Transportation and Telecommunications Committee January 21, 2014

[LB757 LB758 LB776 LB777]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Tuesday, January 21, 2014, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB757, LB758, LB776, and LB777. Senators present: Annette Dubas, Chairperson; Jim Smith, Vice Chairperson; Lydia Brasch; Galen Hadley; Beau McCoy; John Murante; and Dan Watermeier. Senators absent: Charlie Janssen.

SENATOR DUBAS: Good afternoon and welcome to the Transportation and Telecommunications hearing. Today we will be hearing four bills. We will be hearing LB757, LB758, LB776, and LB777, There was a little duplication on the numbers on one of those bills, so we are hearing two separate bills. We think we have that corrected outside, so thank you. Again, we'd like to welcome you to the first hearing of the Transportation and Telecommunications Committee. I'll begin with committee introductions. To my far left is Senator Lydia Brasch from Bancroft. Senator Beau McCoy from Omaha will...I haven't heard anything different so he will likely be joining us later along with Senator Galen Hadley from Kearney. Senators may be coming and going as bill introduction has begun. So they may have hearings in other committees, so please don't be offended if they get up and leave in the middle of your talk. It has nothing to do with you. It has to do with them taking care of their business. To my immediate left is Anne Hajek; she's the committee clerk. To my immediate right is Joselyn Luedtke, the committee counsel. Vice chair of the committee is Senator Jim Smith from Papillion. The newest member of our committee, we'd like to welcome Senator John Murante from Gretna, Welcome to the committee, He'll be a great addition, I'm sure. Next to him, Senator Dan Watermeier from Syracuse, and then Senator Charlie Janssen will be joining us shortly here from Fremont. We have pages with us today. We have Jonathan Beck who is originally from Centreville, Virginia, currently resides in Seward. He is a senior at UNL majoring in political science with a minor in communications. Helping him out today is Colton Wolinski. He is a student at UNL majoring in medicine. He is a junior, and he is from Lincoln. So we really do appreciate the work that our pages do for us. They really keep things orderly and moving right along when we need assistance, so truly value their service. The bills will be heard in the order as they were presented on the sheets today. We will go in order. We'll have the bill introducer. Then we will have proponents, opponents, and then neutral testimony. If you're coming forward to testify, we would ask that you fill out a green sheet. And you can hand that to the page as you come to the table. Also, if you have any handouts, we'd like to have 15 copies. If you have those, fine, otherwise we can get additional copies made for you. Also hand those to the page, and they'll make sure that they are distributed to the committee members. Ask that you state and spell your name for the record even if it's a very simple name. This is to assist our committee clerk and transcribers so that they clearly understand who is testifying. That way if there are any questions, we're sure to be able to get back to the right person. If you are here

Transportation and Telecommunications Committee January 21, 2014

today, don't want to come forward and testify, there's a pink sheet back on the table, there, towards the door. You can put your name and pertinent information, and then just put down whether you support or oppose the bill that is being testified on. That will go into the record. As far as the microphone goes, that microphone is more for recording than it is for amplification. So I know it's easy to want to kind of fiddle around with the microphone, but we ask that you leave it alone. That, again, helps the transcribers avoid any unnecessary noises so they can have a clearer hearing of what's being said. I think the last thing is just any cell phones or electronic devices, if you would turn those to silent please. Again, that's to help keep the committee hearing from being disrupted and interfering with any recording. And if you do need to have any kind conversations with anybody, we would ask that you please take those out in the hallway, again, to keep the hearing room easy for everyone to hear and no disturbances for the transcriber. I think I've covered all of the housekeeping duties, so we will begin with Senator Smith introducing LB757. Welcome, Senator Smith. [LB757]

