

ASSEMBLY BILL NO. 518—COMMITTEE ON TRANSPORTATION

MARCH 24, 2003

Referred to Committee on Transportation

SUMMARY—Makes various changes relating to regulation of certain motor carriers, motor vehicles and limousines. (BDR S-1102)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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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 transportation; imposing certain fees for the operation of livery and traditional limousines; prohibiting certain motor carriers from engaging in certain types of misleading advertising; providing for the impoundment of certain vehicles under certain circumstances; making various changes regarding the filing of certain applications; making various changes regarding the disposition of money paid for the special license plate for veterans; temporarily prohibiting the Transportation Services Authority from accepting certain applications relating to certificates of public convenience and necessity for the operation of limousines; temporarily prohibiting fully regulated carriers from increasing the number of limousines which they operate; directing the Legislative Commission to conduct a study of issues relating to the allocation of limousines; authorizing the Transportation Services Authority under certain circumstances to adopt regulations providing for a system of allocations for limousines; providing penalties; and providing other matters properly relating thereto.

1 WHEREAS, In Southern Nevada an excessive number of
2 limousines may negatively affect the integrity and viability of the
3 limousine industry and may negatively affect the taxi industry, as
4 well as cause conflict between taxi and limousine drivers and



* A B 5 1 8 R 4 *

1 companies which could negatively impact the tourism industries;
2 now, therefore

3
4 THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
5 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:
6

7 **Section 1.** Chapter 706 of NRS is hereby amended by adding
8 thereto the provisions set forth as sections 2 and 3 of this act.

9 **Sec. 2. 1.** *An operator of a limousine shall, beginning on*
10 *July 1, 2003, and on July 1 of each year thereafter, pay to the*
11 *Authority a fee of \$100 for each limousine that the Authority has*
12 *authorized the operator to operate.*

13 2. *As used in this section, "limousine" includes:*

14 (a) *A livery limousine; and*

15 (b) *A traditional limousine.*

16 **Sec. 3. 1.** *It is unlawful for any person to advertise services*
17 *for which a certificate of public convenience and necessity or a*
18 *contract carrier's permit is required pursuant to NRS 706.011 to*
19 *706.791, inclusive, and sections 2 and 3 of this act, unless the*
20 *person has been issued such a certificate or permit.*

21 2. *If, after notice and a hearing, the Authority determines*
22 *that a person has engaged in advertising in a manner that violates*
23 *the provisions of this section, the Authority may, in addition to any*
24 *penalty, punishment or disciplinary action authorized by the*
25 *provisions of NRS 706.011 to 706.791, inclusive, and sections 2*
26 *and 3 of this act, issue an order to the person to cease and desist*
27 *the unlawful advertising and to:*

28 (a) *Cause any telephone number included in the advertising,*
29 *other than a telephone number to a provider of paging services, to*
30 *be disconnected.*

31 (b) *Request the provider of paging services to change the*
32 *number of any beeper which is included in the advertising or*
33 *disconnect the paging services to such a beeper, and to inform the*
34 *provider of paging services that the request is made pursuant to*
35 *this section.*

36 3. *If a person fails to comply with paragraph (a) of subsection*
37 *2 within 5 days after the date that he receives an order pursuant to*
38 *subsection 2, the Authority may request the Commission to order*
39 *the appropriate provider of telephone service to disconnect any*
40 *telephone number included in the advertisement, except for a*
41 *telephone number to a provider of paging services. If a person*
42 *fails to comply with paragraph (b) of subsection 2 within 5 days*
43 *after the date he receives an order pursuant to subsection 2, the*
44 *Authority may request the provider of paging services to switch*



* A B 5 1 8 R 4 *

1 *the beeper number or disconnect the paging services provided to*
2 *the person, whichever the provider deems appropriate.*

3 *4. If the provider of paging services receives a request from a*
4 *person pursuant to subsection 2 or a request from the Authority*
5 *pursuant to subsection 3, it shall:*

6 *(a) Disconnect the paging service to the person; or*

7 *(b) Switch the beeper number of the paging service provided to*
8 *the person.*

