

**MINUTES OF THE
SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eighty-second Session
March 29, 2023**

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:34 p.m. on Wednesday, March 29, 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 Scott Hammond
Senator Ira Hansen

GUEST LEGISLATORS PRESENT:

Senator Rochelle T. Nguyen, Senatorial District No. 3
Senator James Ohrenschall, Senatorial District No. 21

STAFF MEMBERS PRESENT:

Kristin Rossiter, Policy Analyst
Jessica Dummer, Counsel
Paula Peters, Committee Secretary

OTHERS PRESENT:

Aileen Zhong, Director of Government Affairs, Starship Technologies
Keith Rogers, Interim Vice President for Student Affairs, University of Nevada,
Las Vegas
Keith Whitfield, President, University of Nevada, Las Vegas
Nicholas Schneider, Vegas Chamber
Michael Flores, University of Nevada, Reno
Kevin Kahoohanohano, University of Nevada, Las Vegas

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Kaitlyn Hawkins, University of Nevada, Las Vegas
Arionna Ortiz, University of Nevada, Las Vegas
Zachary Harding-Roed, University of Nevada, Las Vegas
Ashley Garza Kennedy, Clark County
Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition
John Abel, Las Vegas Police Protective Association; Public Safety Alliance of Nevada
Scott Edwards, Las Vegas Peace Officers Association
Nicholas Schneider, Vegas Chamber
Areli Alarcon, Copart
Andrew MacKay, NV Franchised Auto Dealers Association
Terry Graves, Nevada Trucking Association; Nevada Manufacturers Association; Enginequest; Western Metals Recycling
Warren Hardy, SA Recycling; Nevada Pic-A-Part

CHAIR HARRIS:

We will open the hearing on Senate Bill (S.B) 422.

SENATE BILL 422: Revises provisions relating to public safety. (BDR 43-663)

AILEEN ZHONG (Director of Government Affairs, Starship Technologies):
Starship Technologies is the leading provider of autonomous food delivery with our personal delivery devices (PDD) completing over 4 million autonomous food deliveries across the world. Personal delivery devices are all-electric, low-speed, low-mass devices that travel at walking speed and are approximately 75 pounds. I have a PDD next to me.

These devices are typically utilized for food, grocery, retail and university deliveries on campus. Safety is paramount to our operations where PDDs successfully cross over 140,000 roads daily and have encountered millions of people.

The PDDs have a bubble of awareness, which includes cameras, sensors and an entire neural network that allows them to see the world and safely navigate. Remote assistance can be activated by the PDD if necessary. Starship operates in over 50 jurisdictions across the world in 6 different countries, including the U.S., and at over 35 university campuses across the U.S.

The PDDs have benefitted students as they are exposed to autonomous technology, while some students are even employed by Starship to work on this emerging technology. These students are building skills that they can take with them for future roles.

Twenty-four states across the Country and Washington, D. C. have passed similar legislation in the past few years that provides a framework for PDD operations. At the University of Nevada, Las Vegas (UNLV), the operations began last year, but expansion and student access have been confined to a small campus area.

This limitation exists because Clark County believes that it does not have the permitting authority to grant operations to cross streets and to use the sidewalks beyond confined campus areas. This has resulted in numerous students being unable to access the service. Starship has worked hand in hand with Clark County to develop language for a Statewide framework.

Senate Bill 422 will provide State guidance and a framework for local jurisdictions for this emerging technology. Specifically, this bill will ensure that PDDs will operate in pedestrian areas, including sidewalks and crosswalks. This bill includes requirements, such as traveling under ten miles per hour and not interfering with pedestrians or traffic. The bill requires operators to maintain a minimum liability insurance of \$100,000.

Most importantly, this bill will allow a local jurisdiction to maintain its authority to limit where operations can occur, and allow local law enforcement to maintain its authority to enforce traffic laws.

