

SENATE BILL NO. 321—SENATOR MANENDO (BY REQUEST)

MARCH 21, 2011

Referred to Committee on Transportation

SUMMARY—Revises provisions governing taxicabs.
(BDR 58-997)

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 taxicabs; requiring the Taxicab Authority to establish a system for the use of radio frequency identification or other electronic means in the enforcement of its allocations of taxicabs; providing for the use of a physical security seal or an electronic security seal for a taximeter; requiring the establishment of standards for a daily trip sheet in electronic form; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Taxicab Authority regulates taxicabs in a county whose
2 population is 400,000 or more (currently Clark County) and in any county that, by
3 ordinance, has placed itself under the jurisdiction of the Taxicab Authority. (NRS
4 706.881) The Taxicab Authority is responsible, among other things, for
5 determining whether conditions in a county require the establishment of a system of
6 allocations of the number of taxicabs allowed to operate in the county. If so, the
7 Taxicab Authority is responsible for allocating the taxicabs among the existing
8 operators of taxicab businesses in the county. The Taxicab Authority also performs
9 allocations if it subsequently determines that circumstances require a permanent
10 increase in the number of taxicabs allocated. (NRS 706.8824) Similarly, the
11 Taxicab Authority determines whether circumstances require a temporary increase
12 in the allocations and, if so, the additional number of taxicabs to be allocated, the
13 limits on their operations and the duration of the temporary increase. (NRS
14 706.88245) The Administrator of the Taxicab Authority issues each allocated
15 taxicab a medallion which must be affixed on the left rear fender of the taxicab.
16 (NAC 706.450, 706.489) **Section 1** of this bill requires the Taxicab Authority to
17 establish by regulation a system for the use of radio frequency identification or
18 other electronic means to verify the validity of the medallion on any taxicab located
19 within the jurisdiction of the Taxicab Authority.



Existing law requires an operator of a taxicab business subject to the jurisdiction of the Taxicab Authority to equip each taxicab with a two-way mobile radio and to maintain central facilities for dispatching the taxicabs. The operator may maintain the facilities individually or in cooperation with other operators, but the facilities must be principally engaged in communication by radio with the taxicabs. (NRS 706.8832) **Section 1.5** of this bill deletes the requirement that the mobile radio be a two-way radio and provides a definition of "communication by radio."

Under existing law, each taxicab must be equipped with a taximeter that clearly displays the fare, the miles traveled and certain other information. After installation, the taximeter is sealed by the Administrator of the Taxicab Authority. (NRS 706.8836) **Section 2** of this bill provides that the seal may be a physical security seal on each access point of the taximeter or an electronic security seal that is encrypted and protected by an audited authentication and authorization mechanism. **Section 2** further authorizes the Administrator to require use of the electronic security seal if the Administrator makes certain findings relating to the availability and cost of the sealing method and provides at least 12 months' notice to the operators of taxicabs.

Existing law requires that an operator of a taxicab business subject to the jurisdiction of the Taxicab Authority require its drivers to fill out daily trip sheets that include information such as the time, place of origin and destination of each trip. The operator of the taxicab business is required to maintain the daily trip sheets for at least 3 years and make them available to the Administrator for inspection. (NRS 706.8844) **Section 3** of this bill requires the Administrator to establish requirements for the use of an electronic version of a daily trip sheet. If an operator of a taxicab business requires its drivers to keep the daily trip sheet in electronic form, **section 3** requires the operator to maintain the resulting information in a secure database and provide the Administrator with access to the information in the database.

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

Section 1. Chapter 706 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Taxicab Authority shall establish by regulation a system for the use of radio frequency identification or other electronic means to verify the validity of a medallion affixed to any taxicab within the jurisdiction of the Taxicab Authority.

2. As used in this section, "medallion" means the metal plate issued by the Taxicab Authority to be affixed to each taxicab allocated by the Taxicab Authority.

Sec. 1.5. NRS 706.8832 is hereby amended to read as follows:
706.8832 **1.** A certificate holder shall have each taxicab equipped with a ~~{two-way}~~ mobile radio and shall maintain central facilities for dispatching taxicabs at all times. The facilities:

~~{H-}~~ **(a)** May be maintained individually or in cooperation with other certificate holders.



~~(2)~~ (b) Must be principally engaged in communication by radio with the taxicabs of the certificate holder or holders.

2. As used in this section, "communication by radio" means the transmission of writing, signs, signals, pictures, and sounds of all kinds by radio or other wireless methods, including all facilities and services incidental to such transmission, which facilities and services include, without limitation, the receipt, forwarding and delivering of communications.

Sec. 2. NRS 706.8836 is hereby amended to read as follows:

706.8836 1. A certificate holder shall equip each of the certificate holder's taxicabs with a taximeter and shall make provisions when installing the taximeter to allow sealing by the Administrator.

2. The Administrator shall approve the types of taximeters which may be used on a taxicab. All taximeters must conform to a 2-percent plus or minus tolerance on the fare recording, must be equipped with a signal device plainly visible from outside of the taxicab, must be equipped with a device which records fares and is plainly visible to the passenger and must register upon plainly visible counters the following items:

- (a) Total miles;
- (b) Paid miles;
- (c) Number of units;
- (d) Number of trips; and
- (e) Number of extra passengers or extra charges.

3. The Administrator shall inspect each taximeter before its use in a taxicab and shall, if the taximeter conforms to the standards specified in subsection 2, seal the taximeter.

4. Except as otherwise provided in subsection 5, a taximeter may be sealed by:

(a) Affixing a physical security seal to each access point of the taximeter; or

(b) Using an electronic security seal that is encrypted and protected by an audited authentication and authorization mechanism for each user that is accessible only by the Administrator.