9 *If the provider of paging services elects to switch the number*
10 *pursuant to paragraph (b), the provider shall not forward or offer*
11 *to forward the paging calls from the previous number, or provide*
12 *or offer to provide a recorded message that includes the new*
13 *beeper number.*

14 *5. As used in this section:*

15 *(a) "Advertising" includes, but is not limited to, the issuance of*
16 *any sign, card or device, or the permitting or allowing of any sign*
17 *or marking on a motor vehicle, in any building, structure,*
18 *newspaper, magazine or airway transmission, on the Internet or in*
19 *any directory under the listing of "fully regulated carrier" with or*
20 *without any limiting qualifications.*

21 *(b) "Beeper" means a portable electronic device which is used*
22 *to page the person carrying it by emitting an audible or a vibrating*
23 *signal when the device receives a special radio signal.*

24 *(c) "Provider of paging services" means an entity, other than a*
25 *public utility, that provides paging service to a beeper.*

26 *(d) "Provider of telephone service" has the meaning ascribed*
27 *to it in NRS 707.355.*

28 **Sec. 4.** NRS 706.011 is hereby amended to read as follows:

29 706.011 As used in NRS 706.011 to 706.791, inclusive, *and*
30 *sections 2 and 3 of this act*, unless the context otherwise requires,
31 the words and terms defined in NRS 706.013 to 706.146, inclusive,
32 have the meanings ascribed to them in those sections.

33 **Sec. 5.** NRS 706.391 is hereby amended to read as follows:

34 706.391 1. Upon the filing of an application for a certificate
35 of public convenience and necessity to operate as a *common* motor
36 carrier, other than an operator of a tow car, *or an application for*
37 *modification of such a certificate*, the Authority shall fix a time and
38 place for *a* hearing ~~thereon~~ *on the application.*

39 2. The Authority shall ~~issue such a~~ *grant the* certificate *or*
40 *modification* if it finds that:

41 (a) The applicant is *financially and operationally* fit, willing
42 and able to perform the services of a common motor carrier ~~and~~ *and*
43 *that the operation of, and the provision of such services by, the*
44 *applicant as a common motor carrier will foster sound economic*
45 *conditions within the applicable industry;*



* A B 5 1 8 R 4 *

- 1 (b) The proposed operation *or the proposed modification* will
2 be consistent with the legislative policies set forth in NRS 706.151;
3 (c) The granting of the certificate *or modification* will not
4 unreasonably and adversely affect other carriers operating in the
5 territory for which the certificate *or modification* is sought; ~~and~~
6 (d) The proposed ~~service~~ *operation or the proposed*
7 *modification* will benefit *and protect the safety and convenience of*
8 the traveling and shipping public and the motor carrier business in
9 this state ~~and~~;
10 (e) *The proposed operation, or service under the proposed*
11 *modification, will be provided on a continuous basis;*
12 (f) *The market identified by the applicant as the market which*
13 *the applicant intends to serve will support the proposed operation*
14 *or proposed modification; and*
15 (g) *The applicant has paid all fees and costs related to the*
16 *application.*
17 3. The Authority shall not find that the potential creation of
18 competition in a territory which may be caused by the granting of ~~a~~
19 ~~certificate,~~ *the certificate or modification*, by itself, will
20 unreasonably and adversely affect other carriers operating in the
21 territory for the purposes of paragraph (c) of subsection 2.
22 4. ~~And~~ *In determining whether the applicant is fit to perform*
23 *the services of a common motor carrier pursuant to paragraph (a)*
24 *of subsection 2, the Authority shall consider whether the applicant*
25 *has violated any provision of this chapter or any regulations*
26 *adopted pursuant thereto.*
27 5. The applicant for ~~such a certificate has~~ *the certificate or*
28 *modification:*
29 (a) *Has* the burden of proving to the Authority that the proposed
30 operation will meet the requirements of subsection 2 ~~and~~
31 ~~5.~~ *; and*
32 (b) *Must pay the amounts billed to the applicant by the*
33 *Authority for the costs incurred by the Authority in conducting*
34 *any investigation regarding the applicant and the application.*
35 6. The Authority may issue *or modify* a certificate of public
36 convenience and necessity to operate as a common motor carrier, or
37 issue *or modify* it for:
38 (a) The exercise of the privilege sought.
39 (b) The partial exercise of the privilege sought.
40 ~~6.~~ 7. The Authority may attach to the certificate such terms
41 and conditions as, in its judgment, the public interest may require.
42 ~~7.~~ 8. The Authority may dispense with the hearing on the
43 application if, upon the expiration of the time fixed in the notice
44 thereof, no petition to intervene has been filed on behalf of any



