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

Eighty-Second Session April 4, 2023

The Committee on Growth and Infrastructure was called to order by Chair Howard Watts at 1:31 p.m. on Tuesday, April 4, 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:

None



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:

Millie Mummery, Student Attorney, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas

Sarah Voehl, Student Attorney, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas

Michael Kagan, Director, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas

Malena DiMaggio, Immigrant Program Manager, Progressive Leadership Alliance of Nevada

Athar Haseebullah, Executive Director, American Civil Liberties Union of Nevada

Mathilda Guerrero, Digital Manager, Battle Born Progress

Deanna Hua Tran, Coalition Coordinator, Nevada Immigrant Coalition

Eric Jeng, Acting Executive Director, One APIA Nevada

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

Patrick "Dave" Wiley, Manager, Central Services and Records Division, Department of Motor Vehicles

Ron Kaminkow, General Secretary, Railroad Workers United

Jason T. Doering, Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers

Gabe Christenson, Assistant State Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers Local 1043

Todd Ingalsbee, President, Professional Fire Fighters of Nevada

Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO

Matthew Kimball, Private Citizen

Alma Lozoya, Political Intern, Culinary Workers Union Local 226

Adam Mack, Legislative Director, International Alliance of Theatrical Stage Employees, Moving Picture Machine Operators, Artists, and Allied Crafts of the United States, its Territories, and Canada Local 363

James Becker, Private Citizen, Sparks, Nevada

Tom Martin, Private Citizen, Sparks, Nevada

Alfonso Lopez, representing International Association of Sheet Metal, Air, Rail, and Transportation Workers Local 88

Robert Sumlin, Private Citizen, Las Vegas, Nevada

Russ James, Private Citizen

Olivia Tanager, Environmental Justice Program Manager, Progressive Leadership Alliance of Nevada

Nick Christenson, representing Toiyabe Chapter, Sierra Club

Liz Sorenson, President, Nevada State AFL-CIO

Larry Wilson, Private Citizen

Joseph Guild, representing Union Pacific Railroad

Peggy Ygbuhay, Senior Director, Public Affairs-Corporate Relations, Union Pacific Railroad

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

Nicole Rourke, Director, Government and Public Affairs, City of Henderson

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber

Shelly Capurro, representing BNSF Railway

Chair Watts:

[Roll was taken. Committee rules and protocol were reviewed.] We have three bills on our agenda. I am going to take the bills slightly out of order. I intend to hear <u>Assembly Bill 407</u> first, followed by <u>Assembly Bill 457</u>, and then <u>Assembly Bill 456</u>. With that, welcome, Assemblyman Carter. You can introduce yourself and begin whenever you are ready. I will open the hearing on <u>A.B. 407</u>.

Assembly Bill 407: Revises provisions governing the release of personal information by the Director of the Department of Motor Vehicles. (BDR 43-751)

Assemblyman Max Carter, Assembly District No. 12:

I am presenting today along with Millie Mummery and Sarah Voehl, who are going to join us via Zoom from the University of Nevada, Las Vegas Immigration Clinic. <u>Assembly Bill 407</u> started off with talking with my constituents about the Department of Motor Vehicles (DMV) sale of data and not just the DMV's, but all government entities. That is a bigger conversation, and it became apparent that was too big a conversation for right now. This bill has been down and is focusing on an issue that surrounds, I believe everywhere, but also in my community.

I was born and raised on the east side of Las Vegas. I raised my sons on the east side of Las Vegas. I still live on the east side of Las Vegas. It is a multicultural community. It is a wonderful community, but there are issues. We have a lot of residents who have issues with their immigration status. Personally, I had friends of my sons who had to drive their parents around because their parents were afraid to get driver's licenses and then driver's authorization cards when they became available. Unfortunately, knocking on doors, I find out 20 years later that is still going on. There is still that concern in the community; whether it is real and valid, that is up to the person experiencing it. That is what I am here today to talk about. Assembly Bill 407 addresses a concern that regards safety, regards respect.

We heard the bill about extending the time limits. Was that in this Committee? Okay, I apologize about extending the time limits on renewing. That is right, Mr. Gurr wants equal treatment under the law, which he deserves, and which I am going to deserve pretty soon too.

We had a good discussion already about the necessity and value of driver's authorization cards, and it is really important in my community. When those were originally put in—I believe that was 2013—there were protections put in that said the Department of Motor Vehicles could not share data that was directly related to immigration status with federal agencies such as Immigration and Customs Enforcement. But it just said that. What this bill does is codify that and say those federal agencies can get that information, but they have to get a court order or a subpoena to do it. There has to be proof to a judge that there is a genuine need for that data. With that, I just want to say this is really important to my community. I hope you all listen to this and truly understand what we are trying to accomplish here.

I will say too, I met with the Director of the DMV yesterday. We had a very good and productive conversation, and I look forward to working with her in the interim to bring back a bill regarding the sale of data. You know that there are concerns all the way around on that, and that is a much bigger lift, and I look forward to working with the director on that. With that, I would like to bring in Millie Mummery and then Sarah Voehl to walk us through this bill and explain what we are really trying to accomplish from the legal point of view.

Millie Mummery, Student Attorney, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas:

While we are not speaking on behalf of the University of Nevada, Las Vegas (UNLV), we are student attorneys with the UNLV Immigration Clinic at William S. Boyd School of Law. When this Legislature and Governor Sandoval created the driver's authorization cards to allow immigrants to obtain licenses to drive in our state, it was known that undocumented immigrants are often fearful of giving their personal information to government agencies. To combat that, the Legislature enacted protections that are already in our law to prevent the DMV from disclosing information about immigrants that could be used against them and their families. However, our existing law has ambiguities and gaps.

The proposed bill changes *Nevada Revised Statutes* 481.063 to provide better clarity to the protections that already exist. Specifically, this bill would prevent personal information, such as address and phone numbers, from being released and disclosed to immigration enforcement without a court order, subpoena, or warrant. As the law currently exists, subsection 12 prevents the DMV from releasing information related to legal presence to any federal, state, or local government person for the purpose of immigration enforcement. But as it stands, subsection 12 only prevents the DMV from disclosing a person's legal status. It does not prevent disclosure of other personal information ranging from a person's address to their social security number, and even disability status. The current law therefore creates a gap that allows United States Immigration and Customs Enforcement (ICE) to request addresses and other personal information for people who have a driver's authorization card in the state. This gap in protection creates uncertainty and fear for undocumented people who fear that if they obtain a driver's authorization card, their address may be released to ICE. Fear that personal information will be released deters people from obtaining a driver's authorization card.

Nevada has a safety interest in passing this bill. Licensed drivers are more knowledgeable about traffic and road laws. They purchase insurance and they register their vehicles. Compliance with licensing requirements ensures that drivers have passed vision and knowledge tests before they get behind the wheel. This decreases road accidents, hit-and-run collisions, and the number of uninsured drivers in the state of Nevada. Unfortunately, fatal crashes in Nevada have risen in recent years. There were nearly 400 fatalities in 2022 alone. Therefore, the state has a safety interest in ensuring that drivers are not being deterred from going to the DMV and seeking services. This bill would achieve that objective, and it would make Nevada roads safer. I will now hand it off to my colleague, Sarah Voehl. Thank you.

Sarah Voehl, Student Attorney, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas:

Nevada has a safety interest in ensuring that undocumented people feel comfortable applying for a driver's authorization card. To be clear, this law will not prevent immigration authorities from accessing personal information under any circumstances, but it will establish basic safeguards. Requiring immigration enforcement to obtain a judicial warrant, order, or subpoena to access immigrants' sensitive personal information would not affect law enforcement's ability to enforce criminal or nonimmigration-related civil laws. It would give immigrants in Nevada peace of mind that their trust in the DMV is not misplaced.

An increased number of driver's authorization cards means an economic increase for Nevada. For example, undocumented immigrants in Nevada paid an estimated \$241 million in federal taxes and \$121 million in state and local taxes in 2018. Despite these contributions, they are generally unable to receive benefits from programs like social security, Medicaid, or Medicare because of their immigration status. When people are able to obtain driver's authorization cards, they also are more likely to purchase cars, car parts, and insurance policies, and they generate additional DMV fee revenue by the removal of this barrier for immigrants. They will have more access to contribute as members of our community, and Nevada will have more information about who is living in the state, driving on the roads, and more ability to ensure everyone's safety.

Assemblyman Carter:

Thank you, and we welcome your questions. I look forward to a good and productive discussion.

Chair Watts:

With that, we will open to questions, but first, I have one clarifying question based on your presentation. Is your current proposal to strike all of the existing language of the bill and just move forward with what is in the amendment [Exhibit C].

Assemblyman Carter:

Exactly. That is exactly what it is, and I can read the amendment if you would like and if that would be helpful.

Chair Watts:

I think we all have it. I just want to make sure.

Assemblyman Carter:

I just wanted to make sure that Assemblywoman Miller heard me.

Chair Watts:

All right. I might have to bring your mic level up a little bit, but we will get it there. Members, are there questions for Assemblyman Carter or the other presenters? Going once, going twice— Wow, there you go, sir.

Assemblyman Carter:

With your permission, Chairman Watts, can we release the two young ladies? One of them needs to get her butt back to work.

Chair Watts:

I do not know about that, but yes. I appreciate both of you taking the time to assist in presenting this bill. We will now move to testimony in support of <u>A.B. 407</u>. Anyone wishing to provide testimony and support in person, please come forward.