SENATOR SMITH: Thank you and good afternoon, Senator Dubas and members of the Transportation and Telecommunications Committee. For the record, my name is Jim Smith, J-i-m S-m-i-t-h, and I represent the 14th Legislative District in Sarpy County. I am here today to introduce LB757. I am bringing the bill on behalf of the Nebraska Department of Roads, and it is, for the most part, a cleanup bill. LB757 does three things. First, it relaxes mailbox locations requirements. It also makes the adoption of certain rules and regulations permissive. And then finally, it deletes an obsolete section of the statute. First, the bill allows the placement of mailboxes within the shoulder line on highways in which the surfaced shoulder area is wide enough for a vehicle to be off the highway when delivering or collecting mail. The current law, which was written in the 1960s, requires mailboxes to be located one foot outside of the shoulder line of the highway or requires the construction of a mailbox turnout. Today's highways are built with wider-paved shoulders providing enough room for vehicles to safely leave the highway driving lane. Older highways with six-foot-wide shoulders would still comply with the older provisions, but those mailboxes could be relocated once those highways are updated. Without this change, mailboxes could be set on a downslope making it an inconvenience for mail carriers and a possible safety issue. I understand that it is hard to visualize, so somebody with the department will follow me with a sketch of what exactly this means and can get into the more technical details of this component of the statute. The second point is that LB757 makes it permissive for the Department of Roads to promulgate rules and regulations with respect to the use of wayside areas. In 1983, Section 81-710 was amended to require the department to adopt rules and regulations. But for some unknown reason, the department never did that. There are currently only six state wayside areas which the department has managed under the authority of that same section of law. Without this change in statute, the Department of Roads would be in violation of the Administrative Procedure Act which requires the promulgation of rules within one year of enabling legislation. Finally, in the 1960s, the Nebraska Board of Public Roads Classifications and Standards was charged with

Transportation and Telecommunications Committee January 21, 2014

adopting regulations for a county road numbering system. Again, this never happened. This statute is obsolete as a county numbering system is now part of the nationwide E-911 system. LB757 would repeal this section entirely. This portion of the bill is simply to clean up our statutes. Without this change, we would maintain language in our law that no longer serves a purpose. That is all that LB757 does. Like I said, somebody from the department is here to further clarify the intent of LB757 and answer any questions you may have. Thank you, and I urge you to please advance the bill. Thank you. [LB757]

SENATOR DUBAS: Thank you, Senator Smith. Are there questions? Seeing none, thank you. And we have been joined by Senator Beau McCoy. Welcome, Senator McCoy. Are there any proponents for LB757? [LB757]

RANDY PETERS: (Exhibit 1) Good afternoon, Chairwoman Dubas, members of the Transportation, Telecommunications Committee. My name is Randy Peters, R-a-n-d-y P-e-t-e-r-s, and I am director-state engineer of the Nebraska Department of Roads. I'm here to testify in support of LB757. And I would like to thank Senator Smith for introducing LB757 on behalf of NDOR. I would also like to thank you, Madam Chair and committee members, for favoring us with an early hearing. We are asking the Legislature to update the statute on placement of mailboxes on rural state highways, Section 39-1010, a law which dates back to 1961. That law says a mailbox located along a state highway must be placed one foot outside the shoulder line of the highway so that no part of the mailbox is within the highway shoulder. Furthermore, the law requires at least six feet of shoulder width between the face of the mailbox and the traveled way of the highway so that a vehicle delivering or collecting mail can do so safely. Because six-foot-wide shoulders were rare along Nebraska highways in 1961, the law calls for a mailbox turnout to provide necessary area for a vehicle to deliver or collect mail outside the traveled way of the highway. Today, many highways are designed with shoulder widths exceeding six feet. Some Nebraska highways include ten-foot-wide shoulders, eight feet surfaced plus two feet turf shoulder before reaching what's defined as the shoulder line. LB757 would update the statute to allow mailboxes to be placed inside the shoulder line at locations where the shoulder surfacing is wide enough for a vehicle to be off the highway when delivering or collecting mail. This minor change is consistent with the current state of the practice for mailbox placement. It would apply only when sufficient shoulder width for vehicles to deliver or collect mail already is available at a mailbox placed inside the shoulder line. Without this change, NDOR could encounter situations where the statute may require placing a mailbox further away from the highway than is necessary. The specific change we are requesting in Section 39-1010 is to include language that allows for placement of a mailbox support within the shoulder for a hard-surfaced highway having either a mailbox turnout already or a hard surface shoulder width of 8 feet or more. In your packets, please find a diagram of the existing and proposed conditions and a table indicating the impact of this change upon the state highway system. The sketch is attached, just by