1 person who has filed a protest against the granting of the certificate
2 ~~§~~ *or modification.*

3 **Sec. 6.** NRS 706.756 is hereby amended to read as follows:

4 706.756 1. Except as otherwise provided in subsection 2, any
5 person who:

6 (a) Operates a vehicle or causes it to be operated in any carriage
7 to which the provisions of NRS 706.011 to 706.861, inclusive, *and*
8 *sections 2 and 3 of this act*, apply without first obtaining a
9 certificate, permit or license, or in violation of the terms thereof;

10 (b) Fails to make any return or report required by the provisions
11 of NRS 706.011 to 706.861, inclusive, *and sections 2 and 3 of this*
12 *act*, or by the Authority or the Department pursuant to the
13 provisions of NRS 706.011 to 706.861, inclusive ~~§~~, *and sections 2*
14 *and 3 of this act*;

15 (c) Violates, or procures, aids or abets the violating of, any
16 provision of NRS 706.011 to 706.861, inclusive ~~§~~, *and sections 2*
17 *and 3 of this act*;

18 (d) Fails to obey any order, decision or regulation of the
19 Authority or the Department;

20 (e) Procures, aids or abets any person in his failure to obey such
21 an order, decision or regulation of the Authority or the Department;

22 (f) Advertises, solicits, proffers bids or otherwise holds himself
23 out to perform transportation as a common or contract carrier in
24 violation of any of the provisions of NRS 706.011 to 706.861,
25 inclusive ~~§~~, *and sections 2 and 3 of this act*;

26 (g) Advertises as providing:

27 (1) The services of a fully regulated carrier; or

28 (2) Towing services,

29 without including the number of his certificate of public
30 convenience and necessity or contract carrier's permit in each
31 advertisement;

32 (h) Knowingly offers, gives, solicits or accepts any rebate,
33 concession or discrimination in violation of the provisions of this
34 chapter;

35 (i) Knowingly, willfully and fraudulently seeks to evade or
36 defeat the purposes of this chapter;

37 (j) Operates or causes to be operated a vehicle which does not
38 have the proper identifying device;

39 (k) Displays or causes or permits to be displayed a certificate,
40 permit, license or identifying device, knowing it to be fictitious or to
41 have been cancelled, revoked, suspended or altered;

42 (l) Lends or knowingly permits the use of by one not entitled
43 thereto any certificate, permit, license or identifying device issued to
44 the person so lending or permitting the use thereof; or



1 (m) Refuses or fails to surrender to the Authority or Department
2 any certificate, permit, license or identifying device which has been
3 suspended, cancelled or revoked pursuant to the provisions of this
4 chapter,
5 is guilty of a misdemeanor, and upon conviction thereof shall be
6 punished by a fine of not less than \$100 nor more than \$1,000, or by
7 imprisonment in the county jail for not more than 6 months, or by
8 both fine and imprisonment.