Michael Kagan, Director, Immigration Clinic, William S. Boyd School of Law, University of Nevada, Las Vegas:

I am the director of the UNLV Immigration Clinic and proud to be associated with the two student attorneys who did the hard work today. I am not speaking for UNLV. Our clinic's goal in serving immigrants is always that we want them to be able to use official systems. That definitely includes the DMV. It is better for them, and it is better for everyone in Nevada. I can testify that the level of fear we hear from our clients is immense. The fear, the anxiety of information being turned over, can lead people to choose not to take advantage of systems that are designed for them. That is not good for them and not good for anyone else. In order to combat that, we need clarity, and right now unfortunately, the law has the right intention but does not have clarity. If asked whether information that is given to the DMV would be turned over to ICE if I simply requested, unfortunately, our answer to our clients would have to be yes. That will be enough to scare some away from getting driver's authorization cards, which is not what we want. This bill is a positive step and will help to achieve the goals that Nevada law already has embraced. Thank you very much.

Chair Watts:

Thank you. We will go to the next person in Las Vegas.

Malena DiMaggio, Immigrant Program Manager, Progressive Leadership Alliance of Nevada:

I am also a member of the Nevada Immigrant Coalition and here in support of <u>A.B. 407</u>. First, I want to thank Assemblyman Carter for bringing forward this important piece of legislation in Nevada. Nevada expanded access to driver's authorization cards to ensure everyone driving on our roads is well educated and operating the vehicle safely. Yet a real

fear of immigration enforcement still discourages the immigrant community from obtaining these documents and, thus, jeopardizing their road safety in more ways than just physical harm. Assembly Bill 407 would add a layer of protection to our immigrant communities they currently do not have access to. Providing families with this much-needed sense of security would, in return, promote the approachability in applying for driver's authorization cards, which would then create more safety on Nevada's roads. We ask the Committee to please support A.B. 407 and thank you for your time.

Chair Watts:

If there is anyone else in Las Vegas, go ahead and come forward. Meanwhile, we will move to Carson City.

Athar Haseebullah, Executive Director, American Civil Liberties Union of Nevada:

We are in strong support of this bill. Obviously, I do not need to share with this Committee that data privacy, especially state-maintained data privacy, raises all sorts of civil liberties issues, so we are in strong support of this bill and appreciate the Assemblyman for bringing it forward. Thank you.

Mathilda Guerrero, Digital Manager, Battle Born Progress:

Battle Born Progress is here in strong support of <u>A.B. 407</u> because this would increase Nevadans' right to data privacy. Thank you to Assemblyman Carter for spearheading this critical measure. It is important that we protect data information of folks who have driver's authorization cards. This is an additional safeguard for our immigrant communities as it prevents agencies from completing additional surveillance. Fear of immigration enforcement will discourage undocumented folks from obtaining these cards and having access to car insurance. The DMV's job is to ensure that we have educated and safe drivers. As Mr. Dart, who is in the audience, says, the DMV should stay in their lane, but they should also do their part to protect the data privacy of undocumented Nevadans. Thank you.

Chair Watts:

Thank you very much. The puns are just starting today, so thanks for getting us started. I see we have someone else in Las Vegas.

Deanna Hua Tran, Coalition Coordinator, Nevada Immigrant Coalition:

I am here on behalf of the Nevada Immigrant Coalition in full support of <u>A.B. 407</u>. The Nevada Immigrant Coalition consists of diverse organizations from across the state that work together to fight for immigration reform and immigrant justice. Fear of immigration enforcement will discourage undocumented immigrants from obtaining driver's authorization cards, which undermines the intent of the Legislature and also undermines road safety. <u>Assembly Bill 407</u> would provide extra confidentiality measures that would promote a sense of security for our most vulnerable immigrant communities who are in need of driver's authorization cards. This, in turn, would promote safer driving practices all around. Please support <u>A.B. 407</u>.

Chair Watts:

Thank you very much. Seeing no one else coming forward in person at this time, can we see if anyone wishes to provide testimony in support of <u>A.B. 407</u> by phone?

Eric Jeng, Acting Executive Director, One APIA Nevada:

We would like to thank Assemblyman Carter for presenting this bill and our close partnership with Nevada Immigration Clinic. This is an amazing bill, especially when 90 percent of the undocumented immigrants in Nevada are of working age. That means they are eligible for the driver's authorization cards, and this will provide peace of mind on the road and will provide for our workforce and our students. This is a great bill for our community and for the local economy.

Chair Watts:

Seeing no one else coming forward at this time in support, we will move on to testimony in opposition to $\underline{A.B.\ 407}$. [There was none.] We will move to testimony in neutral on $\underline{A.B.\ 407}$.

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

I will stay in my lane. We are neutral on <u>A.B. 407</u>, and most importantly, we have a zero-impact fiscal note on the bill. We did have concerns with the ambiguity in section 8 of the original bill, but after talking with the bill sponsor, it sounds like the amendment will alleviate those concerns. The DMV does not provide information for commercial use in the distribution of surveys, marketing material, or solicitations. The DMV does provide info to third parties, which may obtain driver and vehicle registration records through the DMV records section, which is governed by *Nevada Revised Statutes*. Under no circumstances does the DMV release a person's social security number, driver's license, photo, or medical conditions to a private third party. The revenue from all the record sales offsets the operational costs of providing the information, and it is important to the motor vehicle information technology budget. We are happy to continue working with the sponsor on this bill and thank you for your time.

Chair Watts:

Looks like we have a question from Assemblywoman Gallant.

Assemblywoman Gallant:

Thank you, Chair. I am just curious. Does what this bill is proposing actually occur? Do you provide that information without a warrant?

Sean Sever:

I do not have our records person here with me today, so I have to get back to you on that, but we do not work directly with ICE.

Chair Watts:

Seeing no one else coming forward in neutral in person, is there anyone wishing to provide testimony in neutral on $\underline{A.B.~407}$ by phone? [There was no one.] Assemblyman Carter, do you have closing comments?

Assemblyman Carter:

I just want to say thank you for the time and I appreciate all of the cooperation with keeping this bill on track and that it did not get derailed.

Chair Watts:

I will close the hearing on <u>A.B. 407</u>, and we are going to take a turn to <u>Assembly Bill 457</u>, which removes the requirement for the reissuance of certain license plates every eight years. I will now open the hearing on <u>A.B. 457</u>. I welcome the Department of Motor Vehicles back to the table.

<u>Assembly Bill 457</u>: Removes a requirement for the reissuance of certain license plates every 8 years. (BDR 43-1078)

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

Thank you for letting us present <u>Assembly Bill 457</u> to you today. This is a much-needed bill to relieve some of the pressure on the Department of Motor Vehicles (DMV) license plate factory. Current law requires the DMV to reissue license plates to Nevadans every eight years. This requirement was enacted in the 2015 Session. The DMV efforts to reissue license plates have been strained since the COVID-19 pandemic shutdowns when the license plate factory was only opened a couple of days a week due to staff and inmate illnesses. To compound issues, there has been and continues to be difficulty in obtaining necessary aluminum and sheeting material to manufacture license plates. Specifically, conversations with our aluminum equipment and material vendors, as well as other license plate jurisdictions, indicate that aluminum deliveries are expected to be delayed for at least the next year and sheeting delays are currently greater than four months.

These issues have forced the DMV to evaluate requirements and make hard decisions on what we can produce. We have been proactive about ordering our raw materials to take advantage of the best commodity prices. We do believe that legibility of most license plates may last longer than eight years and many customers have indicated to us they do not need the new plates. In many cases, people do not use them, or they hang them up in their garage, which is what I do. Customers and law enforcement can still request new plates if they deem the plates unreadable. This bill simply removes the automatic reissue. We did add a fiscal note to this bill, so you can cue the laughter track now on our own bill. However, it mirrors what we have submitted on our budget which results in a reduction to revenue and expenditures for the DMV. We appreciate your considering our request. I have Mr. Dave Wiley here from our license plate factory to help me answer questions.

Chair Watts:

Do we have questions for the Department?

Assemblyman Cameron (C.H.) Miller:

I know you mentioned there is a shortage of aluminum, or it is hard getting the aluminum. Have we looked at any new materials that could be used for license plates and what that would look like? I am just thinking that I know countertops used to have to be totally stone, but now they have some new fabricated thing that lasts much longer or that maybe would not require to even be replaced. Once they are issued, the ink and all of that stuff is set within whatever those hard exterior cores are so that the plate could last essentially forever. Is there anything that exists like that?

Patrick "Dave" Wiley, Manager, Central Services and Records Division, Department of Motor Vehicles:

There are different substrates that can be used, although with our current manufacturing process, it would take a whole revamping of our manufacturing facility. Porcelain is one, hard cardboard is another, but they are not as manipulative as the aluminum substrate. Part of the problem with getting the aluminum substrate several years back was getting the raw aluminum ingot out of China. That has since been alleviated somewhat. The length of time to get our materials in is improving. There is a portion of our aluminum that comes from raw material plus the recycled ingot that we work with, and it is improving. It is improving.

Assemblyman Cameron (C.H.) Miller:

Thank you for that. I just have one more question. This is probably a preview to next session. Have we looked into digital license plates at all?

Dave Wiley:

That is a little above my pay grade at this point in time. I do know from paying attention to different conferences and to the industry around the nation that there are a few companies that do deal with digital license plates, mainly out of the state of California right now. My experience with them has been positive. But again, I am under the confines of what the *Nevada Revised Statutes* (NRS) puts in place for me right now.

Assemblywoman Dickman:

This is not much of a question. It is more of a comment, but was the process different in 2015—the way we made plates? Because back then, I was opposed to this bill when we changed it to every eight years. But the fading issue—do they not fade the way you said they did back in 2015?

Dave Wiley:

The manufacturing process is very similar to when we did the flat license plates that ran from about 2004 through 2015. But the printing process is the same now that we emboss the license plate. We start out with a substrate that we use a thermal ribbon transfer process, and then we have a clear overlaminate covering that goes over that. Here in Nevada, with the elevation that we have, there are several different things that really can work on fading a

license plate. The ultraviolet light due to our elevation is a big portion of that, as well as there are certain wavelengths of colors that tend to fade faster. When you see the volunteer professional firefighter plates that are oranges, reds, and yellows, those colors tend to fade much, much faster than when we have the darker greens and blues and blacks on the license plates. The last time we had any major change in that was when we would get what we call preprinted sheeting, and we would emboss and paint the plates. Since 2004, we have gone away from painting the plates. This way, we are not dealing with the volatile organic chemicals, the harsh chemicals and whatnot that can be transferred into the environment.

