SENATE BILL NO. 179-SENATOR McGINNESS

FEBRUARY 12, 1999

JOINT SPONSOR: ASSEMBLYMAN DE BRAGA

Referred to Committee on Transportation

SUMMARY—Requires skydiving businesses to obtain license. (BDR 44-727)

FISCAL NOTE: Effect on Local Government: Yes.

Effect on the State or on Industrial Insurance: No.

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EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to aeronautics; requiring the licensing of skydiving businesses; providing a penalty; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Title 44 of NRS is hereby amended by adding thereto a
- 2 new chapter to consist of the provisions set forth as sections 2 to 21,
- 3 inclusive, of this act.
- 4 Sec. 2. As used in this chapter, unless the context otherwise requires,
- the words and terms defined in sections 3 and 4 of this act have the
- meanings ascribed to them in those sections.
- 7 Sec. 3. "Department" means the department of transportation.
- Sec. 4. "Skydiving business" means a business that receives
- 9 compensation for providing a person with:
- 1. The opportunity to jump with a parachute from an airplane, a
- balloon or any other vehicle used for navigation through the air; or
- 12 2. Training on how to jump safely from an airplane, a balloon or
- any other vehicle used for navigation through the air and how to land
- 14 safely using a parachute.
- 15 Sec. 5. The practice of operating a skydiving business is hereby
- declared to be a learned profession, affecting public safety, health and
- welfare, and subject to regulation to protect the public from the operation

- of a skydiving business by an unqualified person and from
- 2 unprofessional conduct by a person who is licensed to operate a
 3 skydiving business.
- Sec. 6. A license issued pursuant to the provisions of this chapter is a revocable privilege, and the holder of the license does not acquire thereby a vested right.
- 7 Sec. 7. 1. All fees provided for in this chapter must be paid to the 8 department.
- 9 2. The department shall deposit the fees in a bank or other financial institution in this state.
- 3. All expenses that are required to carry out the provisions of this chapter must be paid from the fees collected pursuant to this chapter. No part of the expenses may be paid out of the state general fund.
 - 4. The department:

- 15 (a) Shall deposit any money collected from the imposition of an 16 administrative fine with the state treasurer for credit to the state general 17 fund; and
- 18 (b) May present a claim to the state board of examiners for 19 recommendation to the interim finance committee if money is needed to 20 pay attorney's fees or the costs of an investigation, or both.
- 21 Sec. 8. 1. A person shall not:
- 22 (a) Operate a skydiving business;
- 23 (b) Represent to the public that he is operating a licensed skydiving 24 business; or
- 25 (c) Use in connection with his skydiving business any title, word, 26 letters or other designation intended to imply that the skydiving business 27 is licensed,
- 28 unless the person first obtains a license from the department to operate 29 the skydiving business.
- 2. If the department determines that a person has operated or is about to operate a skydiving business in violation of subsection 1, the department may petition an appropriate court for an order enjoining the operation of the skydiving business. The court shall issue the injunction if the department demonstrates that the person has operated or is about to operate a skydiving business in violation of subsection 1. An
- 33 to operate a skyativing business in violation of subsection 1. An 36 injunction does not preclude a criminal prosecution against the person.
- 3. This section does not apply to a skydiving instructor who:
- 38 (a) Is an independent contractor; and
- 39 (b) Works exclusively for one licensee.
- Sec. 9. 1. An applicant for a license to operate a skydiving business must:
- 42 (a) Be of good moral character;

- (b) Be a citizen of the United States or be lawfully entitled to reside and work in the United States;
- (c) Submit a complete set of fingerprints and written permission authorizing the department to forward the fingerprints to the central repository for Nevada records of criminal history for submission to the Federal Bureau of Investigation for its report;
- (d) Submit an application on a form provided by the department that includes:
 - (1) The name of the applicant;