9 2. ~~[A person convicted of a misdemeanor for a]~~ *Any person*
10 *who, in violation of the provisions of NRS 706.386 , operates as a*
11 *fully regulated common motor carrier without first obtaining a*
12 *certificate of public convenience and necessity or any person who,*
13 *in violation of the provisions of 706.421 , operates as a contract*
14 *motor carrier without first obtaining a permit is guilty of a*
15 *misdemeanor and shall be punished:*

16 (a) For ~~[the]~~ *a* first offense ~~[.]~~ *within a period of 12 consecutive*
17 *months,* by a fine of not less than \$500 nor more than \$1,000 . ~~[.]~~ *In*
18 *addition to the fine, the person may be punished by imprisonment*
19 *in the county jail for not more than 6 months.*

20 (b) For a second offense within *a period of* 12 consecutive
21 months and *for* each subsequent offense ~~[.]~~ *that is committed within*
22 *a period of 12 consecutive months of any prior offense under this*
23 *subsection,* by a fine of \$1,000 . ~~[.]~~ *or*

24 ~~—(c) For any offense.] In addition to the fine, the person may be~~
25 *punished* by imprisonment in the county jail for not more than 6
26 months . ~~[.]~~ *or by both the prescribed fine and imprisonment.]*

27 3. Any person who , *in violation of the provisions of NRS*
28 *706.386,* operates or permits the operation of a vehicle in passenger
29 service without *first obtaining* a certificate of public convenience
30 and necessity ~~[issued pursuant to NRS 706.391]~~ is guilty of a gross
31 misdemeanor.

32 4. If a law enforcement officer witnesses a violation of ~~[this~~
33 ~~subsection,—he]~~ *any provision of subsection 2 or 3, the law*
34 *enforcement officer* may cause the vehicle to be towed immediately
35 from the scene ~~[.]~~

36 ~~—4.] and impounded in accordance with NRS 706.476.~~

37 5. The fines provided in this section are mandatory and must
38 not be reduced under any circumstances by the court.

39 ~~[5.]~~ 6. Any bail allowed must not be less than the appropriate
40 fine provided for by this section.

41 Sec. 7. NRS 417.145 is hereby amended to read as follows:

42 417.145 1. The Veterans' Home Account is hereby
43 established in the State General Fund.

44 2. Money received by the Executive Director or the Deputy
45 Executive Director from:



* A B 5 1 8 R 4 *

- 1 (a) Payments by the Department of Veterans Affairs for veterans
- 2 who receive care in a veterans' home;
- 3 (b) Other payments for medical care and services;
- 4 (c) Appropriations made by the Legislature for veterans' homes;
- 5 and
- 6 (d) Except as otherwise provided in subsection 7, gifts of money
- 7 and proceeds derived from the sale of gifts of personal property he
- 8 is authorized to accept for the use of veterans' homes, if the use of
- 9 such gifts has not been restricted by the donor,
- 10 must be deposited with the State Treasurer for credit to the
- 11 Veterans' Home Account.
- 12 3. Interest and income must not be computed on the money in
- 13 the Veterans' Home Account.
- 14 4. The Veterans' Home Account must be administered by the
- 15 Executive Director, with the advice of the Deputy Executive
- 16 Director and the Nevada Veterans' Services Commission, and the
- 17 money deposited in the Veterans' Home Account may only be
- 18 expended for:
- 19 (a) The operation of veterans' homes;
- 20 (b) A program or service related to a veterans' home;
- 21 (c) The solicitation of other sources of money to fund a
- 22 veterans' home; and
- 23 (d) The purpose of informing the public about issues concerning
- 24 the establishment and uses of a veterans' home.
- 25 5. Except as otherwise provided in subsection 7, gifts of
- 26 personal property which the Executive Director or the Deputy
- 27 Executive Director is authorized to receive for the use of veterans'
- 28 homes:
- 29 (a) May be sold or exchanged if the sale or exchange is
- 30 approved by the State Board of Examiners; or
- 31 (b) May be used in kind if the gifts are not appropriate for
- 32 conversion to money.
- 33 6. All money in the Veterans' Home Account must be paid out
- 34 on claims approved by the Executive Director as other claims
- 35 against the State are paid.
- 36 7. The Gift Account for Veterans' Homes is hereby established
- 37 in the State General Fund. The Executive Director or the Deputy
- 38 Executive Director shall use gifts of money or personal property that
- 39 he is authorized to accept and which the donor has restricted to one
- 40 or more uses at a veterans' home, only in the manner designated by
- 41 the donor. Gifts of money that the Executive Director or Deputy
- 42 Executive Director is authorized to accept and which the donor has
- 43 restricted to one or more uses at a veterans' home must be deposited
- 44 with the State Treasurer for credit to the Gift Account for Veterans'
- 45 Homes. The interest and income earned on the money in the Gift