MR. KEITH ROGERS (Interim Vice President for Student Affairs, University of Nevada, Las Vegas):

It is the goal of UNLV's food services to safely increase access to affordable food for all of our students. Students on campus have access to this technology, and the PDDs have been a tremendous asset in delivering food to all students across campus.

The UNLV campus has very limited food options on the science, technology, engineering and mathematics (STEM) side of campus. The PDDs have been instrumental in making food available to those students so they do not have to

walk to the Student Union or the dining commons, where the majority of food services are located.

There are over 10,000 students on the STEM side of campus. It has been challenging for us to make food available to them within their class schedules and not subject them to standing in long lines. The adoption of PDDs has been successful.

Another need will be achieved if this bill passes, which will positively impact over 3,000 students. The bill would enable these students to access food services at our U District, Gateway and Echo locations.

We have numerous staff members who are on remote parts of the campus, where the robots cannot cross those streets and sidewalks; the PDDs would be able to deliver food there as well.

A survey of students who live in the U District revealed that since they do not have access to the PDDs, they are having food deliveries through Grubhub and other technology. They are paying two to three times as much in delivery fees as would be available through this PDD technology.

From a safety standpoint, we are trying to make more food options available for UNLV students who are taking night classes and/or participating in late-night dining experiences. This PDD technology will allow us to expand that program, not only for students on campus, but also for students residing in nearby off-campus housing locations.

SENATOR PAZINA:

Is there any kind of permitting system for these devices?

Ms. ZHONG:

The local jurisdiction will control the permitting. For example, Clark County oversees UNLV and could provide a permit at its discretion. The first step would be for the college to reach out to that local jurisdiction and request operations and inquire if a permit is required.

SENATOR SPEARMAN:

A few jobs will be extinct by the end of this decade, and delivery services are one of them. Do you have any courses or classes on campus that would teach

students how to build, modify or repair a PDD or similar device? You have this technology available, and others may want to learn more.

MR. ROGERS:

Yes, we do have various programs through STEM. We have a very robust robotics program. Students in our engineering college are building not only robots that move, but robots that perform various other tasks. This technology is integrated into our curriculum across campus.

SENATOR HAMMOND:

You are talking about the robot's ability to navigate around all the pedestrian traffic, including crossing streets and knowing its location at all times. Does it have video capability? And if so, is it limited once it gets into a private area?

Ms. ZHONG:

Yes, what is special about our technology is that there are 12 cameras all around the robot itself that allows it to see and navigate the world. We have proprietary technology that is patented that allows the robot to safely navigate.

However, the live-streaming video feed that UNLV receives is so blurred above the knee that they cannot distinguish what they are seeing.

SENATOR HAMMOND:

When the PDD is delivering, it probably has no reason to go into a private area. Do you have the capability of shutting the cameras off if the PDD is in a private area? I am trying to figure out what you can and cannot do, remotely. You are saying that you cannot see anything above the knee, but the camera is still there.

Ms. ZHONG:

The delivery location is provided by the person who requests the delivery. It would be incumbent upon the person who requested the delivery not to use a private area location. But more importantly, if an area is sensitive or should not be captured on video at all, we can remove that specific route from our maps.

SENATOR HAMMOND:

That is understandable because there will be an occasion when that might happen. But it is up to that person requesting service because the PDD would

have no reason to deliver to a private area. Deliveries would be made in public areas.

KEITH WHITFIELD (President, University of Nevada, Las Vegas):

It is kind of cool, right? But past the cool factor, this is not the future; this is what is going on now. What was described to you is about the food service needs of our campus. In part, that is the cultural piece of how students are getting and consuming food, but it also fits very well into UNLV's expansion plans.

Maryland Parkway is a main throughfare to our campus. This bill would allow food service to traverse Maryland Parkway. This is important to our future plans to develop land parcels on the other side of Maryland Parkway that will include student and faculty housing. The PDDs will fit into the lifestyle and the normal University activities in that location. I support S.B. 422.