Transportation and Telecommunications Committee January 21, 2014

way of illustrating that. If the...in the situation where the shoulder width is less than eight feet, the shoulder line would be where the foreslope...from the foreslope down to the ditch breaks the plane with the shoulder here. And the current requirement is to put the mailbox one foot out here into the foreslope. With the change we are requesting, then, the surface pavement would end here; the turf would be here, and the mailbox could be up here on the plane with the shoulder. That's really what we're asking to do. And it would simplify things in a lot cases and make things safe. In addition to updating the placement of mailboxes, the bill makes two other changes. One addresses a dormant rule-making requirement pertaining to state highway wayside areas. And the other concerns an obsolete requirement to develop a county road numbering system. I'll touch on both of these issues. Our current law on state wayside areas, Section 81-710 enacted in 1983, requires NDOR to adopt regulations. Wayside areas are rest and picnic stops along two-lane highways. They were a standard feature along many rural highways before interstates and back when picnicking on road trips was common. It is unclear why we never adopted rules and regulations as the statute specifies. However, Nebraska has only six remaining designated wayside areas, and we continue to oversee them effectively without regulations. We ask that you amend the statute from "shall" to "may" with regard to promulgating regulations. The final item concerns the Nebraska Board of Public Roads Classification and Standards, a regulatory body for which NDOR provides administrative support. At its inception in 1969, the board was charged with adopting regulations as part of a county road numbering system that was never developed. At the time, the board was heavily engaged in higher-priority tasks such as promulgating minimum standards and requirements for planning and reporting of highway, road, and street programs across the state. Subsequently, the road numbering continued to be overlooked and then was completely overtaken by events, notably the nationwide implementation of an E-911 road numbering system that are in effect. Today, therefore, Section 39-2123 has become obsolete and should be repealed in its entirety. Thank you for the opportunity to testify. And once again, I want to thank Senator Smith for carrying LB757. This concludes my remarks, and I would be glad to answer any questions you may have. [LB757]

SENATOR DUBAS: Thank you very much, Director Peters. Are there questions? Senator Brasch. [LB757]

SENATOR BRASCH: Thank you, Madam Chairman, and thank you, Director Peters, for your testimony today and the diagrams and information here. How many mailboxes will be affected? I'm curious if there's any type of account made, and it will affect...will mailboxes be grandfathered in? Will the owners be expected to replace and move these? Where is the responsibility, and how widespread is this? [LB757]

RANDY PETERS: I can answer the question easier in terms of how many miles of our system already have the ten-foot shoulder. [LB757]

Transportation and Telecommunications Committee January 21, 2014

SENATOR BRASCH: Okay. [LB757]

RANDY PETERS: And that's about 3,000 miles of our approximately 10,000-mile network already have the 10-foot shoulders. So when we go to rehabilitate or do a resurfacing project on any of those miles, this will allow us to place the mailbox up on the flat part rather than one foot off. For those that are on the other 6,000 miles, they are in a varying state, whether or not there's been a roadway improvement project by the adjacent mailbox before this time. But in those cases, then we would still have the requirement. If the traffic standards didn't call for us widening the shoulder greater than the six feet, then it would still require that we put the mailbox one foot outside. [LB757]

SENATOR BRASCH: And so if someone, you know, reads about this or hears about it, how do you know if you're affected or not? You'd know that? Somebody will notify you about your mailbox or your position? Is there a... [LB757]

RANDY PETERS: Well, in every case the duty to comply with this will be on the department. [LB757]

SENATOR BRASCH: ...with the department. Okay. [LB757]

RANDY PETERS: So the most direct notification method would be at such time as there is a project scheduled there to make improvements. [LB757]

SENATOR BRASCH: Okay, very good. Good information here. Thank you for your testimony. I have no other questions. [LB757]

SENATOR DUBAS: Thank you. Any other questions? Thank you very much, Director Peters. Appreciate the diagram especially. [LB757]

RANDY PETERS: Thank you. [LB757]