Assemblywoman Dickman:

Thank you. I was taking some notes, and I might have missed it if you mentioned this. Do we replace these as needed?

Sean Sever:

Yes, that is the goal. It would be upon request instead of an automatic reissue. To go back to the other question, too, it depends on the use of the plates as well. If somebody is out four-wheeling, weather can deteriorate them as well. Yes, definitely law enforcement or DMV customers could request new plates.

Assemblywoman Summers-Armstrong:

Thank you for the presentation. I am glad about this. I had my plate replaced recently. It cost me extra money, and I did not need it. Now that you are talking about whether or not law enforcement can replace it or request it be replaced, what is your understanding about who determines visibility? Is this going to be a situation where we have law enforcement pulling people over because they cannot read their plate? I think that this is, at least in my community, a concern.

Dave Wiley:

There are a couple of different processes, and I do want to make that information available. The Department of Motor Vehicles does have a duplicate plate process in which consumers can request a replacement of plates. There is another statute on the record that indicates license plates need to be visible from a certain distance under certain candlelight, whether it is daytime or nighttime, and that would have to be an enforcement issue.

Assemblywoman Summers-Armstrong:

I would appreciate it if you could provide that information to us so that we know what that is if this goes further, that we have understanding and can talk to law enforcement about it. My next question would be, Where are these plates manufactured and by whom?

Dave Wiley:

I have personally made millions of plates over the years in my tenure at the factory. From 1928 through 2015, all license plates, with very few exceptions, were made at Nevada State Prison. Since the Nevada State Prison closed down in 2012, in 2015 we moved into a new facility that is outside the Northern Nevada Correctional Center here in Carson City where all the license plates are made for the entire state.

Chair Watts:

Who produces the plates, Mr. Wiley?

Dave Wiley:

I have a staff of inmates plus free staff who produce the plates.

Chair Watts:

Members, are there any additional questions?

Assemblywoman Gallant:

Just to piggyback on the question, what is the criteria for what is visible? Thank you for answering that question, but I think, in terms of making sure that we educate, I would like to make a suggestion that you have some information on the website about what is considered visible, what is not visible, and when it would be time to replace the license plate so that everybody is informed. I do not know how many times my kids say, But I did not know. Right? We hear that from adults too. I think it could save all of us if we could say it is right here on the website.

Sean Sever:

We would also engage in a public information campaign, if this law went into effect, to notify people.

Chair Watts:

Thank you. A couple of points of clarification. Again, this was enacted in 2015. Essentially, this bill is proposing to go back to how things were prior to that. It is not adding any language around the ability for an individual or law enforcement to request that a plate be replaced. That is existing statute/regulation. Is that correct?

Sean Sever:

That is correct, Chair.

Chair Watts:

I know that the plate that wears out the most for me is a front plate, so maybe we should just switch to one plate. That can also reduce your workload. Just going to throw that out there. Members, are there any additional questions for the Department? Seeing none, we will move on to testimony on <u>A.B. 457</u>. We will start with testimony in support. Does anyone wish to testify in support? [There was no one.] Does anyone wish to testify in opposition? [There was no one.] Does anyone wish to testify in neutral? [There was no one.] Mr. Sever, do you have any closing comments?

Sean Sever:

Thank you for your time today and consideration. The statute that covers the visibility of plates is NRS 482.270, and we can provide that to the Committee as well.

Chair Watts:

We would appreciate that. We will close the hearing on <u>A.B. 457</u>, and I will open the hearing on <u>Assembly Bill 456</u>, which revise provisions relating to railroads. Assemblyman Carter, welcome back to the table.

Assembly Bill 456: Revises provisions relating to railroads. (BDR 58-974)

Assemblyman Max Carter, Assembly District No. 12:

Good afternoon. I will back up a little bit. I am here today to present <u>Assembly Bill 456</u>. This bill has to do with train safety. We all have seen the news lately. Nevada started as a whistle-stop, and railroads are an integral part of our state. I am bringing in Ron Kaminkow to walk us through the bill. I was trying to think of a pun there, and I am going to stop.

Chair Watts:

Sorry for pumping the brakes on you there.

Assemblyman Carter:

So, the tie-in: You know our state of Nevada, especially Las Vegas, started off as a whistle-stop. It was a railroad town. The Union Pacific Railroad is the reason that Las Vegas is there, and railroads are an integral part of our state. In fact, it is the reason I am here today. My grandfather was moved to Las Vegas by the Union Pacific Railroad in 1942 and got to build a great life here working for the Union Pacific Railroad. It is an integral part of our state, as I have said repeatedly now. Sorry about that. As I said, this bill is about train safety, and to walk us through the bill and tell us what we are trying to accomplish here are Jason Doering and Ron Kaminkow, and then Gabe Christenson will step up and fill in my spot here in a minute. They are members of, I believe, SMART [International Association of Sheet Metal, Air, Rail and Transportation Workers]. I was going to say the United Brotherhood of Locomotive Engineers, but I believe that they may have been amalgamated into other locals by now. I grew up hearing all about that stuff. Train safety is very, very important. As I say, we have seen it all in the news and we have come a long way, but there is still more work to do, so with that I will turn it over to Jason Doering and Ron Kaminkow.

[Exhibit D] was submitted but not discussed and is included as an exhibit of the hearing.]

Ron Kaminkow, General Secretary, Railroad Workers United:

I have lived and worked in Reno, Nevada, since 2006. I came out here from Chicago and I have been working on the railroad for 27 years in various capacities as both a freight and a passenger locomotive engineer. I started as a brakeman with Conrail, then I went to work with Norfolk Southern Railway, and now I run the California Zephyr. I do have my phone turned on, unfortunately, because I am first out unless we want to delay the California Zephyr. I might have to take a call during the minutes of my testimony. Sorry about that. My job today is to set the context. My brother here, who is an engineer and conductor out of Las Vegas on Union Pacific, has asked that I set the context for what is going on in the rail industry in recent years so that we get a background to the whole question of this bill and the question of train length.

What are we seeing in the rail industry today? Those of you who read the paper and watch the news know there has been quite a bit of news in the media starting with last fall when we were engaged in a protracted contract fight for a national freight agreement. Then, of course, the derailment at East Palestine, Ohio, to become a household word. So rail is sort of on the radar. To give you a little bit deeper understanding of what is going on, there have been massive numbers of job cuts in the rail industry in the last three or four years. Some estimates are as high as 30, 35, or even 40 percent in certain crafts. The jobs have been eliminated, so we have seen huge cuts in inspection and maintenance of trains. We have seen cuts in training. Conductor training, in many cases on many Class I railroads, has been dramatically reduced. Workers are working longer hours, there is more overtime, we have less and less time off work, and that has been followed by the introduction of extremely harsh draconian attendance policies.

For those of you who were watching the news about the contract fight, you know that it primarily came down at the end of the day to the question of sick time. Most railroad workers do not have sick time, but we are heavily disciplined if we take too much time off, and that is unpaid time off. That came down to a huge fight. We almost saw a national railroad strike for the first time in 30 years, all because the big Class I carriers did not want to give us three or four days of sick time. In the face of all this, employee morale is what I would consider in my 27 years on the railroad at an all-time low. I had never thought I would see the day when workers are leaving the industry in droves. There are people, I just learned of one. His name, ironically, is Casey Jones, believe it or not. He works out of Sparks, Nevada, and is considering leaving the railroad. He is a fourth-generation railroader. This was unheard of when I was hired in Chicago in 1996. If you had a railroad job, you did not leave that job. There were too many perks and privileges, and all of us have always been asked, How did you get that job? How do I get that job? Now we actually see people fleeing the industry.

Class I railroads, including Union Pacific and Norfolk Southern, are making the top of the charts in outfits like Glassdoor that rate different employers. I believe it was employers with over 10,000 workers. Union Pacific and Norfolk Southern made the top five, as far as not good employers to work for. We have seen an increase in rail accidents and derailments. There is fear amongst the workforce. Hardly a day goes by I do not talk to somebody, especially in the train and engine craft, who does not feel safe any longer working for the railroad, one of the many reasons that people are leaving the industry. We have seen a record number of shipment embargoes, particularly by Union Pacific, where the railroad has become so snarled and entangled and encumbered that the rail industry is actually driving away traffic. They are saying to their customers, some of them big-time customers, We cannot accept further shipments this week or this month from you because we have to disentangle our railroad.

Most of the major shipping groups in this country, including chemicals, fertilizer, scrap metal, even recycling and garbage, have complained vociferously to the federal Surface Transportation Board in recent months and years of the low level of service they are receiving from the Class I railroads. Also, we have seen increasing delays to Amtrak. I have

worked the California Zephyr now for 16 years. I have never seen anything like the last few years with chronic, constant delays, particularly focused on the Nevada Subdivision and east of there, around Elko, where delays can be up to two, three, four hours because of long heavy trains that are holding up the main line and preventing Amtrak from expediting its movement. We have seen a longer-than-average dwell time of freight shipments and lower-than-average train speeds. We saw a spike in the number of trains this past summer that were held for rested crews. There were hundreds of trains at any given time across this country that did not move for hours because the train crews were not rested, so we worked ourselves into a bit of a hole with this short staffing.