* A B 5 1 8 R 4 *

1 Account for Veterans' Homes, after deducting any applicable
2 charges, must be credited to the Gift Account for Veterans' Homes.
3 Any money remaining in the Gift Account for Veterans' Homes at
4 the end of each fiscal year does not lapse to the State General Fund,
5 but must be carried forward into the next fiscal year.

6 *8. The Executive Director shall, on or before August 1 of*
7 *each year, prepare and submit to the Interim Finance Committee*
8 *a report detailing the expenditures made from the Gift Account for*
9 *Veterans' Homes that are attributable to the money deposited in*
10 *that account pursuant to subsection 2 of NRS 482.3764.*

11 **Sec. 8.** NRS 482.3764 is hereby amended to read as follows:

12 482.3764 1. Before the Department issues to any person,
13 pursuant to NRS 482.3763:

14 (a) An initial set of special license plates, it shall:

15 (1) Collect a special fee for a veterans' home in the amount
16 of \$25; and

17 (2) Affix a decal to each plate if requested by an applicant
18 who meets the requirements set forth in NRS 482.37635.

19 (b) An annual renewal sticker, it shall:

20 (1) Collect a special fee for a veterans' home in the amount
21 of \$20; and

22 (2) Affix a decal to each plate if requested by an applicant
23 who meets the requirements set forth in NRS 482.37635.

24 2. The Department shall deposit ~~{any money}~~ *the first*
25 *\$100,000* collected pursuant to this section *each year* with the State
26 Treasurer for credit to the ~~{Veterans' Home Account}~~ *Gift Account*
27 *for Veteran's Homes, established by subsection 7 of NRS 417.145.*
28 *Thereafter, any additional amount collected pursuant to this*
29 *section during the year must be deposited in the State General*
30 *Fund.*

31 **Sec. 9.** 1. Except as otherwise provided in subsection 2, for
32 the period beginning on June 1, 2003, and ending on July 1, 2004,
33 the Transportation Services Authority shall not accept the
34 submission or filing of any application for the modification of a
35 certificate of public convenience and necessity issued to a fully
36 regulated carrier of passengers for the operation of a livery or
37 traditional limousine if the application for modification is to
38 increase the number of limousines to be operated pursuant to the
39 certificate of public convenience and necessity in a county whose
40 population is 400,000 or more.

41 2. The Transportation Services Authority:

42 (a) Shall first publicly notice and then process, in the order in
43 which it was received, each application for any new or modified
44 certificate of public convenience and necessity that is received by
45 the Authority before June 1, 2003.



* A B 5 1 8 R 4 *

1 (b) Except as otherwise provided in this paragraph, during the
2 period beginning on June 1, 2003, and ending on July 1, 2004, shall
3 accept the submission and filing of applications for a new certificate
4 of public convenience and necessity for the operation of a livery or
5 traditional limousine in a county whose population is 400,000 or
6 more. Applications submitted and filed as described in this
7 paragraph must be processed in the ordinary course of business and
8 without undue delay. The Authority shall not, during that period:

9 (1) Accept the submission and filing of more than one
10 application by any one applicant.

11 (2) Approve the operation of more than two livery or
12 traditional limousines per each such application.

13 3. An unlimited certificate of public convenience and necessity
14 for the operation of a livery or traditional limousine issued to a fully
15 regulated carrier of passengers by the Transportation Services
16 Authority is void and revoked for the period from June 1, 2003, to
17 July 1, 2004, to the extent that the carrier has not, before June 1,
18 2003, registered in this state each authorized limousine covered by
19 the certificate of public convenience and necessity.