NICHOLAS SCHNEIDER (Vegas Chamber):

I represent the Vegas Chamber which supports S.B. 422 as it supports an emerging and innovative sector. It not only distinguishes this PDD from the standard definition of a vehicle, but it describes it the same rights and duties as a pedestrian. We appreciate that the bill provides clear guidelines on operating within that sector.

MICHAEL FLORES (University of Nevada, Reno):

I am Michael Flores on behalf of the University of Nevada, Reno and we support S.B. 422. We have had this same technology on our campus and it has been successful. Students, faculty and students utilize the PDDs. I order coffee from them. Expanding the use of PDDs will be wildly successful at UNLV.

KEVIN KAHOOHANOHANO (University of Nevada, Las Vegas):

I am a student at UNLV and I support S.B. 422. This bill will help students, including me, gain access to innovative delivery services on campus. These operations are limited to only one part of campus. Operations are unable to reach dorms in other areas of the full campus which creates inequitable access.

These delivery robots not only provide cost savings, but also minimize the risk factor for students who order food late at night, especially since certain areas around our campus have a higher crime rate and more homelessness. For these reasons, I support this bill and respectfully request your favorable consideration.

KAITLYN HAWKINS (University of Nevada, Las Vegas):

I am a marketing student at UNLV. Every day on campus, thousands of students, including me, use our residential dining plan "Dining Dollars" for everyday meals. Senate Bill 422 will grant access to food for students living in the off-campus housing areas across the street. For these reasons, I support this bill and respectfully request your favorable consideration.

ARIONNA ORTIZ (University of Nevada, Las Vegas):

I am a fine arts major at UNLV. I am here today in support of S.B. 422. I live in the Tonopah Complex on campus. My roommate and I have ordered from the Grubhub robots.

The PDDs are more polite than the average delivery people you encounter today. They talk to you when they deliver your order and wish you a good rest of your day when they leave. These common courtesies are lacking in most hospitality services.

I work at the Coffee Bean & Tea Leaf location on campus in the Lied Library. While working there, I have placed orders in the Grubhub robots. These robots are cute and polite. Many people enjoy being able to place orders with them. Most students on campus enjoy filming and photographing the PDDs as they go on their journey to deliver food. It is a nice way of bringing the campus community together.

Students in campus living areas, mainly those across the street from the other on-campus dorms, are not able to use the PDDs. Passing S.B. 422 will allow these students to save on food deliveries. Rent is expensive and many of us are poor college students trying to get through our school days. Saving money on meals will allow us to have more money to spend on school supplies and other necessities.

ZACHARY HARDING-ROED (University of Nevada, Las Vegas):

I am a UNLV student and I live on campus. The area I live in does not support the Grubhub robots. If I want to order food, it has to be delivered to a location near the campus that does support it. That involves my having to cross the street into a neighborhood with a high rate of homelessness and crime. This area can be very unsafe and dangerous at night, especially around midnight.

As a student at UNLV, I should be able to utilize these services just as much as any other student. I support S.B. 422.

ASHLEY GARZA KENNEDY (Clark County):

I am representing Clark County. I want to thank Starship, UNLV and Grubhub for working with Clark County on this legislation before this Session started.

Some staff in our departments had initial concerns in relation to traffic and pedestrian safety, but we worked collaboratively to arrive at a neutral position. This bill allows local authorities, such as ourselves, the ability to regulate these PDDs in a manner that makes sense for our individual communities.

SENATOR PAZINA:

Ms. Kennedy, does Clark County have any permitting specifically to ensure safety?

Ms. KENNEDY:

Yes. the intent is that Starship, or any other business with similar technology, would have a business license similar to any other business that operates in Clark County.

SENATOR HAMMOND:

I want to follow up on that. You have a permitting and licensing process. Why is a PDD service required to obtain a license?