This is the state of the rail industry today, yet through it all—and this is important—the Class I big carriers have consistently made record profits each quarter on record-low operating ratios; stock prices have been boosted to records unheard of in the history of the industry; and dividends are at an all-time high. Much of the profit that has been made by the rail industry has been invested back into stock buybacks, far more than has been spent on simply putting into capital expenditure for the railroads. As I was saying, throughout this time, the last 16 years or so, we have not seen a whole lot of sidings being increased in length. We have not seen almost any double tracking, to say nothing of electrification. The rest of the world is forging ahead, electrifying the railroads, instituting double track, and expediting train movement to get trucks off the highway, to get cars off the highway because everybody knows that the rail is the most fuel-efficient, safest, and environmentally sensitive means of transportation—far more than the interstate highway. Instead, we have seen large classification yards shut down, and in some cases literally ripped out, never to return. We have seen numerous freight customers leave the railroad and ship by truck. Here is the figure that blows me away: In 2006, the railroad industry Class I moved 32.1 million loads of freight. In 2022, they moved 25.4 million loads of freight. If you do the math, it is a 21 percent decline in the amount of freight moved. To me, that is a mind-blowing statistic. We are not doing more with less. We are actually doing less with less, and we are squandering a national asset, the biggest railroad network in the world to this day. We are driving customers out of the industry. As we saw last summer, the industry cannot even handle the freight that it has even though it is 20 percent less than what it had 16 years ago.

This is all the context in which we see train length and weight dramatically growing. When I started in the industry as a brakeman in 1996 with Conrail, a big train was 7,500 feet. A big train today is twice that length, 15,000 feet. Why is the rail industry so intent on running these long trains? As we will find out a little bit later here from Jason Doering, Gabe Christenson, and others, these long trains do not make for a fluid railroad. They actually clog up the railroad, and they take up what is called a huge amount of track capacity. They are difficult to operate for the operating crews, they obstruct the movement of passenger trains, they are prone to mechanical delays, and they derail more frequently. When they do derail, the results, as we have seen in numerous instances in the last few years, are much more traumatic as well as spectacular. I would say these long trains result in longer tours of duty for crews, increased fatigue levels, and often result in more train recrews. A train crew can only work 12 hours under federal law. In many cases, these long trains incur delays, so we have to have another train crew come out from the terminal to recrew those long trains. They

are more likely to block highway crossings and impede traffic, police, and fire emergency services. They are cumbersome and slow to start and stop, and they are more likely to break in two. There is not a train crew in this room today, and there are about six or seven of us here, who has not been involved in trains breaking into two because of the serious weight and length. There is one reason that the Class I railroads are building these monster trains: they save money on crew costs, and they make more money for stockholders in the short run. But in the long run, they do harm to railroad workers, trackside communities, motorists, the environment, passengers and passenger trains, shippers—to the nation as a whole, and actually, to the long-term health of the railroad industry itself. It is time that we place limits on train lengths here in the state of Nevada. I will hand it off to my brother, Jason Doering.

Chair Watts:

Thank you very much. I will ask that the rest of the presenters make their remarks to the point so we can get through the presentation and get into testimony quickly.

Jason T. Doering, Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers:

Our association represents approximately 220,000 sheet-metal and transportation workers with most employed in freight and passenger operating crafts, making it the largest railroad union in North America. As a Union Pacific Railroad conductor and locomotive engineer with 19 years of experience in Las Vegas, I am here to copresent A.B. 456. The focus of my presentation will be on the train defect detector portion of the bill which came as an added amendment [Exhibit E]. I will also clear up where the current bill stands, as we are only keeping section 1 of the bill and sections 2 and 3 will be removed in their entirety. We will be putting in a section that is held in the Legislative Counsel Bureau right now that deals with the train defect detector portion and also blocked crossings, which kind of goes in-hand with the long train portion.

To give a brief rundown of what we are here to talk about was on February 3, 2023, an oversized freight train carrying hazardous chemicals derailed in East Palestine, Ohio, and caused a fire that lasted several days. The train operated by Norfolk Southern had 20 cars filled with highly flammable toxic chemicals, and the fire prompted the evacuation of 1,500 people. A vent-and-burn operation was initiated on February 6 to safely dissipate the chemicals, but it triggered a fireball that sent a dark plume of smoke over the region. After the incident, evacuees reported burning sensations in their throats and eyes, layers of soot, and creeks filled with dead fish. The train defect detectors had been signaling an overheated wheel bearing, but the crew was not informed until it was too late. Incidents like this are unfortunately common, and we must act to prevent them from happening in the future.

The catastrophic incident that occurred in East Palestine dealt a devastating blow to the town's economy, resulting in immense financial losses, widespread unemployment, and home value losses. The incident left its already struggling residents in a state of complete distress and utter despair grappling with the aftermath of the destruction that ravaged their once-thriving community. While East Palestine is a relatively small town in comparison, if a similar event were to occur in a populated area such as Las Vegas or Reno, it could have

far-reaching impacts on the tourism industry and the surrounding communities. Additionally, the accident raised concerns about whether freight railroads have prioritized efficiency over safety, staffing, and working conditions in their pursuit of increased profitability. Train detectors are located periodically along railroad tracks and can detect dragging equipment, leaning equipment, hot bearings and wheels, and more. However, railroads are not bound to take any action if a defect is detected in a train, leaving the cargo, crew, and communities the train passes through at risk. Following this horrifying incident, the Federal Railroad Administration recommended that railroads improve their collection and use data from the train defect detectors to prevent destructive derailments. Journal bearings are sealed components, making defects in them difficult to identify through visual inspections.

Assembly Bill 456 enhances the safety of Nevada's railroads and protects our communities by requiring the train crew to be notified immediately when a detector alert is triggered. This notification would allow the crew to take appropriate actions to prevent potential hazards and ensure the safety of the cargo, crew, and communities the train passes through. Moreover, it will mandate that the train defect detector systems be installed at intervals of approximately ten miles. However, if the natural terrain necessitates a greater distance, the systems may be placed up to a maximum of 15 miles apart. There are currently no regulations on train defect detectors or official thresholds of hot bearing temperatures for the railroads to claim preemption, providing the ability for potential safety hazards to be fixed at the state level. Allowing a train carrying hazardous materials to continue its journey without any restrictions after setting off the hot bearing alert is unacceptable practice that poses a severe risk to the public safety. The potential consequences of such negligence are far too grave to ignore, and it is imperative that railroads cease this dangerous practice immediately to prevent avertable accidents from occurring. The train defector portion of A.B. 456 is in accordance with the latest safety guidelines proposed by industry experts, further solidifying the significance in averting ravaging derailments and other potential disasters that could wreak havoc in our neighborhoods.

By passing this bill in its entirety, Nevada will be joining the ranks of Ohio and several other states in taking proactive measures to safeguard our communities and prevent any such devastating instances from occurring. In conclusion, I want to stress that the safety of our communities and railroads must be a top priority. The incident in East Palestine is a tragic reminder of the serious environmental and economic consequences of not taking necessary precautions to prevent accidents. By passing <u>A.B. 456</u>, we can ensure that our railroads have vital safety measures in place to prevent such derailments from happening in Nevada. As a railroad worker with extensive experience, I strongly urge the Committee to support this bill and take action to make our railroads safer for all. Thank you for your time. [Written testimony was submitted Exhibit F.]

Gabe Christenson, Assistant State Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers Local 1043:

I would like to thank this Committee for the opportunity to give my testimony regarding this legislation. I have been a freight railroad conductor and engineer for 19 years. I am a native

Nevadan, and my family has been in this state for nearly a century. The bill we are here to discuss today is essential to protect the residents, communities, and environment that all our families and friends live in.

When I started as a conductor almost 20 years ago, Class I carriers were typically operating trains roughly 5,500 to 6,500 feet long, about a mile, and at max about 12,000 tons. There are good reasons why this was standard practice. Most notably, the territory we operate on was never designed for trains larger than this to make meets and sightings and get around each other. Then something called precision scheduled railroading came around five to seven years ago. This new business plan has exploded the size of trains we are currently seeing. They are now averaging 15,000 feet long and between 20,000 and 30,000 tons. This is more than double the size, over three miles long and 60 million pounds. In certain areas, they are even having 26,000-foot trains that are five miles long and 60,000-ton trains that weigh 120 million pounds. The equipment we use and the tracks we run on are the same as they have been since the Civil War, except for the introduction of diesel electric locomotives. The track infrastructure, cars, and braking systems are the same. The cars these trains haul and the tracks they run on were never designed to accommodate trains of this magnitude. The forces generated by these trains starting, stopping, slowing down, and speeding up are extremely massive. Every little increase and decrease in track rate creates a collision between each car. It is severely increasing metal fatigue in the coupling between cars and wearing out the rail. All this increases the inevitability of failures in the equipment, resulting in a derailment.

Just to give you an idea of these forces, we are seeing some cars in certain scenarios literally ripping in half like a cracked egg. The increased length and weight of trains also magnifies braking distances if there is a derailment, as the antiquated brake systems currently being used do not apply simultaneously on every car, as seen in East Palestine. If the train that derailed in East Palestine had been equipped with electronically controlled pneumatic brakes, the severity of the derailment could have been reduced. Unfortunately, this is becoming more and more common.

The conductor is responsible for assessing the issue in determining if they can repair it in the field or if the car is safe to move or needs to be removed from the train. The conductor is also tasked with being the first responder if there is a derailment and they cannot determine if any cars are leaking hazardous materials. With the increased length of trains, it can take, at times, two hours to get to the issue as a conductor walks the length of the train on uneven ground. Unfortunately, these accidents occur during any time of the day, sometimes during the middle of the night and in severe weather. The length of these trains slows response time, which in the case of the derailment could increase the amount of chemicals being spilled and a delay for first responders to be notified.

Train length also affects radio communication between the conductor on the ground and the engineer in the locomotive when making backup moves with the train. This puts the crew and communities' safety at risk when communication is lost. It could cause a collision or derailment because the radios being used to communicate oftentimes do not have the range

needed. Lost radio communication is also a factor with locomotives now being placed in the middle and rear of trains. A radio signal is sent to the trailing locomotives when throttle or dynamic braking is adjusted on the lead locomotive. With loss of communication, an increased risk of the entrained locomotives not responding usually results in the train being ripped apart and the possibility of a derailment increases. If a train does not have a locomotive on the rear, there must be an end-of-train telemetry device that allows the engineer to monitor the air brake system at the rear of the train. Loss of communication in this scenario can result in the engineer not being able to see issues of failure with the braking system.