SENATOR DUBAS: Thank you. Are there proponents for LB757? Proponents? Are there any opponents? Anyone in the neutral? Seeing none, Senator Smith waives closing. And we will move on to the next bill, LB758, also from Senator Smith. [LB757]

SENATOR SMITH: Good afternoon again, Senator Dubas and members of the Transportation Telecommunications Committee. For the record, my name is Jim Smith, J-i-m S-m-i-t-h, and I represent the 14th Legislative District. I am here today to introduce LB758. Though famous last words, this is a very simple bill. LB758 would allow for photocopies of trailer registrations to be carried on a trailer as opposed to the original certificate, which is the current law. For example, in the case of semitrucks the truck cab and the trailer are often separated and the certificate may be in the cab and not in the trailer. However, proof of registration must be available should it be requested by law

Transportation and Telecommunications Committee January 21, 2014

enforcement. In order to be in compliance with registration laws, trucking companies often have to order replacement certificates from the DMV. Though a replacement original is not expensive, it is nonetheless an unnecessary expense and unnecessary use of time for the DMV to make and to mail those copies. Without this change, the professionals that use trailers will continue to be in violation of the law if the original certificate is not present at the time of moving or parking the trailer. Director Lahm is here to testify and will be able to answer any questions you may have about this introduced piece of legislation. With that I will close my opening on LB758 and encourage the committee to please advance the bill to the full Legislature. Thank you. [LB758]

SENATOR DUBAS: Thank you, Senator Smith. Are there questions? Seeing none, thank you. Proponents? And we have been joined by Senator Galen Hadley from Kearney. Welcome, Senator Hadley. Welcome, Director Lahm. [LB758]

RHONDA LAHM: (Exhibit 2) Thank you. Good afternoon, Chairman Dubas and members of the Transportation and Telecommunications Committee. I am Rhonda Lahm, R-h-o-n-d-a L-a-h-m, director for the Department of Motor Vehicles. I'm appearing before you today to offer testimony in support of LB758. I would like to thank Senator Smith for introducing LB758 on behalf of the Department of Motor Vehicles. The changes in LB758 are intended to simplify and modernize the law regarding registration certificates for trailers. As you probably already know, Nebraska law currently requires a person to carry original certificates of registration for both his or her motor vehicle and the trailer. The statute has never made any distinction between registration certificates for trailers and registration certificates for motor vehicles in regard to the requirement the original registration certificates must be carried. LB758 will remove the requirement that a person has to carry an original certificate of registration for the trailer. This change will benefit the transportation industry as well as others. In the course of interstate commerce, trailers are moved from truck to truck as goods are moved across the country. Original registration certificates for trailers often get separated from the trailer, as oftentimes they are carried in the truck or pulling unit. Currently, carriers have to order a new registration certificate from DMV if a registration certificate is left behind. It costs the carrier \$1 each time a new certificate is ordered, and it takes a bit of time for the DMV to produce and send it. LB758 would eliminate the need for the carrier to get new, original certificates for trailers and relieve the DMV from producing and sending them. The carrier would be able to keep an original certificate on file, carry a photocopy with the trailer, and send out copies of trailer registration certificates to drivers as they may be needed. The change in LB758 only applies to registration certificates for trailers. Motor vehicle operators would still be required to carry the original certificate of registration for the motor vehicle pulling the trailer. It should also be noted that this bill applies to all Nebraska registered trailers, those registered for travel in interstate commerce, and also those trailers which are registered at the county level. For example, if LB758 passes, it will be okay for farmers to carry

Transportation and Telecommunications Committee January 21, 2014

copies of registration certificates for farm trailers, and county treasurers would not have to reissue new registration certificates as often as may currently happen. Chairman Dubas, thank you for your time. I'll be happy to answer any questions the committee may have. [LB758]

SENATOR DUBAS: Thank you, Director Lahm. Are there questions? Senator McCoy. [LB758]

SENATOR McCOY: Thank you, Senator Dubas. The only thing that occurs to me is, would this work in the form an electronic copy as well? I'm just thinking if you have a carrier, and you have a driver that might be out on the road, maybe switching a trailer. Could you get an e-mail copy? Would that suffice under the way this is written? Is there...do you see any need for that to be mentioned? We try to deal with so many things electronically today. [LB758]

