BY:	
Assemblyman Howard Watts, Chair	
DATE	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is an informational document submitted by David Goldwater, representing Nuro, in support of <u>Senate Bill 182</u>.

<u>Exhibit D</u> is a proposed amendment to <u>Senate Bill 422 (1st Reprint)</u> submitted and presented by Misty Grimmer, representing Nevada Resort Association.