There is a direct correlation between the increase of train length and the frequency and severity of derailments. In 2019, we had two such derailments in this state just three weeks apart. One was in eastern Nevada near Wells. The train had 156 cars and the other was in southern Nevada near the Meadow Valley Wash. This train had 182 cars. Both incidents were attributed to excessive train weight and length. The media is reporting almost daily about new derailments across this country. I am sure you have all seen the environmental disaster in East Palestine. This derailment was due to an equipment failure, as are many of the recent derailments we have been seeing. The goods being transported through our state to support mining and manufacturing are extremely dangerous to the people who live here and to our environment. If a train derailed with certain chemicals anywhere remotely near a town, we would be talking about hundreds to even thousands of deaths. The environmental impact would be unimaginable, and these monster trains are going right through the middle of our towns and cities.

This increases the number of blocked crossings in our towns and cities. In some instances, entire neighborhoods and even towns are being completely cut in half for hours at a time. It is commonplace in West Reno, Mogul, Verdi, Battle Mountain, Lovelock, and Carlin where the only access into and out of neighborhoods is via railroad crossings. Unfortunately, there is no way for a train crew to know if there is an ambulance, police officer, or fire department trying to get across those tracks to respond to an emergency. With the length of these trains, it can take over an hour for the conductor to go back and separate the cars to allow emergency responders to get through. In many cases, if it is a medical emergency or a fire, this could mean the difference between life and death or losing a home to a fire.

With the introduction of <u>A.B. 456</u>, Nevada could be a leader in our nation, ensuring the safety of our residents and the environment by creating a safe limit of the length of trains operating through our state. As a railroader and a resident of the state, I urge you to pass this bill for the safety of my fellow employees and the communities of the state. [Written testimony was submitted <u>Exhibit G.</u>]

Assemblyman Carter:

With that, we are ready to answer questions.

Chair Watts:

Thank you all for the presentation. Members, I will remind you we are focusing on the proposed amendments that were provided by the sponsors [Exhibit D and Exhibit E]. With that, we will open it up to questions. We are going to have a lot of questions. We will start this train with Assemblywoman Summers-Armstrong.

Assemblywoman Summers-Armstrong:

There was a lot to unpack there, and I apologize that I do not have the amendment in front of me. But I do have some technical questions that I would like clarification on. First of all, I need clarification about the length of the trains you are speaking of. By the way, 7,500 feet is a 1.42-mile train, and 5,500 feet is a 1.0417-mile length train—so not 5 miles, right? Can someone please clarify that because you stated that and I want to make sure we are clear.

Jason Doering:

Yes, we do have trains that run up to just under five miles. I sent that in my supporting documents in that presentation by Jared Cassidy, who is the alternate national legislative director. There were three examples of BNSF Railway trains that were just under the five-mile mark and weighed up to the 60,000 tons. In Nevada, it is not unusual to see 15,000-plus-foot trains running through the state. We are a little different than, say, the Midwest where the five-mile-long trains currently run. However, when Mr. Christenson and I hired out, 15,000-foot trains were unheard of then, as well as in the Midwest. They keep pressing the limits. Again, Nevada is a little bit unique as far as their terrain. We have some of the steepest and most intense environments that any of the railroads in the country run over. But those numbers are pretty factual.

Assemblywoman Summers-Armstrong:

Thank you very much for that clarification. What you are asking, and is this still the case, am I clear from what I have on paper that the maximum you want to be allowed is 7,500 feet? Is that correct?

Jason Doering:

Yes, that is correct.

Assemblywoman Summers-Armstrong:

Okay, very good. My next question is, you mentioned the signaling. Can you please explain where the emergency sensor or the indicator is? Does the engineer see that signaling, hear it? Is there a whistle? Is there a light someplace on the dashboard where the engineer sees that emergency signal or the warning?

Jason Doering:

Are you speaking on the hot box detector portion of the bill, the train defect?

Assemblywoman Summers-Armstrong:

You mentioned something to the effect that the engineer does not know when there is an issue—that the indicator light is not where you can see it, or did I misunderstand what you said?

Chair Watts:

I will step in briefly. I believe that is related to the defect detection aspect that you are discussing. To help clarify the question, you mentioned there are these defect detection systems devices. When those issues are detected, where do they go? Where does that information or that message about the issue go? Could you provide some additional background on that to the members of the Committee?

Jason Doering:

Absolutely. Along those tracks, we have these detectors, and they test for hot bearings, hot wheels, dragging defects, anything that could occur online that was not inspected in the yard prior to taking off. When we go over those detectors, you can hear what mile post that detector is at and then the train goes over it and that is all we hear now. We used to get the outside temperature and we used to get an axle count upon going over that train. Therefore, if we departed a yard and for some reason, there were extra hazmat cars on the train, we would be alerted to that. We could call dispatch in Omaha and find out what is on our train that should not be on that train, and it happens constantly. Now, when we go over one of these defect detectors, all we get is that mile post that the train defect detector is at just to alert us that it is on and then that is it. We do not know how many axles we have on that train unless Omaha alerts us to that. We do not have any readout information. We have no access to gain that information unless Omaha, Nebraska, which is where our headquarters is located, gives us that information and relays to us.

As an example, a few trips ago, I was on a train departing Yermo, California, headed towards Las Vegas, Nevada, and I went over a train defect detector leaving Yermo, California. It was not until about 30 miles later that I was alerted by Omaha that I had two additional hazmat cars on my train. Had I gone over that detector and realized that I had eight additional axles since each car has four axles, I would have been able to contact Omaha and we could have squared that right away. I need that information for hazmat and emergency response in case there is an incident, which was the case in East Palestine. Emergency responders did not have immediate response to what was on that train because of everything that was going on. But yes, as far as a button or anything on our computer screens in front of us, we do not get that.

Assemblywoman Dickman:

I am wondering if anyone can tell me a reason why train freight is down 21 percent from 2006. Any ideas?

Ron Kaminkow:

Lots and lots of reasons, some of which I did go over. Freight rates have been increasing dramatically, and so a number of shippers choose to go by highway. The rail industry is not actively courting traffic, even though they say they are. The fact is, if they were courting that traffic, we probably would not be down by over 20 percent.

Assemblywoman Dickman:

Do you think it could have anything to do with the fact that they are hauling less coal?

Ron Kaminkow:

Coal shipments are definitely down from where they were in 2006, but that does not account for the complete and total number. I am not sure what portion of it would.

Assemblywoman Dickman:

What kinds of effects would it have if we had different limits on train lengths in all different states? Would it cause confusion? Would it cause having to take trains apart when they are in the middle of—

Gabe Christenson:

I do not see an issue with that because basically every train that enters the state of Nevada with this business model that they have now picks up or sets out cars. They add or take away cars from every train that comes into this state, whether it be when it gets to Elko, Nevada, or Reno, Nevada. There would be no issue with that. Currently, they run two trains combined—grain trains that come from the Midwest—and because of signal issues with the radio on the locomotive talking to the radio at the rear of the train, when it hits Portola, California, they have to break that train in half anyway, and separate it into two trains. I do not see an issue with that because they are working anyway when they hit the terminal when they get into the state.

Assemblywoman Kasama:

Since the workers and everybody are represented by unions, have they tried to negotiate this nationally to limit the trains? Have you started and had no response from the companies to limit it to 7,500 feet? Is that why you are bringing it into state regulation? What is the trend? Are other states doing this or is it being negotiated union-wise? What is the national trend?

Jason Doering:

Other states are presenting this, especially this year in light of East Palestine and also due to the uptick in the number of derailments that are occurring. Really through what Mr. Kaminkow touched on: precision scheduled railroading. Like we said, when we hired on, these trains used to be—a long train was 7,000 feet. Average trains were roughly a mile. They could fit into sidings, everything else. Now they are getting so dangerous to where all these derailments are occurring. If something breaks down, then that conductor is responsible for walking back and fixing that issue. Just imagine walking a 15,000-foot train over Donner Pass in the winter or in the middle of the Mojave Desert in the summertime. It is dangerous. A lot of things can go wrong. Many states are currently putting this legislation

forward. It has bipartisan support. Along the line, there are multiple bills within Congress that are raising issues on rail safety. But again, the Federal Railroad Administration (FRA) recommends that states take action, and they do have the authority to take action.

Assemblywoman Peters:

I want to talk about how what you are proposing today is different from the federal regulations and how this bill creates or fills the space for the need in Nevada. First off, how is it different from the federal regulations? Second, how does it fill the needs that we are seeing in Nevada?

Jason Doering:

My portion of the bill specifically dealing with train defect detectors does not have regulations that oversee them. Union Pacific or any other carrier could essentially turn every single hot box detector off or not even have them out there. That would not be the best business plan because of all the incidents and issues that we do have online. That is why they do not, and we are trying to increase the number of notifications that we could get on that.

The same goes with train length. There are no federal regulations dealing with train length because it has exploded over the last six or seven years as far as how long and how heavy trains are becoming. That is what we are trying to touch on as far as getting regulations set on the state level, such as we did with having a conductor and an engineer in the locomotive cab. The federal government, I guess, is maybe slow on a few things, and it might be a little harder to get things done through Congress. Then again, the Federal Railroad Administration regulations seem to change throughout each administration and things get a little murky and less attention is paid as far as safety, I guess.

Gabe Christenson:

As far as federal regulation on train length, they are kind of leaving it up to the states, it seems like, much like trucking. In the state of California, you cannot run triple trailers but in the state of Nevada you can, so it is kind of the same thing with train length is the way I am reading that.

Assemblywoman Peters:

It seems wild that these interstate rules are so up in the air and different. I had no idea, frankly, that there is really a standard or maybe an enforcement at the federal level of some of these protections that are in place. I personally hesitate on self-regulation in a lot of cases, especially in industries where there appears to be, maybe, a clawback of financial incentive for how to operate. It is very enlightening, so thank you for the responses.