I heard testimony in this meeting that this technology has been around for a while. However, I am looking at this PDD and wondering, how does it know when to cross the street? It has numerous cameras for guidance. Are you looking for safety features similar to the cameras that ensure they cross the street safely? When Clark County issues a license, are we then assured that the PDD service will operate safely?

Ms. KENNEDY:

The intent is that the bill as written provides local authorities the ability to regulate time, place and manner. Each local jurisdiction would be responsible for determining and establishing ordinances. The bill has a rough outline, but it does not mean that counties or cities could not address additional safety standards.

I will defer to Starship as far as the technology, but from my understanding Starship operates in a specific operating area. The PDDs are designed to enter only the areas that it has been programmed to enter. In Clark County, we would determine what those areas are during our ordinance process. This would be based on our own assessment of where the PDDs would safely operate on crosswalks and sidewalks.

CHAIR HARRIS:

We will close the hearing on S.B. 422 and open the hearing on S.B. 250.

SENATE BILL 250: Revises provisions relating to catalytic converters. (BDR 43-31)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

Senate Bill 250 addresses the growing problem of catalytic converter theft. It is countrywide, but especially prevalent in southern Nevada. My constituents reached out to me about their concern with the rise in theft of catalytic converters from personal cars and fleets of cars. I have constituents who have had entire fleets of parked cars and someone was able to quickly remove many of the catalytic converters.

I bounced around ideas with my constituents for a solution. Anyone removing a catalytic converter is aware that they are breaking the laws governing theft and vandalism. We decided to focus on the catalytic converter resale market. The goal of S.B. 250 is to make it more difficult to sell catalytic converters in the resale market, which would lessen the incentive to steal one.

I will briefly go through S.B. 250, which revises a number of provisions to address the theft of catalytic converters in Nevada. The bill prohibits the sale or purchase of used catalytic converters by any person other than: (1) a licensed automobile wrecker; (2) a licensed scrap metal processor; (3) a licensed motor vehicle manufacturer, distribution dealer or rebuilder; (4) any other business that may reasonably generate, possess or sell used catalytic converters; or (5) a person who possesses certain documentation that proves the person is the lawful owner of the catalytic converter.

The bill requires a scrap metal processor to maintain various records and documentation related to the sale and purchase of used catalytic converters. The records and documents should include detailed information that proves that

the person who sold the catalytic converter to them was the lawful owner of that catalytic converter.

In the case of a licensed scrap metal processor purchasing a catalytic converter from a person, that person must possess certain documentation, such as the certificate of title or registration with the vehicle identification number (VIN). The VIN vehicle that the vehicle that the part was removed from, must match the VIN that, under S.B. 250, would be permanently marked on that used catalytic converter.

The bill includes a requirement that payment for that part must be made by check and mailed to the individual or business. I want to clarify that this bill would not require everyone get their catalytic converter permanently marked or etched with the VIN number. The seller only needs to get their catalytic converter etched if the buyer wants to legally buy their catalytic converter under S.B. 250.

Finally, the bill establishes fines for violation of this prohibition, which would be a misdemeanor offense. The fines are \$1,000 for the first offense, \$2,000 for the second offense and \$4,000 for the third and subsequent offenses.

Section 10, subsection 2 of the bill authorizes the court to issue an injunction prohibiting a person from engaging in the business of scrap metal processor: " (a) for the first or second offense, for a period of not less than 30 days" and " (b) for a third or subsequent offense, for a period of 1 year."

Senate Bill 250 has the potential to affect the catalytic converter resale market. If someone is purchasing a catalytic converter that is questionable, there are remedies including fines and possible closure of the business.

SENATOR HANSEN:

Senator Nguyen is a cosponsor on S.B. 250 with you. We recently sat through the judiciary hearing on S.B. 243 where Senator Nguyen presented her bill on almost the same issue. What is the difference between the two bills?

