MINUTES OF THE SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eighty-second Session March 8, 2023

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:37 p.m. on Wednesday, March 8, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dallas Harris, Chair Senator Pat Spearman, Vice Chair Senator Julie Pazina Senator Ira Hansen

COMMITTEE MEMBERS ABSENT:

Senator Scott Hammond (Excused)

GUEST LEGISLATORS PRESENT:

Senator Marilyn Dondero Loop, Senatorial District No. 8

STAFF MEMBERS PRESENT:

Kristin Rossiter, Policy Analyst Vicky Lind, Committee Secretary

OTHERS PRESENT:

David Goldwater, Nuro, Inc. Katie Stevens, Head of State and Local Policy, Nuro, Inc. Andy MacKay, Executive Director, Nevada Franchise Auto Dealers Association

CHAIR HARRIS:

I will call the meeting to order. We have one bill today, <u>Senate Bill (S.B.) 182</u>, which revises provisions governing motor vehicles.

SENATE BILL 182: Revises provisions governing motor vehicles. (BDR 43-674)

SENATOR MARILYN DONDERO LOOP (Senatorial District No. 8):

As Chair of the Assembly Committee on Transportation in 2011, I passed A.B. No. 511 of the 76th Session. Nevada became the first state in the Union to legalize autonomous vehicles. Since that time, our State has become a leader in the development and testing of autonomous vehicles (AV). Today, tourists and locals can ride in AVs on the Strip as well as downtown Las Vegas. Hundreds, perhaps thousands, of jobs have been created for our constituents. In a continuation of the effort to keep laws and regulations apace with emerging technologies, <u>S.B. 182</u> is introduced.

Our State has a long and rich history of assuring that its citizens have access to the attentive local service provided by franchised auto dealers. To be sure, this bill does not intend to change that access because we want to continue to attract and retain the top AV developers in the world. A small change is necessary to the law. <u>Senate Bill 182</u> will provide manufacturers of AVs that do not carry passengers, the ability to register their vehicles. Additionally, they can sell their vehicles to an affiliated company. This small change in the law allows any qualifying company to legally keep their vehicles in Nevada. Katie Stevens of Nuro, who is in Las Vegas, and David Goldwater, also representing Nuro, are here to answer any questions you may have. Thank you for your consideration. Mr. Goldwater will walk us through the bill.

DAVID GOLDWATER (Nuro, Inc.):

I am here representing Nuro, Inc. In section 1 of <u>S.B. 182</u>, we are adding a new paragraph, subsection 3, to *Nevada Revised Statutes* (NRS) 482.260. The subsection directs the Nevada Department of Motor Vehicles (DMV) to issue a registration certificate of title under certain circumstances. Subsection 3 allows the DMV to issue a title to delivery vehicles using a manufacturer certificate of origin that assures that taxes and fees are paid during the registration and title process.

Section 2 is conforming language regarding license plates. Section 3 of the bill sets two conditions for which a vehicle can be "sold" outside of the franchise

law: first, it must be a fully autonomous vehicle in this State operated exclusively by an autonomous driving system; and second, when selling such fully autonomous vehicles in this State, they must be sold to another legal entity under common control with the manufacturer.

KATIE STEVENS (Head of State and Local Policy, Nuro, Inc.):

Nuro is an electric autonomous delivery company. Nevada has been chosen by us to manufacture and test our autonomous delivery vehicle because we believe in the State's leadership that your policymakers have provided to the autonomous vehicle space.

Nuro is building the first end-of-line manufacturing facility in America with the capacity to manufacture tens of thousands of electric delivery AVs. We are going to do this in North Las Vegas at Craig Road and Bruce Street with a total of 100,000 square feet and over 8 acres of property development. The facility will open this year. In addition, we have taken over 74 acres of the Las Vegas Motor Speedway to build a world-class closed-course testing facility for sophisticated development and validation of our AVs.

A subtle change to the law, which will be made by <u>S.B. 182</u>, will allow any AV manufacturer to register or sell their vehicles in Nevada. We understand and respect the protections afforded consumers under the franchise auto dealer law. Nuro does not intend to sell its vehicles to consumers, only to affiliated operating companies. This change in the law will deepen our roots in Nevada. We invite and encourage other companies to follow our lead and continue to keep Nevada at the forefront of AV testing, development and manufacturing. Thank you for your consideration of this bill.

CHAIR HARRIS:

What in this bill would prevent a future third-party sale or operation of these vehicles?

MR. GOLDWATER:

The law itself, as it reads, only allows AVs to be sold to a qualifying company under those two conditions. You could not then sell the AV to a party without using the franchise law.

CHAIR HARRIS:

Thank you. Are there any standards, training or licensure requirements for operators of AVs?

MR. GOLDWATER:

There are no operators of AVs. The point is to be autonomous. There is a model statute that was started by former Assemblywoman Dondero Loop. It contains some conditions for registration and licensing of AVs.

CHAIR HARRIS:

Would that include registering AVs that are manufactured in other states? Are we prepared to do that?

MR. GOLDWATER:

It will be viewed as any other motor vehicle if it meets all the other standards.

ANDY MACKAY (Executive Director, Nevada Franchise Auto Dealers Association): I would like to state that the Auto Dealers Association is neutral on this bill. I will provide a brief explanation. I know that the record has already been laid out and that ultimately this is falling within NRS 482. I would be remiss if I did not acknowledge that Mr. Goldwater and Senator Dondero Loop reached out to us. We discussed this at length and came up with three or four different iterations of the bill. Quite honestly, this is exactly the process that should take place. I think it is a good piece of legislation. More importantly, it is a great piece of economic development legislation and ultimately, everybody wins because of that. I appreciate you letting me come forward to address the Committee.

SENATOR HANSEN:

If you are neutral, then you do not necessarily support it. Why is that?

MR. MACKAY:

Simply put, there are much smarter individuals than me who draft legislation. We believe it was more appropriately situated to fall within NRS 484A. However, due to the titling aspect, it needs to fall within NRS 482 per the Legislative Counsel Bureau (LCB). It is likely I would not be testifying in neutral if it was in NRS 484.

SENATOR HANSEN: Do you support the bill? You just do not like the section that the LCB added?

MR. MACKAY: Yes sir.

SENATOR SPEARMAN:

Last Session, Nuro had a bill. I have a good friend on the City Council in Houston. I spoke with her to get her thoughts on this company. She stated they are a good corporate citizen. They have done considerable work to assist the community in Houston, particularly those underserved communities.

Remainder of page intentionally left blank; signature page to follow.

CHAIR HARRIS:

Having nothing further to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 3:52 p.m.

RESPECTFULLY SUBMITTED:

Vicky Lind, Committee Secretary

APPROVED BY:

Senator Dallas Harris, Chair

DATE:_____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	А	1		Agenda
	В	1		Attendance Roster