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- (2) The name, address and telephone number of the skydiving business;
- (3) The name of the airport at which the skydiving business will operate;
- (4) The "N" numbers of the aircraft that the skydiving business will use; and
- (5) The names and Federal Aviation Administration certificate numbers of the pilots who will pilot aircraft for the business;
- (e) Submit a copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that property:
- (f) Submit a certificate of insurance or bond that evidences coverage of at least:
- (1) Fifty thousand dollars for property damage and \$300,000 for personal injury arising from an individual claim; or
- (2) One million dollars for all personal injury and death claims arising from a single incident;
 - (g) Submit the statement required pursuant to section 11 of this act;
 - (h) Pay a fee of \$1,000 to the department; and
 - (i) Provide the department with a copy of the safety handbook that:
- (1) The operator will follow in conducting the operations of the skydiving business; and
 - (2) Contains the safety standards set forth in subsection 2.
 - The safety handbook must contain safety standards that:
- (a) Meet or exceed the basic safety requirements of the United States 34 Parachute Association and the relevant regulations of the Federal Aviation Administration; and 36
 - (b) Require the operator to:
 - (1) Ensure that an automatic parachute opener with a microprocessor is functioning, turned on and used on every jump;
- (2) Ensure that each skydiver has a functioning altimeter that is 40 visible to him during every jump; and 41
- (3) Require a person who is skydiving for the first time to complete 42 at least: 43

- (I) Six hours of ground training, at least 3 hours of which must concern the operation and rigging of a parachute and at least 3 hours of which must concern safety measures; and
- (II) Two tandem jumps before allowing the person to jump 4 alone.
 - A person who has not jumped with that skydiving business before shall be deemed to be skydiving for the first time unless the person produces documented proof that he has previously skydived.
- The department shall issue a license to an applicant if he satisfies the requirements of this section. 10
 - A licensee shall, as needed, update any of the information required pursuant to subsection 1.

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- Sec. 10. An application for a license to operate a skydiving business must include the social security number of the applicant.
- Sec. 11. 1. An applicant for the issuance or renewal of a license to operate a skydiving business must submit to the department the statement 16 prescribed by the welfare division of the department of human resources pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
 - The department shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the 22 issuance or renewal of the license; or 23
 - (b) A separate form prescribed by the department.
 - A license may not be issued or renewed by the department if the applicant:
 - (a) Fails to submit the statement required pursuant to subsection 1; or
 - (b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
 - If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the department shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
- If the department receives a copy of a court order 41 issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and

- permits issued to a licensee, the department shall deem the license to be suspended at the end of the 30th day after the date the court order was 3 issued unless the department receives a letter issued to the licensee by the district attorney or other public agency pursuant to NRS 425.550 stating that the licensee has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- The department shall reinstate a license that has been suspended by a district court pursuant to NRS 425.540 if the department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the licensee stating that the licensee has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 12 **425.560.**
- 13 Sec. 13. 1. A license to operate a skydiving business expires on June 30 of each year and may be renewed if, before his license expires, the licensee submits to the department: 15
 - (a) A copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that
 - (b) A certificate of insurance or bond that evidences coverage of the amounts set forth in paragraph (f) of subsection 1 of section 9 of this act;
 - (c) A fee of \$1,000 for the renewal of his license; and

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- (d) The statement required pursuant to section 11 of this act.
- A license that expires pursuant to the provisions of this section may be restored if the applicant submits to the department:
- (a) A copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that 26 property;
- (b) A certificate of insurance or bond that evidences coverage of the amounts set forth in paragraph (f) of subsection 1 of section 9 of this act: 29
 - (c) A fee of \$1,000 for the reinstatement of his license;
- (d) A copy of the safety handbook as required pursuant to section 9 of 31 this act; and 32
 - (e) The statement required pursuant to section 11 of this act.
- 34 Sec. 14. 1. The operator of a skydiving business shall post in a conspicuous location: 35
 - (a) His license to operate a skydiving business; and
- (b) A poster containing the information set forth in section 15 of this 37 38 act.
- The operator of a skydiving business shall prepare a monthly 39 report of the operations of the skydiving business. The monthly report must be in the format set forth in section 16 of this act and must be 41 submitted to the department on or before the 15th day of the month

following the month for which the report is prepared. The operator shall verify the accuracy of each monthly report by signing the report under penalty of perjury.