Assemblywoman Brown-May:

I want to talk a little bit about Nevada statistics, and I am curious if you can help me specific to Nevada. I thank our staff at the Legislative Counsel Bureau for some research. They identify that we had 9 derailments in six months in 2022, 27 derailments in Nevada for all of 2022, 8 derailments in 2021, and 22 derailments in 2020. How many staff do you have on

each one of these trains who are dealing with these derailments? We have this data from the Public Utilities Commission of Nevada. Again, this was supplied by our staff here at the Legislative Counsel Bureau earlier today specific to Nevada derailments. How many employees do you have on each one of these trains who are dealing with these derailments?

Jason Doering:

Each train in Nevada is currently staffed at two: a certified conductor and a certified engineer.

Assemblywoman Brown-May:

Thank you. When you experience a derailment, where typically do they happen and how long does it take to get help?

Jason Doering:

That is where Nevada is somewhat unique in the terrain. One of the derailments that Mr. Christenson mentioned was unfortunately near a highway, but it had easy access. The other one he mentioned happened in Lincoln County, which is on my route between Las Vegas, Nevada, and Milford, Utah. It happened in the middle of nowhere. To get there by car, you are looking at roughly three and a half hours from Las Vegas. The closest emergency responders came from Caliente, which even going that route probably took roughly an hour and a half. We had a recent derailment with a train that again was on our route just south of Las Vegas that occurred a little over a week ago. That is about two and a half hours to respond as well. It does leave the crew isolated for quite some time and in some pretty extreme conditions.

Assemblywoman Brown-May:

Thank you. I could ask you a lot more questions relative to the situations you are facing when you are out in the middle of nowhere. You talked about how this trend has changed in the last six or seven years. Was there a catalyst to changing what the train length was at that time or was it, in your opinion, market-driven? Was there a trigger that encouraged freight operators to add more trains at a specific time in history?

Jason Doering:

About six or seven years ago, a new operating model that all the Class I railroads adopted, called precision scheduled railroading (PSR), took effect all over. It hit us here in Nevada where basically we were doing less with less. They started to combine trains, eliminate staff, and eliminate train crews. What has put us in this supply chain crisis? All the issues that were taking place on the ports were due to lots of staffing issues that we had in southern California, in the Bay Area. Our maintenance-away crews have been completely abolished. They are so hard up to get people out there that they are offering \$50,000 bonuses just to hire out with the railroad right now. It is all self-inflicted. Things were running fairly safely prior to PSR, and once PSR hit, which is basically when Wall Street took over running the

railroads rather than the railroads running themselves, is where we have been going downhill. So much so that PSR is so bad that now the shareholders are actually suing the railroads because they did not quite understand what PSR entailed. That is taking place right now. Basically, it is doing less with less.

Assemblyman Gurr:

When you guys were in my office a little while ago, you brought up the possibility that somebody might ask a question about the constitutionality of this bill. I guess I am that somebody. Could you please talk to me about the constitutionality or unconstitutionality of this bill?

Jason Doering:

Absolutely. Again, the opposition says that limiting the train length poses an undue burden on commerce. As we said, years ago it was rare that a train exceeded 7,500 feet. In effect, the proposed limit represents returning to a safer and more efficient way of running trains. The argument of the railroads is that the Interstate Commerce Commission Termination Act (ICCTA) preempts state regulation. However, the ICCTA is limited to economic legislation. I did submit supporting documentation [Exhibit H] from the principal draftsman of the Federal Railroad Safety Act of 1970 that I also submitted in 2019 that dealt with our two-person crew bill. But the Federal Railroad Safety Act of 1970, not the ICCTA, governs the issue. Congress allowed states to regulate safety and took into consideration that a safety law will have some economic impact on railroads. To adopt the railroads' preemption argument would mean that a state could never regulate railroad safety. Yet as I mentioned, in 2019 we did pass rail safety legislation. Also, Title 49 U.S. Code Section 20106 grants the states the right to adopt and continue to enforce a law, regulation, or order related to railroad safety or security until the Secretary of Transportation or the Secretary of Homeland Security prescribes a regulation or issues an order covering the subject matter. Again, this is all in the amicus brief that I submitted [Exhibit H].

There are also questions that the railroads may say that the FRA should regulate train length. In May 2019, the U.S. Government Accountability Office released a study titled "Freight Trains are Getting Longer, and Additional Information is Needed to Assess their Impact." The study identified the problem. But as too often is the case with our federal government, they failed to take action. After the examination, Keith Washington, Deputy Assistant Secretary for the United States Department of Transportation, concluded while the FRA is concerned about blocked crossings as well as every rail-related accident and incident, a federal one-size-fits-all approach is not the best way to respond to every issue. Specifically for blocked crossings, state and local governments are better positioned to address each community's unique road network and emergency service characteristics and needs.

Assemblywoman Gallant:

I want to continue with my colleague's question about *Southern Pacific Co. v. Arizona*, which is what keeps getting quoted to us. It was in 1912 and 1940, and both times it ruled in favor of the interstate compact rather than with Arizona's attempt to try to reduce that. First of all, have any other states since 1940 implemented such regulations? If so, has the case been

brought forward and how was it ruled? If not, are you prepared to put Nevada in a place to end up in an expensive lawsuit if we do not have any prior case law that would support us moving forward on this?

Jason Doering:

In 2019, when we passed similar rail safety legislation, the railroads brought this argument up; they had the same argument that rail safety has been blocked by the ICCTA and states have no authority to have any such regulation in effect. In fact, Nevada did sign on with multiple other states and appeal to the United States Court of Appeals for the Ninth Circuit and we won that. What the railroads are arguing is that we have no means of regulating rail safety, but in fact we do. In that amicus brief [Exhibit H], it outlines specific things. I am no attorney. I am just a stupid railroader here, but it gives a complete injunction as to how they are able to do that. Attorney General Aaron Ford might be the best person to describe it since he is the one who argued on behalf of Nevada during that.

Assemblyman Cameron (C.H.) Miller:

You mentioned the blocked crossings. When I was spoken to about this in my office, there were examples of blocking crossings in the streets—going through the cities and blocking those crossings. Would shortening this to the 7,500 feet essentially stop that in Nevada? If it does not, how do we stop those intersections from being blocked? Is it a matter of moving the station? Does it need to be shortened or lengthened?

Gabe Christenson:

The 7,500-foot limit we are proposing is not a cure-all for that. What has been leading up to so many blocked crossings now is the congestion that these monster trains create. You will have the Sparks yard, for instance, completely shut down because there are only two main lines to get there and then they combine into one lane. If they are doing work, they are stopped back so far that the trains that are following and trying to get into the terminal are blocked. They used to be able to say we are this long; we have to stop at this crossing to free up the space. They cannot do that anymore. They are instructed to squeeze up as tight as they can because there are so many trains coming in and they are so long that they just block the crossings. It is not a cure-all, but it would greatly reduce the number of blocked crossings in our state.

Assemblywoman Dickman:

Assemblywoman Gallant asked the question about *Southern Pacific v. Arizona*, and your answer talked about states being able to implement their own safety. But did that decision not have to do with interstate commerce, which is a whole different thing, right?

Jason Doering:

Correct, it has to do with the ICCTA. In fact, Arizona currently has a train length bill that is running through its legislature. They, along with other states, are attempting to do the same thing that we are doing here in Nevada.

Assemblywoman Dickman:

I just wanted to get that straight because I thought we are talking different things here.

Chair Watts:

I will ask if you could provide some follow-up information to the Committee about states that are considering or have adopted policies related to each of the core area issues that this legislation seeks to touch. I think that would be very helpful. The last thing I want to follow up briefly on is the blocked crossing. I looked at the initial proposed language, and I am wondering how you envision this being implemented. I have talked to a few colleagues in southern Nevada. Mr. Doering, I know you operate down there. Oakey is pretty close to where I live and is one of those streets that routinely has trains passing through as they head into downtown. I am wondering, particularly with impeding emergency vehicles, if that means that essentially a train can never block a street because an emergency vehicle may be coming down to it. Could you explain a little bit about how you see the implementation of the restrictions on blocking being carried out practically?

Jason Doering:

Like what Mr. Christenson touched on, it is not a cure-all, but it does help larger crossings not be blocked. Say downtown Las Vegas between Desert Inn and Wyoming Street. Roughly about a 7,200-foot train can fit in between there, and we are constantly parking trains there and we block those very busy crossings on a regular basis. If there is a way that we can park a train there and not block traffic, that would definitely be ideal. That is kind of what we are trying to do. We would be the eyes and ears of trying to fit where we can and stop crossing. What happens is the dispatcher in Omaha will, a lot of times, try to get us in a position to where we cannot block it. But again, if they need to block a crossing, they will. Essentially, limiting the size of a train would help mitigate a good portion of the crossings that are potentially going to be blocked by these massive trains.

Yermo, California, is another good example. There is a crossing on the east end of the yard that we never used to block at all when we were putting trains in there to work. Now we are blocking them for up to 12 hours because we have to perform work on these massive trains. We do not want to be blocking that crossing, but our management will instruct us to do work and we have to do that work. If a train was shorter, we would not be, of course, blocking that crossing,

Gabe Christenson:

Mr. Kaminkow touched on it that we are federally regulated to only be able to operate a train for 12 hours in our shift. With the short staffing, commonly we are pushed right up to that 12-hour point with no plan to relieve the crew or change crews out to keep that train moving. When that happens, we are stopped. We cannot move that train anymore. If there was a penalty assessed, it would force the hand of the company to come up with a plan to either make that train keep moving or stop it further out of town or on a siding where it would not be affecting traffic.

Chair Watts:

Thank you very much for that. I have occasionally seen a train slow down or stop at an intersection, particularly before they had some alternatives for you to make your way around. It was a very disheartening experience. With that, we are going to keep this train moving full speed ahead, and we will open up for testimony and support on <u>A.B. 456</u>. Anyone wanting to provide testimony in support either in Carson City or in Las Vegas, please come forward.