SENATE BILL 243: Revises provisions relating to catalytic converters.
(BDR 15-37)

SENATOR OHRENSCHALL:

I am a cosponsor of Senator Nguyen's bill and she is a cosponsor of my bill. This is one of those issues where different groups of constituents approached us separately. We did not realize that we were working on the same issue until very close to Session.

Senate Bill 250 complements Senator Nguyen's legislation and her S.B. 243 complements my legislation. Her legislation is comprehensive and targeted. My legislation targets the catalytic converter resale market. The two bills complement each other and there is no conflict between them.

Senator Nguyen's bill was heard in the Senate Committee on Judiciary. My bill, because it deals with resellers, is being heard by this Committee.

SENATOR HANSEN:

I see the same testifiers that I saw at the judiciary hearing are here today. I am sure between the two bills, we will get to the bottom of the catalytic converter crisis.

RICK MCCANN (Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition):

I am with the Nevada Association of Public Safety Officers and a member of the Nevada Law Enforcement Coalition. Our group represents the Nevada Department of Motor Vehicle (DMV) criminal investigators. They are part of a task force that is assigned to investigate these thefts of catalytic converters.

The DMV criminal investigators provide investigative services, background investigations and vehicle tracking data. I consulted with them prior to coming here to testify as "I ain't the cop. I am not the guy who goes out there and does this stuff. These investigators, they are the experts. I am just their mouthpiece."

The DMV criminal investigators, including the nonpolice officers, are driving their State-issued vehicles home at night. Why? Because DVM offices Statewide are being targeted and the catalytic converters are being stolen off vehicles.

Everyone is at risk of having their catalytic converter stolen. This bill provides another useful tool for law enforcement to use against these perpetrators who sell—the operative term is sell—these stolen catalytic converters on the resale market. As a result, we support S.B. 250 and ask for your support.

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JOHN ABEL (Las Vegas Police Protective Association; Public Safety Alliance of Nevada):

I represent the Las Vegas Police Protective Association (LVPPA) and the Public Safety Alliance of Nevada.

Catalytic converter theft is a growing monster in Clark County. I have been a police officer for 16 years. I have never seen a catalytic converter sitting in the backseat of a car. If someone has a catalytic converter sitting inside their car, they have probably stolen it. That being said, we have to stop the resale market to stop this crime, like we did for copper theft. The bill will allow us a way to do that and we fully support S.B. 250.

SCOTT EDWARDS (Las Vegas Peace Officers Association):

The Las Vegas Peace Officers Association represents the corrections officers and sergeants at the City of Las Vegas Jail. Ditto on the LVPPA's position and support of the bill.

NICHOLAS SCHNEIDER (Vegas Chamber):

I am representing the Vegas Chamber. I thank those that spoke before me. I will ditto that as well. As Senator Ohrenschall highlighted, we appreciate how S.B. 250 is a complement to similar legislation that we heard last week.

ARELI ALARCON (Copart):

I am here to testify in support of S.B. 250 on behalf of Copart.

ANDREW MACKAY (NV Franchised Auto Dealers Association):

I represent the NV Franchised Auto Dealers Association. Senate Bill 250 and S.B. 243 bills are complementary in nature.

As Senator Hansen mentioned, this is "somewhat déjà vu" as we heard the other catalytic converter bill last week. I do not want to diminish the fact that catalytic converter theft is a very serious problem. The NV Franchised Auto Dealers Association, in conjunction with our National Association of Franchised Auto Dealers Association, have attempted to tackle this problem.

Here is an interesting statistic to show how chronic this issue is. Between 2019 and 2022, the National Insurance Crime Bureau estimates catalytic converter theft increased 1,215 percent. That is huge. But what does that ultimately mean to your constituents?

My fellow citizens, it is a serious hit in the pocketbook. Look at this in terms of the cost of the precious metals that go into these catalytic converters. Palladium prices went from \$1,291 an ounce to \$1,426 an ounce since last week. The resale of palladium is why these thieves are stealing catalytic converters.