- 3. Upon request, the operator of a skydiving business shall provide a customer with a copy of the relevant regulations of the Federal Aviation Administration and the basic safety requirements of the United States Parachute Association.
 - Sec. 15. The poster that an operator is required to post pursuant to section 14 of this act must include the following information in a font which is easy to read:
- 11 1. A statement that all skydiving businesses in the State of Nevada are required to:

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- (a) Meet or exceed the basic safety requirements of the United States
 Parachute Association and the relevant regulations of the Federal
 Aviation Administration.
- 16 (b) Use an automatic parachute opener with a microprocessor on every skydive.
 - (c) Ensure that each skydiver has a functioning altimeter that is visible to him during every jump.
- 20 (d) Require a person who is skydiving for the first time to complete at least:
 - (1) Six hours of ground training, at least 3 hours of which must concern the operation and rigging of a parachute and at least 3 hours of which must concern safety measures; and
 - (2) Two tandem jumps before allowing the person to jump alone. A person who has not jumped with that skydiving business shall be deemed to be skydiving for the first time unless the person produces documented proof that he has previously skydived.
 - 2. The basic safety requirements of the United States Parachute Association;
 - 3. The relevant regulations of the Federal Aviation Administration;
 - 4. A statement indicating that a person may contact the department to report any known or suspected safety hazards at the skydiving business; and
 - 5. The telephone number and address of the department that a person may use to report known or suspected safety hazards at the skydiving business.
- skydiving business.

 Sec. 16. The monthly report that the operator of a skydiving business is required to submit pursuant to section 14 of this act must:
 - 1. Be in substantially the following form:

1	Telephone Number
2	Name of the Operator
3	Airport
4	Business License Number
5	USPA Group Membership Number
6	Aircraft "N" Numbers
7	Names of Pilots with FAA Certificate Numbers
8	Number of Flights Made
9	Number of Passengers Flown
10	Names of Jump Masters with USPA License Numbers
11	Names of Tandem Masters with USPA License Numbers
12	Names of Riggers with FAA License Numbers
13	Total Number of Skydives Made
14	Total Number of Experienced ("Fun") Jumps Made
15	Total Number of Student Jumps Made
16	Total Number of Tandem Jumps Made
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18	I hereby certify under penalty of perjury that the facts in this report
19	and in the accompanying reports are true to the best of my knowledge
20	and that all skydiving jumps have been made employing safety standards
21	that meet or exceed the safety standards set forth in section 9 of this act.
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24	Signature Date
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26	2. Include a separate detailed report describing the nature and cause

2. Include a separate detailed report describing the nature and cause of any injury or fatality that occurred during the month as a result of skydiving.

- Sec. 17. 1. The department may take any of the disciplinary actions set forth in subsection 3 against a licensee if the licensee:
- (a) Has submitted false or misleading information to the department or an agency of this or any other state or of the Federal Government;
 - (b) Has violated a provision of this chapter;

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- (c) Has been convicted of a felony or a crime involving a controlled substance or moral turpitude;
 - (d) Is addicted to alcohol or a controlled substance;
- (e) Is guilty of gross negligence in operating his skydiving business, which may be evidenced by claims of malpractice settled against him;
 - (f) Is found not to be competent to operate a skydiving business;
- (g) Has failed to provide information in response to a written request of the department within 60 days after receiving the request;
- (h) Has engaged in unethical or unprofessional conduct as it relates to the operation of a skydiving business;

- (i) Has been disciplined in another jurisdiction for conduct that would be a violation of the provisions of this chapter; or
- (j) If the licensee was on probation, has violated the terms of his probation.
 - To determine whether a skydiving business is meeting the safety standards set forth in section 9 of this act, the department shall inspect each skydiving business:
 - (a) Annually; and