Todd Ingalsbee, President, Professional Fire Fighters of Nevada:

We are in full support of this. Our international association represents about 350,000 members throughout the United States and Canada. Recently with all the accidents and incidents, we are making it a point to provide training for our members to respond to these incidents because they are happening so frequently. As a captain in downtown Las Vegas for a number of years, those instances where trains are stopped down on Wyoming—I have been there—prevented us from going to make it to cardiac arrests, fires, et cetera. I wanted to touch on that. Again, we support these; there have to be safety things in place to make sure these men and women are safe and can do their jobs. Not only that, but we protect our communities that are built around these train stations. Thank you.

Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO:

On behalf of over 150,000 members and 120 unions, we are in full support of <u>A.B. 456</u>. Everyone in this room today has seen the news with consistent derailments across the country and concerns about the safety of America's rail workers. A derailment has already occurred in our state last month. Luckily, there were no injuries or impact to our environment, but we need to ensure that it does not happen again in a higher stakes situation. The Nevada State AFL-CIO proudly supports this legislation. It would ensure our workers are not being overburdened, guarantee minimal risk of accidents on our railroads, and impose much-needed penalties on rail companies that refuse to prioritize the safety of our workers and our state. I have had the pleasure of meeting Jason Doering and I know he has a lovely young family. At the end of the day, this is why we do this. We want to get him safely to his family and also so our community can be safe as well. Thank you for your time.

Matthew Kimball, Private Citizen:

I urge you to support this bill. It will definitely keep folks safer, and that is something that I deeply care about. I urge you to pass it. Thank you.

Alma Lozoya, Political Intern, Culinary Workers Union Local 226:

The Culinary Workers Union supports A.B. 456.

Adam Mack, Legislative Director, International Alliance of Theatrical Stage Employees, Moving Picture Machine Operators, Artists, and Allied Crafts of the United States, its Territories, and Canada Local 363:

<u>Assembly Bill 456</u> proposes changes that will create a positive impact on worker safety, public safety, and potentially prevent a railroad disaster in one of our cherished Nevada communities. For that reason, we stand in support of <u>A.B. 456</u>.

James Becker, Private Citizen, Sparks, Nevada:

I am a freight railroad conductor based in Sparks, Nevada, for the past 19 years. I would like to share with you a few recent incidents in reverse chronological order so that the Committee is aware of the current situation of the Nevada rails that I work on. The first incident I would like to talk about happened on March 17, 2023, in Beowawe, Nevada. We had a bearing failure on a car. It was identical to the incident that occurred in East Palestine, Ohio. One car fell off the tracks, and the way it fell did not cause other cars behind it to pile up. Again, the train lengths and the trains pushing on it are all factors that kept this car from not falling off the tracks with the others.

The second incident, the Fort Churchill derailment, on March 13, 2023. The track was not inspected and had been washed out in seven locations. This could have been much, much worse. That track is used mainly for agricultural deliveries but also supplies the Hawthorne military base for which we do carry live munitions on that track.

Incident number three was in February 2023. I personally worked a train that broke apart into multiple pieces due to a car failure 12,000 feet back of the 14,000-foot train. The car failure was a direct result of the oversized 14,000-foot train. This was identified as a key train, or a high hazardous train. It broke apart just west of Carlin along the banks of the Humboldt River. This was another roll of the dice where the train stayed on the tracks and did not result in a catastrophic event. This location, by the way, was not accessible via automobile.

Number four was on January 20. The Winnemucca derailment was directly related to train length. The multimile-long train experienced in-train buff forces causing two cars to derail near the rear of the train. Another example of luck: these cars were not carrying hazardous materials. These cars still remain on the ground today, littering south Winnemucca.

Number five, this did not happen in Nevada, but this train did traverse through Nevada. It happened in Juab County, Utah. This was three years ago, almost to the day, in March 2019. I urge all of you to look at the videos on YouTube at the news stories of this train derailment. It is a photograph exactly like the East Palestine derailment where the railroads went in and just blew up the train. This county borders eastern Nevada, and this train did go through Nevada.

Chair Watts:

If you could begin to wrap up your remarks.

James Becker:

Absolutely. Derailments happen on a regular basis. One happened yesterday. I know you have numbers, but I do not believe they are accurate. I believe a lot of them are hidden. I urge you to pass this bill. Thank you.

Tom Martin, Private Citizen, Sparks, Nevada:

I guess I am the old guy at the crew. I got 25 years seniority here in Sparks. I have been here my whole career. I have watched the trains get longer and longer. We have derailments on a regular basis. We talk a lot of things about breaking twos and things like that sort, which I am sure you guys do not know what that means, but basically the metal that holds it together breaks off. So then the conductors have to walk back, see what is going on, walk back up, carry a 35-pound knuckle back to the break, whether it be a mile, mile and a half, two miles, whatever it is, put it back together and go on their way. Also, as you take off on a train, obviously all the knuckles are 2 to 3 inches or a foot long. You can imagine when you start pulling the rear car, all that force is pulling up and the longer the train gets, the more derailments we have and the more issues we have.

In the middle of the night, when the train breaks in two—you asked about the scanners—that is the only thing we know that there is something going on back there unless we can physically see back there. Like most people, I cannot see two and a half miles back or three miles back to know what is going on back there. When we get an issue where we do break in two, meaning the train breaks in two, we go back there. We do not know what we are going to find. We have no idea if we have cars on the ground. We do not know if it is a hazmat car. We have a train list as we are walking back with a flashlight on uneven conditions in the middle of nowhere, in the middle of the night—snow, rain, or whatever. We are walking with that list, trying to see if we know what is going on back there. Is it a hazmat? Do I need to call somebody? The trains are so long now that when you go over the scanner we are talking about, we are so far past it that you cannot hear the radio signal telling you that you are all clear. When we go out of Elko and places of that sort, if we do have ten extra cars, we will not know that. There is no way to know what is on there. It could be nothing or it could be ten hazmat cars, which is stuff we should not have. That is the whole purpose of having those scanners. We can compare our list to what is going on. I urge you to pass the bill.

Alfonso Lopez, representing International Association of Sheet Metal, Air, Rail, and Transportation Workers Local 88:

I am here in full support, and I strongly urge you and the Committee to please support $\underline{A.B.456}$. Thank you.

Chair Watts:

Seeing nobody else coming forward in person at this time, do we have anyone wishing to provide testimony in support of A.B. 456 by phone?

Robert Sumlin, Private Citizen, Las Vegas, Nevada:

I am with the International Association of Machinists (IAM) and Aerospace Workers Local Lodge SC-711 in Las Vegas, Nevada. Some of you might know that the IAM was founded on May 5, 1888, when Thomas Talbot and 18 other earnest railroad machinists making only 20 or 25 cents an hour for a 10-hour workday met secretly in a locomotive pit in Atlanta.

Who among those original 19 could have imagined that on that day in 1888 one of North America's most progressive and most enduring trade unions was born? I strongly urge the Committee to support <u>A.B. 456</u>. This bill would increase protections for our railroad workers and regulate trains that run on Nevada railroads to minimize the risk of accidents.

Russ James, Private Citizen:

I am with the Nevada State AFL-CIO and a longtime member of the International Union of Painters and Allied Trades. I am in strong support of <u>A.B. 456</u> and urge this Committee to support it as well.

Olivia Tanager, Environmental Justice Program Manager, Progressive Leadership Alliance of Nevada:

I am calling in support of <u>A.B. 456</u>. At Progressive Leadership Alliance of Nevada, we believe that everyone should have access to reliable public transportation and that public transportation is a top priority for climate change mitigation here in Nevada. As gas prices go up, more and more Nevadans are reliant on public transportation. We know public transit usage in Nevada has gone up in recent years and someone living in a one-car household often relies on public transportation, including passenger rail, for travel. Passenger rail is a critical part of public transportation in Nevada, as I am sure you all know. At present, it often runs late due to excessively long freight trains. This bill would limit the length of freight trains, therefore bolstering passenger rail success and ridership with more reliable passenger rail service. Please support this bill.

Nick Christenson, representing Toiyabe Chapter, Sierra Club:

On behalf of our members and supporters statewide, we support <u>A.B. 456</u>. We believe that exceedingly long trains pose a threat to the safety and welfare of the people of Nevada, as well as rail crews, and that the proposed maximum train length provided in this bill is entirely appropriate and, as we have heard from previous testimony, in line with historical precedent. We also believe the regulation proposed in this bill will reduce the likelihood of an accident resulting in severe environmental damage of the sort we saw recently in East Palestine, Ohio. Consequently, we support <u>A.B. 456</u> and urge this Committee to vote yes on this bill.

Liz Sorenson, President, Nevada State AFL-CIO:

I am in strong support of <u>A.B. 456</u>, and I urge this Committee to support <u>A.B. 456</u>. Thank you so much for your time.

Larry Wilson, Private Citizen:

I am here with the United Auto Workers, and we are here in support of $\underline{A.B.456}$ and we urge the Committee to support it.

[Exhibit I was submitted in support of A.B. 456 but not discussed and is included as an exhibit of the hearing.]

Chair Watts:

Since there are no other callers to testify in support at this time, we will move to testimony in opposition to <u>A.B. 456</u>.

Joseph Guild, representing Union Pacific Railroad:

Thank you for the opportunity to join this train of testimony on the bill before you, <u>A.B. 456</u>. Because sections 3 and 4 have been removed, according to the testimony of those before us, we will keep our remarks to section 1 and I will make a couple of introductory remarks. Then my colleague from the Union Pacific Railroad will go into some detail and then I will have some answers to some of the questions that have been posed by Committee members to the prior testifiers.

I would like one other thing, Mr. Chair. We saw the amendment related to hot box detectors and whatnot just about an hour before the Committee. We would like to publicly request permission from you to analyze that amendment and send a letter to you for distribution to the Committee on our remarks regarding that.