RHONDA LAHM: Correct. [LB758]

SENATOR McCOY: Just thinking a driver might have an iPad sitting in the... [LB758]

RHONDA LAHM: Right. [LB758]

SENATOR McCOY: ...semi. Is an e-mail version going to count, or does it have to be a physical photo copy? [LB758]

RHONDA LAHM: Right now, the way the bill is written is copy. I know that we've been approached by some other people to have legislation passed that would...copy...use of electronic copies for insurance, registrations, and all types of documents which don't concern us. Those issues don't concern us. And so that on the side of the road or wherever they could use an electronic copy. But the bill doesn't specifically say that, although that wouldn't concern us to have electronic copy. I think it's mostly for law enforcement, and law enforcement always has been able to verify the accurate information through a computer check anyway. So if somebody were trying to show them a registration, either a photocopy or an electronic copy, they could always double-check to make sure it matches the trailer that they have and verify that. [LB758]

SENATOR McCOY: Yeah, that registration number could be written down by law enforcement officer,... [LB758]

RHONDA LAHM: Yeah, name... [LB758]

SENATOR McCOY: ...taken back to a patrol vehicle, and checked. [LB758]

RHONDA LAHM: ...the VIN, yeah, vehicle identification number. Yes, that's correct.

Transportation and Telecommunications Committee January 21, 2014

[LB758]

SENATOR McCOY: Okay, thank you. [LB758]

SENATOR DUBAS: Thank you, Senator McCoy. Senator Brasch. [LB758]

SENATOR BRASCH: Thank you, Madam Chairman. And thank you, Director Lahm. You brought up something that I wondered after Senator McCoy had mentioned that. I know some other states have moved to just, you file it, you can file it on-line. It is a part of your data. I believe New Mexico is one where you buy your permit, and if you're pulled over, they can just look it up. You no longer have to carry one. Potentially, would Nebraska make a move, since our troopers are able to pull things up now, to validate that? Why are we still on paper, I guess, where you can get your permit electronically? Okay. [LB758]

RHONDA LAHM: I guess I just want to clarify if you're referring to the permit or to the vehicle registration because those are two different things. Last year, your committee advanced and the Legislature passed the process to do electronic permits,... [LB758]

SENATOR BRASCH: Right. [LB758]

RHONDA LAHM: ...which prior to January 1, 2015, which we actually went live just a week ago... [LB758]

SENATOR BRASCH: Okay. [LB758]

RHONDA LAHM: ...almost a year ahead of schedule. And that's all done electronically for permits. [LB758]

SENATOR BRASCH: Right. And this is different because it's... [LB758]

RHONDA LAHM: And registrations...currently they can apply on-line and do their registrations on-line,... [LB758]

SENATOR BRASCH: Right. [LB758]

RHONDA LAHM: ...but we're still required to send out a cab card to them that designates the different states which they've paid registration fees in to travel. And so for each vehicle that could be different, the different states it's designated. But currently, those are sent out in paper. [LB758]

SENATOR BRASCH: Okay. And I'm thinking...things that we used to get paper from other states now are electronic. [LB758]

Transportation and Telecommunications Committee January 21, 2014

RHONDA LAHM: Correct. [LB758]

SENATOR BRASCH: We no longer receive mailings, permits for my husband's

semitruck and trucking. [LB758]

RHONDA LAHM: Right. [LB758]

SENATOR BRASCH: Everyone seems to be going to where you just do it on-line, and

you're done. [LB758]

RHONDA LAHM: Right. And we're doing the quarterly IFTA... [LB758]

SENATOR BRASCH: Yes. [LB758]

RHONDA LAHM: ...renewals. Those are all done on-line as well. The one consideration for going all electronic would be for those people who don't have that capability...

