

SENATE BILL NO. 401—COMMITTEE ON
HUMAN RESOURCES AND EDUCATION

MARCH 29, 2005

Referred to Committee on Human Resources and Education

SUMMARY—Makes various changes concerning provision of certain transportation services. (BDR 38-1395)

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 public welfare; requiring the Department of Human Resources to contract for the provision of transportation services for recipients of Medicaid or recipients of services pursuant to the Children's Health Insurance Program traveling to and returning from providers of services under the State Plan for Medicaid or the Children's Health Insurance Program; exempting brokers of certain transportation services from certain provisions concerning the regulation and licensing of motor carriers; exempting common motor carriers and contract motor carriers that contract with the Department to provide such transportation services from the requirement of obtaining a certificate of public convenience and necessity to operate as a common motor carrier and the requirement of obtaining a permit to operate as a contract motor carrier; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 422 of NRS is hereby amended by adding
- 2 thereto a new section to read as follows:
- 3 **1. *The Department shall, to the extent authorized by federal***
- 4 ***law, contract with a common motor carrier, a contract motor***



1 *carrier or a broker for the provision of transportation services to*
2 *recipients of Medicaid or recipients of services pursuant to the*
3 *Children's Health Insurance Program traveling to and returning*
4 *from providers of services under the State Plan for Medicaid or*
5 *the Children's Health Insurance Program.*

6 2. The Director may adopt regulations concerning the
7 qualifications of persons who may contract with the Department to
8 provide transportation services pursuant to this section.

9 3. The Director shall:

10 (a) Require each motor carrier that has contracted with the
11 Department to provide transportation services pursuant to this
12 section to submit proof to the Department of a liability insurance
13 policy, certificate of insurance or surety which is substantially
14 equivalent in form to and is in the same amount or in a greater
15 amount than the policy, certificate or surety required by the
16 Department of Motor Vehicles pursuant to NRS 706.291 for a
17 similarly situated motor carrier; and

18 (b) Establish a program, with the assistance of the
19 Transportation Services Authority of the Department of Business
20 and Industry, to inspect the vehicles which are used to provide
21 transportation services pursuant to this section to ensure that the
22 vehicles and their operation are safe.

23 4. As used in this section:

24 (a) "Broker" has the meaning ascribed to it in NRS 706.021.

25 (b) "Common motor carrier" has the meaning ascribed to it in
26 NRS 706.036.

27 (c) "Contract motor carrier" has the meaning ascribed to it in
28 NRS 706.051.

29 **Sec. 2.** NRS 422.240 is hereby amended to read as follows:

30 422.240 1. Money to carry out the provisions of NRS
31 422.001 to 422.410, inclusive, *and section 1 of this act* and
32 422.580, including, without limitation, any federal money allotted to
33 the State of Nevada pursuant to the program to provide Temporary
34 Assistance for Needy Families and the Program for Child Care and
35 Development, must, except as otherwise provided in NRS 422.3755
36 to 422.379, inclusive, and 439.630, be provided by appropriation by
37 the Legislature from the State General Fund.

38 2. Disbursements for the purposes of NRS 422.001 to 422.410,
39 inclusive, *and section 1 of this act* and 422.580 must, except as
40 otherwise provided in NRS 422.3755 to 422.379, inclusive, and
41 439.630, be made upon claims duly filed and allowed in the same
42 manner as other money in the State Treasury is disbursed.



1 **Sec. 3.** NRS 706.158 is hereby amended to read as follows:
2 706.158 The provisions of NRS 706.011 to 706.791, inclusive,
3 relating to brokers do not apply to any person whom the Authority
4 determines is:

5 1. A motor club which holds a valid certificate of authority
6 issued by the Commissioner of Insurance; ~~for~~

7 2. A bona fide charitable organization, such as a nonprofit
8 corporation or a society, organization or association for educational,
9 religious, scientific or charitable purposes ~~for~~; or

10 3. *A broker of transportation services provided by an entity*
11 *that is exempt pursuant to NRS 706.745 from the provisions of*
12 *NRS 706.386 or 706.421.*

13 **Sec. 4.** NRS 706.745 is hereby amended to read as follows:

14 706.745 1. The provisions of NRS 706.386 and 706.421 do
15 not apply to ~~ambulances or hearses~~ :

16 (a) *Ambulances;*

17 (b) *Hearses; or*

18 (c) *Common motor carriers or contract motor carriers that are*
19 *providing transportation services pursuant to a contract with the*
20 *Department of Human Resources entered into pursuant to section*
21 *1 of this act.*

22 2. A common motor carrier that enters into an agreement for
23 the purchase of its service by an incorporated city, county or
24 regional transportation commission is not required to obtain a
25 certificate of public convenience and necessity to operate a system
26 of public transit consisting of:

27 (a) Regular routes and fixed schedules;

28 (b) Nonemergency medical transportation of persons to facilitate
29 their use of a center as defined in NRS 435.170, if the transportation
30 is available upon request and without regard to regular routes or
31 fixed schedules;

32 (c) Nonmedical transportation of disabled persons without
33 regard to regular routes or fixed schedules; or

34 (d) In a county whose population is less than 100,000 or an
35 incorporated city within such a county, nonmedical transportation of
36 persons if the transportation is available by reservation 1 day in
37 advance of the transportation and without regard to regular routes or
38 fixed schedules.

39 3. Under any agreement for a system of public transit that
40 provides for the transportation of passengers that is described in
41 subsection 2:

42 (a) The public entity shall provide for any required safety
43 inspections; or

44 (b) If the public entity is unable to do so, the Authority shall
45 provide for any required safety inspections.



1 4. In addition to the requirements of subsection 3, under an
2 agreement for a system of public transit that provides for the
3 transportation of passengers that is described in:

4 (a) Paragraph (a) of subsection 2, the public entity shall
5 establish the routes and fares.

6 (b) Paragraph (c) or (d) of subsection 2, the common motor
7 carrier:

8 (1) May provide transportation to any passenger who can
9 board a vehicle with minimal assistance from the operator of the
10 vehicle.

11 (2) Shall not offer medical assistance as part of its
12 transportation service.

13 5. A nonprofit carrier of elderly or disabled persons is not
14 required to obtain a certificate of public convenience and necessity
15 to operate as a common motor carrier of such passengers only, but
16 such a carrier is not exempt from inspection by the Authority to
17 determine whether its vehicles and their operation are safe.

18 6. An incorporated city, county or regional transportation
19 commission is not required to obtain a certificate of public
20 convenience and necessity to operate a system of public
21 transportation.

22 7. Before an incorporated city or a county enters into an
23 agreement with a common motor carrier for a system of public
24 transit that provides for the transportation of passengers that is
25 described in paragraph (c) or (d) of subsection 2 in an area of the
26 incorporated city or an area of the county, it must determine that:

27 (a) There are no other common motor carriers of passengers
28 who are authorized to provide such services in that area; or

29 (b) Although there are other common motor carriers of
30 passengers who are authorized to provide such services in the area,
31 the common motor carriers of passengers do not wish to provide, or
32 are not capable of providing, such services.

33 **Sec. 5.** This act becomes effective upon passage and approval.