Among our members, one dealer that I spoke to has provided repairs for customers exceeding \$40,000 for catalytic converter thefts in 2022. The dealership itself suffered \$27,000 in losses of catalytic converters that were stolen off vehicles, either fleet vehicles operated by the dealer or vehicles that were for sale. The dealership had an additional \$20,000 of damage to its gates.

I encourage the Committee's consideration and passage of this bill. I want to thank Senator Ohrenschall for recognizing this problem and writing the bill which is the solution to this problem.

TERRY GRAVES (Nevada Trucking Association; Nevada Manufacturers Association; Enginequest; Western Metals Recycling):

I am representing the Nevada Trucking Association and the Nevada Manufacturers Association. I also represent two scrap metal processors, Enginequest in North Las Vegas and Western Metals Recycling in Sparks, Nevada.

Senator Ohrenschall's S.B. 250 addresses persons, including one of my scrap metal processor clients, and prohibits them from buying a catalytic converter from an inappropriate seller. Senator Nguyen's S.B. 243 goes after the theft itself and is based on possession. One bill deals with the buyer and the other bill deals with the theft itself. The bills are complementary.

The issue with the catalytic converters is that they are worth more money on the black market than on the legitimate market. My client may buy a handful of catalytic converters over the year. He buys them from legitimate auto repair shops or, if he gets a wrecked vehicle, he will remove the catalytic converter, and will sell it to a processor for \$300 to \$400.

Federal law does not allow you to reuse a used catalytic converter. The idea that you can sell these for someone else to use is against federal law. Now you are selling the used catalytic converter to a processor for \$300 or \$400. That

processor destroys the catalytic converter, takes the internals out and reclaims these valuable rare earth minerals that act as a catalyst.

Senator Stone pointed out the high value of earth minerals in a catalytic converter in the S.B. 243 hearing. I cannot tell you what the price is on the black market, but some of these catalytic converters reappear in disreputable auto repair shops. They may be reinstalled on a car and sold for the new catalytic converter price of \$4,000 to \$5,000.

The only problem we have is the requirement to pay with a check. I understand that payment by bank transfers and ATM payments are being discussed.

WARREN HARDY (SA Recycling; Nevada Pic-A-Part):

SA Recycling and Nevada Pic-A-Part are in support of S.B. 250, which goes hand in hand with S.B. 243, and will make Nevada the leader in the Country in legislation combating catalytic converter thefts.

I have worked with both Senator Ohrenschall and Senator Nguyen on these bills. It has been a very interesting perspective that many people bring. Should we buy these, should we not, who should be able to use them?

I am more concerned about the single mom or dad who leaves the house at 6:30 a.m., already running late for work, only to discover that their car will not start because their catalytic converter has been stolen. They will now need to replace their catalytic converter, which could cost anywhere from \$2,500 to \$4,000.

My clients do not accept used catalytic converters even though it is still legal to buy them. The catalytic converter resale market includes many nefarious actors and most are selling stolen catalytic converters. It is our business policy not to be involved in this market.

SENATOR OHRENSCHALL:

There is no magic bullet that will solve the problem that many of our constituents face. However, S.B. 250 will go a long way toward making it more difficult to sell catalytic converters in the resale market.

We have heard that the majority of the scrap metal dealers do not want to touch these catalytic converters because it is very unlikely that the seller is the legal owner.

My brother-in-law drives an older model truck. It was stolen and recovered a couple of weeks later. Parts had been removed from his truck, including the catalytic converter. These thefts have become so prevalent that it is difficult not to meet someone who has been affected by these thefts and costly replacements.

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CHAIR HARRIS:

We will close the hearing on S.B. 250. Having no further business to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 4:20 p.m.

RESPECTFULLY SUBMITTED:

Paula Peters,
Committee Secretary

APPROVED BY:

Senator Dallas Harris, Chair

DATE: _____

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