[LB758]

SENATOR BRASCH: Right, okay. [LB758]

RHONDA LAHM: ...to show their proof of registration electronically at a site if they were stopped at an inspection station or by a law enforcement officer. So... [LB758]

SENATOR BRASCH: But the law enforcement officer would have it electronically when he calls in his database to see if this truck is registered and what other... [LB758]

RHONDA LAHM: Right. I mean they would be able to verify what the person showed them. Yeah, that's correct. [LB758]

SENATOR BRASCH: Right. Okay, all right. No, I have no other questions. Thank you. [LB758]

RHONDA LAHM: You're welcome. [LB758]

SENATOR DUBAS: Other questions? I would have one. [LB758]

RHONDA LAHM: Sure. [LB758]

SENATOR DUBAS: So in reference to...like for the farmers. So I have one trailer, but I have two pickups. And so I interchange my pickups with those trailers. If I have a copy of the trailer registration in the... [LB758]

Transportation and Telecommunications Committee January 21, 2014

RHONDA LAHM: Each pickup. [LB758]

SENATOR DUBAS: So I could have a copy in both and just keep the original in my file cabinet at home. [LB758]

RHONDA LAHM: That's correct. [LB758]

SENATOR DUBAS: Okay, that sounds like a good idea. Thank you very much. Any

other questions? Thank you. [LB758]

RHONDA LAHM: Thank you. [LB758]

SENATOR DUBAS: Proponents? Welcome. [LB758]

LARRY JOHNSON: Good afternoon, Senator Dubas, members of the Transportation Committee. My name is Larry Johnson, L-a-r-r-y J-o-h-n-s-o-n, and I'm the president of the Nebraska Trucking Association that represents 1,100 trucking companies in the state of Nebraska as our members. I'm here to testify as a proponent of LB758. Quite simply, it's a great bill that will obviously save trucking companies in the farm world a great deal of time and money at certain points. And it's just a great example of our Department of Motor Vehicles being proactive about looking at new policies and procedures that make things easier. So I want to thank Senator Smith for introducing it, and I'll be glad to answer any questions. [LB758]

SENATOR DUBAS: Thank you very much, Mr. Johnson. Questions? Seeing none. [LB758]

LARRY JOHNSON: Sounds good. Thank you. [LB758]

SENATOR DUBAS: Thank you very much for coming forward. [LB758]

LARRY JOHNSON: Thank you. [LB758]

SENATOR DUBAS: Appreciate it. Further proponents for LB758? Are there any opponents? Anyone in the neutral? That will close the hearing for LB758. Did you want to close? Sorry about that. Senator Smith waives closing, and we will close that hearing and move on then to LB776. Senator Hadley. Welcome, Senator Hadley. [LB758]

SENATOR HADLEY: Chairperson Dubas, members of the esteemed Transportation, Telecommunications Committee--I don't say that lightly--my name is Galen Hadley, G-a-I-e-n H-a-d-I-e-y. I represent District 37 in the Legislature. I am here with LB776 which is basically the department cleanup bill for the Department of Motor Vehicles. And the following constitutes the reasons for the bill and purposes which are sought to be

Transportation and Telecommunications Committee January 21, 2014

accomplished. LB776 was introduced for the purpose of updating date references in statutes referring to federal law or interstate agreements under the regulatory authority of the Department of Motor Vehicles. The updates keep Nebraska law current and in compliance with the newest version of the referenced law or regulations. The date updates do not include substantive changes in the referenced laws or agreements. LB776 further repeals the original statutes. That is the purpose behind LB776. [LB776]

SENATOR DUBAS: Thank you, Senator Hadley. Questions? Seeing none, thank you. [LB776]

SENATOR HADLEY: Thank you. [LB776]

SENATOR DUBAS: Proponents? Welcome. [LB776]