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- (b) Promptly after determining from a monthly report required pursuant to section 14 of this act or from information provided by a person that the skydiving business may not be meeting the safety standards set forth in section 9 of this act.
- If the department determines that a licensee has committed any of the acts set forth in subsection 1 or has not met the safety standards set forth in section 9 of this act, the department may, after notice and a hearing:
 - (a) Refuse to renew the license of the skydiving business;
 - (b) Immediately revoke the license of the skydiving business;
- (c) Suspend the license of the skydiving business for a definite period 19 until further order by the department;
 - (d) Issue a public or private reprimand;
- (e) Impose a fine of not more than \$5,000 for each action that fails to 22 meet the safety standards of section 9 of this act;
 - (f) Require the skydiving business to pay the costs incurred by the department in taking disciplinary action pursuant to this section; or
- (g) Impose any combination of the disciplinary actions set forth in this 26 section. 27
- Sec. 18. 1. The department may conduct investigations and hold 28 hearings to carry out its duties set forth in this chapter. 29
- 2. At a hearing conducted by the department pursuant to this 30 chapter, only employees of the department that have been designated by the department may administer oaths, examine witnesses or issue 32 subpoenas to compel the attendance of witnesses and the production of 33 34 books and papers.
 - A witness who is subpoenaed to appear at a hearing is entitled to receive for his attendance the same fees and mileage allowed by law to a witness in a civil case. The amount must be paid by the party who requested the subpoena. If a witness who has not been required to attend at the request of a party is subpoenaed by the department, the department shall pay his fees and his mileage.
- If a person fails to comply with a subpoena within 10 days after it 41 is issued, the department may petition a court of competent jurisdiction for an order of the court compelling compliance with the subpoena.

- Upon receiving such a petition, the court shall enter an order directing the person subpoenaed to:
- (a) Appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order: and
- (b) Show cause why he has not complied with the subpoena.

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- A certified copy of the order must be served upon the person subpoenaed.
- If it appears to the court that the subpoena was regularly issued by the department, the court shall enter an order compelling compliance with the subpoena. A person who fails to obey such an order is in contempt of the court.
- Sec. 19. 1. Any records or information obtained during the course of an investigation by the department are confidential until the investigation is completed. Upon completion of the investigation, the records and information are public records if:
- (a) Disciplinary action was taken by the department as a result of the investigation; or
- (b) The person who was investigated submits a written request to the department asking that the information and records be made public.
- The provisions of this section do not prohibit the department from cooperating with a licensing board or an agency that is investigating a licensee, including, without limitation, a law enforcement agency.
- The department, the State of Nevada and all political subdivisions of the State of Nevada are immune from liability for any claim based upon the enforcement of, or failure to enforce, the provisions of this chapter.
- Sec. 21. 1. A person who violates a provision of this chapter is 27 guilty of a misdemeanor. 28
 - If the department has reason to believe that a person has violated a provision of this chapter, the department shall report the facts to the district attorney of the county in which the violation occurred, who may cause appropriate criminal proceedings to be brought against the person.
 - **Sec. 22.** NRS 608.0116 is hereby amended to read as follows:
- 33 34 608.0116 "Professional" means pertaining to an employee who is licensed or certified by the State of Nevada for and engaged in the practice
- 35 of law or any of the professions regulated by chapters 623 to 645, inclusive, 36 of NRS [.] and sections 2 to 21, inclusive, of this act. 37
- **Sec. 23.** Section 9 of this act is hereby amended to read as follows: 38
 - Sec. 9. 1. An applicant for a license to operate a skydiving business must:
 - (a) Be of good moral character;
 - (b) Be a citizen of the United States or be lawfully entitled to reside and work in the United States;

- (c) Submit a complete set of fingerprints and written permission authorizing the department to forward the fingerprints to the central repository for Nevada records of criminal history for submission to the Federal Bureau of Investigation for its report;
- (d) Submit an application on a form provided by the department that includes:
 - (1) The name of the applicant;