Chair Watts:

That is fine.

Peggy Ygbuhay, Senior Director, Public Affairs-Corporate Relations, Union Pacific Railroad:

I am a proud employee of Union Pacific Railroad. I have been with the railroad almost 29 years. I lead Union Pacific's public affairs in Nevada and California, and I am here respectfully testifying in opposition to A.B. 456. Operating a safe and efficient railroad is Union Pacific's top priority. Maintaining the safety of our employees, the public, and our customers is at the core of everything we do. There are thousands of daily activities required for operations on our network, in our terminals, and in maintenance facilities. Using our resources efficiently to leverage and flex train capacity allows us to reduce the number of work events our employees are required to perform. A bill like A.B. 456 would restrict the flow of commerce [Exhibit J] into and out of Nevada and impact customers and consumers who rely on a robust supply chain to deliver needed commodities.

Increased train length did not occur overnight, and it is the result of significant work and technological learning over the past decade. This involves understanding and harnessing in-train forces, advanced train makeup and handling rules, leveraging existing and advancing technology, and understanding ever-changing customer needs and requirements. We have also developed an operating practices command center with real-time capability to monitor the health and safety of trains as they traverse the network in order to mitigate or eliminate undesired events. A more efficient railroad helps customers and consumers. States are not permitted to directly regulate railroads' economic decisions, which includes restrictions pertaining to train length or blocked crossings. These state laws have been held to unreasonably burden and restrict the flow of commerce from state to state. In fact, in a January 2002 ruling in the United States Court of Appeals for the Sixth Circuit, the court nullified Michigan's blocked crossing law. The above leads the railroad to conclude that if

<u>A.B. 456</u> is passed, it would be an unconstitutional burden on interstate commerce. For those reasons, <u>A.B. 456</u> if enacted would likely be challenged and held inconsistent with federal law as was ruled in cases such as *Southern Pacific Co. v. Arizona* by the U.S. Supreme Court. Thank you for your time this afternoon.

Chair Watts:

Mr. Guild, do you have anything you would like to add in closing?

Joe Guild:

If I could take a couple more minutes, Mr. Chair.

Chair Watts:

If you can keep it as brief as you can, please go ahead.

Joe Guild:

I can try. When asked about the safety concerns, the proponents of this bill avoided the question of the interference with interstate commerce. There is a good reason for that. My colleague just cited the case of Southern Pacific Co. v. Arizona, in which the United States Supreme Court in 1945 said states cannot regulate the length of railroad trains because it is an interference with interstate commerce. If you think about it, one of the members of the Committee asked what if every state had a different train length requirement. That would clearly interfere with interstate commerce and violate the constitutional provision about There has been a conflation here that I hope the Committee interstate commerce. understands, and that is that while states have a right to deal with issues of safety in narrow areas, and our state has statutes in Nevada Revised Statutes Chapter 700 related to safety issues, it is primarily the federal government that preempts the states from doing specific things like hours of service, as an example. Hours of service is governed by federal law and preempts the states from issuing their own regulations and statutes related to train employees' hours of service. Just to be clear, if this bill passed with section 1 still in the bill, and again we have not had a chance to analyze the amendment, it would be an interference with interstate commerce, violating the U.S. Constitution and the holding in Southern Pacific Co. v. Arizona.

Mr. Doering is right. Arizona is considering this law or a law similar to this in their session of the legislature. Last session in their legislature, they considered a very similar bill, and it was not passed. The state of Washington did the same thing in its last session of the legislature and the bill was not passed. There is an understanding, I think, around the country that while we do not want incidents like what happened in East Palestine, Ohio, to occur anywhere in this country, certainly not in Nevada, the length of trains because of the concern about interstate commerce is not something that the states are allowed to do. I am happy to answer any questions. There is a lot more I could say, but let us just leave it at that. In answer to Assemblyman Gurr's, Assemblywoman Dickman's, and Assemblywoman Gallant's questions, it was not quite answered accurately, in my opinion.

Chair Watts:

We appreciate that, Mr. Guild, as we try to get this train into the station. I am particularly looking forward to your analysis of hot boxing issues. However, on a more serious note, if you could follow up with the Committee with the Michigan issue that was mentioned, as well as some of the additional background that you mentioned. You talked about the federal government preemption. If there is anything you can point to around federal regulations on train length that would preempt the state, I think that would be helpful to provide to the Committee as well. Members, are there any questions?

Assemblywoman Summers-Armstrong:

I do have a question that I asked earlier, which is about the warning system not being available to the train engineers and this information being held in Omaha so that the information is in a central location and not necessarily on the train itself. Could you speak to that and also confirm or bring more clarity to the assertion that the engineers are not necessarily clear what they are hauling on their trains until they are somewhere down the road?

Chair Watts:

I will just say again, before you give your response, that you could also provide some information in follow-up. If you can keep your responses brief at this time, we appreciate it.

Peggy Ygbuhay:

I was going to say that is part of the new amendment that we are not quite prepared to talk about regarding the hot box detector and wayside detectors. We are more than happy to provide that information to the Committee as soon as possible.

Chair Watts:

All right, seeing no other questions, we will move on to Mr. Enos.

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

I am here today in opposition of <u>A.B. 456</u>, really because of the section 1 issue and its interstate commerce implications. In 1991, the Intermodal Surface Transportation Efficiency Act was passed, and it froze all truck links to where they were. They said this is now in the purview of the federal government. Well, we have Interstate-15 that just a little sliver runs in Arizona between Nevada and California. You can run triple trailers in Nevada. You can run triple trailers in Utah. You could not in Arizona. That meant we had to go to Railroad Pass and we had to drop a trailer there. It was a very complicated exercise, and it actually took an act of Congress, because of that interstate commerce issue being preempted at the state level, for them to allow triple trailers to run. I will say a lot of times, especially when we are talking about length issues, whether it is triple trailers or trains, truck and rail have tended to be a bit at loggerheads. In reality, some of my biggest members and some of the biggest trucking companies of the world are the biggest customers for rail.

We have such a complicated supply chain today. It is silly to even call it a chain. It is more of a multilevel spiderweb to be able to make all these things work. This last fall, I got a lot of phone calls, and we had a tremendous amount of concern with the railroads going on strike because there are some things we do not want trucks carrying on the road. You do not want trucks carrying chlorine on long distances to make sure that our water is potable. We do not want trucks carrying vinyl chloride and all those other things. In those instances, rail is a much safer place to be. Why are trucking companies using trains to move freight when they have trucks? They are doing it because of the sustainability, because you can move a lot more freight on a train than you can a truck. I really appreciate being here today to sit alongside our supply chain partners in the railroad to talk about these issues, and to say let us not try to overly complicate a situation that is tremendously complicated today and that will add more issues whether it is legal or whether it is economic, and that is why we are opposed to this bill.

Nicole Rourke, Director, Government and Public Affairs, City of Henderson:

We were opposed to the original bill. The removal of section 4 removes most of our concerns, but we have not had time to analyze the amendment. Given that and the rules of the Committee, we are here in opposition, but I would really like to thank the sponsor and the proponents who met with me in the last few hours and explained a few things. We are owners of the track, and so obviously we are not the operators. We might want to tweak the definition of railroad in section 1 just to be very clear about how this impacts our city and our operations. Thank you for the indulgence.

Chair Watts:

I will ask you and the bill sponsor to keep us apprised of those conversations and where things end up.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:

The Vegas Chamber does have concerns with <u>A.B. 456</u>. We of course support employee safety, but we do have concerns that the bill would result in higher cost of goods for consumers and contribute additional challenges to the supply chain. We do agree with the comments made by Mr. Guild about the interference with the Interstate Commerce Clause. We appreciate your time today.

Shelly Capurro, representing BNSF Railway:

BNSF wants to give a big "me, too" to what Union Pacific already testified to. We believe that this would actually put more trains on the network. Thank you.

Chair Watts:

Seeing no one else coming forward, do we have anyone else wishing to provide testimony in opposition to <u>A.B. 456</u> by phone? [There was no one.] Is there anyone wishing to provide testimony in neutral? [There was no one.] Assemblyman Carter, do you have any closing remarks on A.B. 456?

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Assem	blyman	Carter:
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Thank you.

Chair Watts:

With that, we will close the hearing on <u>A.B. 456</u>. That brings us to the last item on our agenda for today, which is public comment. Does anyone wish to make public comment? [There was no one.] Our next meeting is on Thursday, April 6, 2023. This meeting is adjourned [at 3:43 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.

Exhibit C is a proposed amendment to Assembly Bill 407, submitted by Assemblyman Max Carter, Assembly District No. 12.

Exhibit D is a document titled "Proposed Language for Amending AB 456," submitted by Assemblyman Max Carter, Assembly District No. 12, regarding Assembly Bill 456.

<u>Exhibit E</u> is a proposed amendment to <u>Assembly Bill 456</u>, submitted by Jason T. Doering, Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers.

<u>Exhibit F</u> is written testimony submitted by Jason T. Doering, Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers, in support of Assembly Bill 456.

<u>Exhibit G</u> is written testimony submitted by Gabe Christenson, Assistant State Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers Local 1043, in support of Assembly Bill 456.

<u>Exhibit H</u> is a copy of an amicus brief, dated February 21, 2023, submitted by Jason T. Doering, Legislative Director, International Association of Sheet Metal, Air, Rail, and Transportation Workers, regarding <u>Assembly Bill 456</u>.

<u>Exhibit I</u> is written testimony, dated April 4, 2023, submitted by Matthew B. Parker, Chairman, Nevada State Legislative Board, Brotherhood of Locomotive Engineers and Trainmen/Teamsters Rail Conference, regarding <u>Assembly Bill 456</u>.

Exhibit J is a flyer in opposition to Assembly Bill 456, submitted by Joseph Guild, representing Union Pacific Railroad.