RHONDA LAHM: (Exhibit 3) Good afternoon again. Chairwoman Dubas and members of the Transportation, Telecommunications Committee, my name is Rhonda Lahm, R-h-o-n-d-a L-a-h-m, director for the Department of Motor Vehicles. I am appearing before you today to offer testimony in support of LB776. I would like to thank Senator Hadley for introducing LB776 on behalf of the Department of Motor Vehicles. This is a reference date update bill that is introduced each year to keep the Department of Motor Vehicles consistent with federal laws and regulations which govern state laws administered by our agency. LB776 amends the reference dates for several DMV programs that are governed by federal laws. LB776 adopts the most recent version of the International Registration Plan or IRP. Nebraska has been in IRP member jurisdiction since 1975. Membership in IRP allows trucking companies in Nebraska to pay registration fees in Nebraska for all of the jurisdictions through which the company operates. The Department of Motor Vehicles distributes the collected registration fees to other jurisdictions based on a prorated share of mileage that the carrier travels in each jurisdiction. This bill allows Nebraska to follow IRP agreement changes in effect through January 1 of 2014. LB776 also updates the reference to federal regulations governing commercial motor vehicles and the issuance of commercial driver licenses. The changes allow the DMV to follow the federal regulations as they existed on January 1, 2014. It is important for Nebraska to remain in compliance with federal laws in this area. If Nebraska fails to comply with these laws, the Federal Motor Carrier Safety Administration has the authority to withhold the funding for Nebraska's Motor Carrier Safety Assistance Program and federal highway funds. LB776 updates Nebraska statutes which adopt the federal Unified Carrier Registration Plan and Agreement governing interstate motor carriers and a reference to federal security standards for background checks for persons involved in driver license issuance. Both references to federal code will be updated to January 1, 2014. LB776 also updates the references to federal regulations governing handicapped parking tags as they existed on January 1, 2014. Finally, there are a couple of sections of statutes in the annual update bill which had not previously been included. First, LB776 contains a section which updates

Transportation and Telecommunications Committee January 21, 2014

references to federal regulations in statute number 60-479.01 that provides requirements for security training and background checks for persons involved in the issuance of driver's licenses and state identification cards and is necessary to keep Nebraska in compliance with the provisions of the federal REAL ID Act. The other new section is an update to federal rules and a definition of low-speed vehicles which was added to the statutes a few years ago. Both of these new updates will change the date so that the state will have adopted the applicable federal regulations as in effect January 1, 2014. Chairwoman Dubas, thank you for your time this afternoon, and I'm happy to answer any questions that you or the committee may have. [LB776]

SENATOR DUBAS: Thank you, Director Lahm. Are there questions? Seeing none, thank you very much. [LB776]

RHONDA LAHM: Thank you. [LB776]

SENATOR DUBAS: Proponents for LB776. Welcome back. [LB776]

LARRY JOHNSON: Thank you. Glad to be back. Good afternoon. My name is Larry Johnson, L-a-r-r-y J-o-h-n-s-o-n. I'm the president of the Nebraska Trucking Association, and I'm here to testify in behalf of this bill as relates to the commercial motor vehicles. Those are all great changes, and we want to make sure that we stay in compliance with all the federal regulations as far as a state. So we urge you to move this one on. [LB776]

SENATOR DUBAS: Thank you. Any questions for Mr. Johnson? Seeing none, thank you. [LB776]

LARRY JOHNSON: Thank you. [LB776]

SENATOR DUBAS: Further proponents? Any opponents? Neutral? Senator Hadley, would you like to close? Senator Hadley waives closing. That will close the hearing on LB776, and we will go on to LB777. Senator Hadley. [LB776]

SENATOR HADLEY: Chairperson Dubas, members of the committee, my name is Galen Hadley, G-a-I-e-n H-a-d-I-e-y. I represent the 37th District. And I am here on LB777. LB777 is intended to modernize and update Department of Motor Vehicles' statutes to harmonize provisions with respect to change in law and current practices related to the issuance of driver's licenses and identification cards. Specifically, it will make the following changes. The bill removes all references to the term duplicate license from the DMV statutes. The statutory limit on the number of duplicates that a driver may request was removed a few years ago. And with the digital licensing system, there is little difference between a replacement and a duplicate. The duplicate category is no longer needed; the person just gets a replacement license. LB777 eliminates an

Transportation and Telecommunications Committee January 21, 2014

exception that allows a small number of Nebraska citizens who are living outside of Nebraska for long periods, not including active duty military or military dependents, to renew his or her driver's license without an image. Statutes require all others, including military members and dependents, to have an image updated, recorded once every ten years. This change makes the image requirement the same for all Nebraska citizens, wherever they may be living. It removes outdated language in statutes such as implementation dates that have passed and references to taking photographs, a process that is no longer used for issuance of driver's licenses and identification cards. The issuance system now captures digital images for license and identification cards. I think it is a good bill, and I can tell you from personal experience...I didn't realize it the last time I had my digital image taken, I had a beard. So I now live for the next ten years with a beard on my driver's license. But it is quite a becoming beard if anybody would like to look at it. (Laughter) I would be happy to answer any questions. [LB777]