5. The Administrator may require that each taximeter be sealed by an electronic security seal that is encrypted and protected by an audited authentication and authorization mechanism for each user that is accessible only by the Administrator if the Administrator:

(a) Makes a finding that the technology for the sealing method is commercially available and will reduce the costs to the Taxicab Authority for inspecting taximeters; and



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(b) Provides notice to each certificate holder at least 12 months before requiring the use of the sealing method.

6. The Administrator may reinspect the taximeter at any reasonable time.

7. For the purposes of this section, "sealing" means prohibiting access to the elements of the taximeter used to calculate the items specified in subsection 2 by anyone other than the Administrator.

Sec. 3. NRS 706.8844 is hereby amended to read as follows:

706.8844 1. A certificate holder shall require the certificate holder's drivers to keep a daily trip sheet in a form to be prescribed by the Taxicab Authority **H**, *including, without limitation, in electronic form.*

2. At the beginning of each period of duty the driver shall record on the driver's trip sheet:

(a) The driver's name and the number of the taxicab;

(b) The time at which the driver began the period of duty by means of a time clock provided by the certificate holder;

(c) The meter readings for total miles, paid miles, trips, units, extra passengers and extra charges; and

(d) The odometer reading of the taxicab.

3. During each period of duty the driver shall record on the driver's trip sheet:

(a) The time, place of origin and destination of each trip; and

(b) The number of passengers and amount of fare for each trip.

4. At the end of each period of duty the driver shall record on the driver's trip sheet:

(a) The time at which the driver ended the period of duty by means of a time clock provided by the certificate holder;

(b) The meter readings for total miles, paid miles, trips, units and extra passengers; and

(c) The odometer reading of the taxicab.

5. A certificate holder shall furnish a trip sheet form for each taxicab operated by a driver during the driver's period of duty and shall require the drivers to return their completed trip sheets at the end of each period of duty.

6. A certificate holder shall retain all trip sheets of all drivers in a safe place for a period of 3 years immediately succeeding December 31 of the year to which they respectively pertain and shall make such manifests available for inspection by the Administrator upon reasonable demand.

7. Any driver who maintains a trip sheet in a form less complete than that required by subsection 1 is guilty of a misdemeanor.



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1 **8. The Administrator shall prescribe the requirements for the**
2 **use of an electronic version of a daily trip sheet. If a certificate**
3 **holder requires its drivers to keep a daily trip sheet in electronic**
4 **form, the certificate holder shall maintain the information**
5 **collected from the daily trip sheet in a secure database and provide**
6 **the Administrator with access to the information in the database at**
7 **regular intervals established by the Administrator and upon**
8 **reasonable demand.**

9 **Sec. 4.** NRS 706.885 is hereby amended to read as follows:

10 706.885 1. Any person who knowingly makes or causes to be
11 made, either directly or indirectly, a false statement on an
12 application, account or other statement required by the Taxicab
13 Authority or the Administrator or who violates any of the provisions
14 of NRS 706.881 to 706.885, inclusive, **and section 1 of this act** is
15 guilty of a misdemeanor.

16 2. The Taxicab Authority or Administrator may at any time, for
17 good cause shown and upon at least 5 days' notice to the grantee of
18 any certificate or driver's permit, and after a hearing unless waived
19 by the grantee, penalize the grantee of a certificate to a maximum
20 amount of \$15,000 or penalize the grantee of a driver's permit to a
21 maximum amount of \$500 or suspend or revoke the certificate or
22 driver's permit granted by the Taxicab Authority or Administrator,
23 respectively, for:

24 (a) Any violation of any provision of NRS 706.881 to 706.885,
25 inclusive, **and section 1 of this act** or any regulation of the Taxicab
26 Authority or Administrator.

27 (b) Knowingly permitting or requiring any employee to violate
28 any provision of NRS 706.881 to 706.885, inclusive, **and section 1**
29 **of this act** or any regulation of the Taxicab Authority or
30 Administrator.

31 ➡ If a penalty is imposed on the grantee of a certificate pursuant to
32 this section, the Taxicab Authority or Administrator may require the
33 grantee to pay the costs of the proceeding, including investigative
34 costs and attorney's fees.

35 3. When a driver or certificate holder fails to appear at the time
36 and place stated in the notice for the hearing, the Administrator shall
37 enter a finding of default. Upon a finding of default, the
38 Administrator may suspend or revoke the license, permit or
39 certificate of the person who failed to appear and impose the
40 penalties provided in this chapter. For good cause shown, the
41 Administrator may set aside a finding of default and proceed with
42 the hearing.

43 4. Any person who operates or permits a taxicab to be operated
44 in passenger service without a certificate of public convenience and
45 necessity issued pursuant to NRS 706.8827, is guilty of a gross



1 misdemeanor. If a law enforcement officer witnesses a violation of
2 this subsection, the law enforcement officer may cause the vehicle
3 to be towed immediately from the scene.

4 5. The conviction of a person pursuant to subsection 1 does not
5 bar the Taxicab Authority or Administrator from suspending or
6 revoking any certificate, permit or license of the person convicted.
7 The imposition of a fine or suspension or revocation of any
8 certificate, permit or license by the Taxicab Authority or
9 Administrator does not operate as a defense in any proceeding
10 brought under subsection 1.

11 **Sec. 5.** This act becomes effective upon passage and approval
12 for the purposes of adopting regulations and performing any other
13 preparatory administrative tasks that are necessary to carry out the
14 provisions of this act and on July 1, 2011, for all other purposes.