20 4. As used in this section:

21 (a) "Fully regulated carrier" has the meaning ascribed to it in
22 NRS 706.072.

23 (b) "Livery limousine" means a motor vehicle that is engaged in
24 the general transportation of persons for compensation and not
25 operated on a regular schedule or over regular routes and:

26 (1) Was a light truck, as that term is defined in 49 C.F.R. §
27 523.5, at the time of its manufacture; or

28 (2) Was originally manufactured as having a capacity of 9 or
29 more persons but less than 16 persons, including the
30 driver.

31 The term does not include a limousine for which the operator is not
32 required to obtain a certificate of public convenience and necessity
33 from the Transportation Services Authority.

34 (c) "Traditional limousine" means a motor vehicle that is
35 engaged in the general transportation of persons for compensation
36 and not operated on a regular schedule or over regular routes and:

37 (1) Was a passenger automobile, as that term is defined in 49
38 C.F.R. § 523.4, at the time of its manufacture and was later modified
39 to increase its length; or

40 (2) Has a capacity of less than nine persons, including the
41 driver.

42 **Sec. 10.** 1. The Legislative Commission shall direct a study
43 of issues relating to the allocation of limousines.

44 2. The study must consider:



* A B 5 1 8 R 4 *

1 (a) Whether an allocation system is appropriate for the issuance
2 of certificates of public convenience and necessity for limousines
3 operated in a county whose population is 400,000 or more;

4 (b) Whether the budgetary needs of the Transportation Services
5 Authority are being met at a level that will ensure optimum
6 regulation of limousines, combined with an assessment of the
7 probable effect on operators of any additional regulatory fees; and

8 (c) Such other issues regarding the regulation of limousines as
9 the Commission deems appropriate.

10 3. The Commission may apply for any available grants and
11 accept gifts, grants or donations to assist the Commission in
12 conducting the study.

13 4. The Commission may contract with or enter into an
14 agreement with a public or private agency that has the experience
15 necessary to conduct a study of the type described in subsection 2.

16 5. The Commission shall, on or before April 30, 2004, submit
17 the final results of the study to the Transportation Services
18 Authority. The Commission shall submit a report of the results of
19 the study and any recommendations for legislation to the 73rd
20 Session of the Nevada Legislature.

21 **Sec. 11.** 1. On or before May 28, 2004, the Legislative
22 Commission shall, based upon information gathered during the
23 study described in section 10 of this act, provide to the
24 Transportation Services Authority the recommendation of
25 the Commission as to whether the Authority should establish by
26 regulation a system of allocations for limousines.

27 2. The Authority shall consider the recommendation of the
28 Commission and if the Authority determines, based upon
29 information gathered during the study, that it would be advisable to
30 establish a system of allocations for limousines, the Authority may,
31 except as otherwise provided in subsection 3, adopt regulations in
32 accordance with chapter 233B of NRS establishing a system of
33 allocations for limousines. If established, such a system must set
34 forth the number of limousines that may be operated by a person
35 who holds a certificate of public convenience and necessity for the
36 operation of a livery or traditional limousine, as applicable.

37 3. On or before June 15, 2004, the Authority shall publicly
38 announce whether it will establish by regulation a system of
39 allocations for limousines.

40 4. As used in this section:

41 (a) "Livery limousine" has the meaning ascribed to it in section
42 9 of this act.

43 (b) "Traditional limousine" has the meaning ascribed to it in
44 section 9 of this act.



* A B 5 1 8 R 4 *

1 **Sec. 12.** The provisions of this act do not limit, prohibit,
2 restrict or otherwise affect the consideration of or processing of any
3 application for:

4 1. A new certificate of public convenience and necessity; or
5 2. The modification of a certificate of public convenience and
6 necessity,
7 that is filed with or submitted to the Transportation Services
8 Authority before June 1, 2003.

9 **Sec. 13.** 1. This section, sections 1 to 6, inclusive, and 9 to
10 12, inclusive, of this act become effective upon passage and
11 approval.

12 2. Sections 7 and 8 of this act become effective on July 1,
13 2005.