SENATOR DUBAS: Thank you, Senator Hadley. Are there questions? Seeing none, thank you. [LB777]

SENATOR HADLEY: Thank you. [LB777]

SENATOR DUBAS: Proponents? Welcome again. [LB777]

RHONDA LAHM: (Exhibits 4 and 5) Good afternoon again. Chairwoman Dubas and members of the Transportation and Telecommunications Committee, my name is Rhonda Lahm, R-h-o-n-d-a L-a-h-m, director for the Department of Motor Vehicles. I'm appearing before you today to offer testimony in support of LB777. I would like to thank Senator Hadley for introducing the bill on behalf of the Department of Motor Vehicles. LB777 addresses two major areas in the Department of Motor Vehicles statutes, which if enacted would harmonize and update language regarding the changes in the license issuing process and changes in technology. First, LB777 eliminates statutory reference to duplicate licenses and identification cards. Several years ago, the limit on the number of duplicates a driver could request during one renewal period was eliminated. In addition, since production of driver licenses and identification cards is now a digital rather than a photographic process, there is no real need for a distinction between duplicate versus a replacement document. There are several reasons a person might need a replacement license or state identification card. Some examples may be that a person has lost his or her document, it has become mutilated, or it is now unreadable. In the past, the reason an applicant needed a new document had a bearing on whether or not a person was eligible for a duplicate license or state identification card as there was the limitation on the number of duplicate licenses which could be issued. Currently, the reason a person needs another copy of his or her driver license or state identification card has no bearing on the production of a replacement document. Because of this, the Department of Motor Vehicles wants to simplify the statutory terminology and use the term "replacement" in all situations where the members of the

Transportation and Telecommunications Committee January 21, 2014

public obtain a new copy of the driver license or state identification card. Most replacement driver licenses and state identification cards can be issued through the on-line application process. If a person's address or name has changed, they will need to get a new document issued at one of our examining stations. The bill is intended to eliminate references to duplicates in statute and use the term "replacement." On review of the green copy of LB777, we discovered a reference to duplicates that escaped deletion, which was handed out today. I brought an amendment today that will strike the word "duplicate" on page 16, lines 10 and 14 and insert "replacement" instead to fully complete the intention of LB777. LB777 also harmonizes the DMV statutes by eliminating a provision that allows a handful of Nebraska citizens who are not living in the state but who have maintained Nebraska citizenship to have a license renewed without a photograph. The bill will require these few persons to come to Nebraska and have a digital image captured the next time their license is due to be renewed. They would be required to comply with the same renewal requirements as all other residents of Nebraska. If they are eligible to renew on-line, then a new photo would be required every ten years. If they are not eligible to renew on-line, then they would be required to have an updated photo for each renewal period. This change affects very few persons and should not be confused with licenses issued to members of the military and their dependents who are subject to special provisions under a separate statute. However, this change does harmonize the statutes with regard to digital images because all other Nebraskans, including active duty military and their dependents, are required to hold a license with a digital image and have it captured at least once every ten years. The draft allows persons affected by this change 30 days to have their license or state identification card reissued with an image upon their return to the state. Once the system has captured an image of the person, he or she will be able to obtain replacement documents on-line if they meet the eligibility requirements. However, to renew their document they would need to return to the state at least once every ten years to provide a new image. Finally, the bill amends statute to update terms by changing the wording "take a photograph" to "capture a digital image" and deletes dates that are no longer needed. Thank you for your time, and I would be happy to answer any questions the committee may have. [LB777]

SENATOR DUBAS: Questions for Director Lahm? Seeing none, thank you. Further proponents? Are there any opponents? Anyone in the neutral? Senator Hadley, would you like to close? Senator Hadley waives closing. That closes our hearing for LB777 and our hearings for today. Thank you again for all of your help and testimony. We appreciate it. [LB777]