- (2) The name, address and telephone number of the skydiving business;
- (3) The name of the airport at which the skydiving business will operate;
- (4) The "N" numbers of the aircraft that the skydiving business will use; and
- (5) The names and Federal Aviation Administration certificate numbers of the pilots who will pilot aircraft for the business;
- (e) Submit a copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that property;
- (f) Submit a certificate of insurance or bond that evidences coverage of at least:
- (1) Fifty thousand dollars for property damage and \$300,000 for personal injury arising from an individual claim; or
- (2) One million dollars for all personal injury and death claims arising from a single incident;
- (g) [Submit the statement required pursuant to section 11 of this act:
- -(h)] Pay a fee of \$1,000 to the department; and
- [(i)] (h) Provide the department with a copy of the safety handbook that:
- (1) The operator will follow in conducting the operations of the skydiving business; and
 - (2) Contains the safety standards set forth in subsection 2.
 - 2. The safety handbook must contain safety standards that:
- (a) Meet or exceed the basic safety requirements of the United States Parachute Association and the relevant regulations of the Federal Aviation Administration; and
 - (b) Require the operator to:
- (1) Ensure that an automatic parachute opener with a microprocessor is functioning, turned on and used on every jump;
- (2) Ensure that each skydiver has a functioning altimeter that is visible to him during every jump; and
- (3) Require a person who is skydiving for the first time to complete at least:

(I) Six hours of ground training, at least 3 hours of which must concern the operation and rigging of a parachute and at least 3 hours of which must concern safety measures; and

(II) Two tandem jumps before allowing the person to jump alone.

A person who has not jumped with that skydiving business before shall be deemed to be skydiving for the first time unless the person produces documented proof that he has previously skydived.

- 3. The department shall issue a license to an applicant if he satisfies the requirements of this section.
- 4. A licensee shall, as needed, update any of the information required pursuant to subsection 1.
- Sec. 24. Section 13 of this act is hereby amended to read as follows: Sec. 13. 1. A license to operate a skydiving business expires on June 30 of each year and may be renewed if, before his license expires, the licensee submits to the department:
 - (a) A copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that property;
 - (b) A certificate of insurance or bond that evidences coverage of the amounts set forth in paragraph (f) of subsection 1 of section 9 of this act; *and*
 - (c) A fee of \$1,000 for the renewal of his license. [; and (d) The statement required pursuant to section 11 of this act.]
 - 2. A license that expires pursuant to the provisions of this section may be restored if the applicant submits to the department:
 - (a) A copy of a letter of permission or a land lease from a property owner allowing skydivers from the skydiving business to land on that property;
 - (b) A certificate of insurance or bond that evidences coverage of the amounts set forth in paragraph (f) of subsection 1 of section 9 of this act;
 - (c) A fee of \$1,000 for the reinstatement of his license; and
 - (d) A copy of the safety handbook as required pursuant to section 9 of this act. [: and
 - (e) The statement required pursuant to section 11 of this act.]
- Sec. 25. Notwithstanding the provisions of sections 2 to 21, inclusive, of this act, an operator of a skydiving business is not required to possess a license to operate the business pursuant to the provisions of this act before September 1, 1999.
- Sec. 26. The amendatory provisions of this act do not apply to offenses that were committed before July 1, 1999.

- **Sec. 27.** 1. This section and sections 1 to 22, inclusive, and 25 and 26 of this act become effective on July 1, 1999.
- 2. Sections 23 and 24 of this act become effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:
 - (a) Have failed to comply with a subpoena or warrant relating to a procedure to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or
- 11 (b) Are in arrears in the payment for the support of one or more 12 children,
- are repealed by the Congress of the United States.

- 3. Sections 10, 11 and 12 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:
- 19 (a) Have failed to comply with a subpoena or warrant relating to a 20 procedure to determine the paternity of a child or to establish or enforce an 21 obligation for the support of a child; or
- (b) Are in arrears in the payment for the support of one or more children,
- 24 are repealed by the Congress of the United States.

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