

SENATE BILL NO. 465—COMMITTEE ON TRANSPORTATION

MARCH 23, 2015

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to motor carriers.
(BDR 58-788)

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

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to motor carriers; revising provisions relating to audits and examinations of certain motor carriers conducted by the Department of Motor Vehicles; revising provisions relating to violations by a motor carrier of certain international agreements; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Department of Motor Vehicles has the authority to enter into cooperative agreements with other states or countries which authorize the Department to audit or examine the books and records of certain motor carriers. (NRS 366.175, 706.826) **Section 1** of this bill provides that if the Department conducts such an audit or examination of a motor carrier for compliance with the International Registration Plan, the Department must complete the audit or examination within 90 days and must provide to the motor carrier a final report within 90 days of completing the audit or examination. **Section 1** also provides that if the Department finds a violation of the International Registration Plan by the motor carrier, the Department may not: (1) for not less than 3 years, use that violation as the sole reason to audit or examine another motor carrier who shares identical common ownership with the motor carrier against whom the violation was found; (2) cite a motor carrier who shares identical common ownership with the motor carrier against whom the violation was found, if audited or examined on other grounds, for the same or a similar violation of the International Registration Plan if the violation occurred in the same time frame as the violation which was the subject of the original audit or examination; and (3) charge interest on the amount of any administrative fine or other monetary penalty until the final report of the audit or examination is provided to the motor carrier. **Section 3** of this bill imposes the same requirements on the Department for any audit or examination of a motor carrier for a violation of the International Fuel Tax Agreement, a multistate agreement which facilitates the calculation and collection of certain fuel taxes from



* S B 4 6 5 *

23 interstate trucking companies and others who use special fuel (primarily diesel fuel)
24 in vehicles operated or intended to operate interstate.

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

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

3 1. *If the Department carries out an audit or examination of a*
4 *motor carrier who is based in this State and whose vehicles are*
5 *registered with the Department pursuant to NRS 706.801 to*
6 *706.861, inclusive, to determine compliance with, without*
7 *limitation, the International Registration Plan adopted by the*
8 *Department pursuant to NRS 706.826:*

9 (a) *Such an audit or examination must be completed not more*
10 *than 90 days after the Department begins the audit or*
11 *examination; and*

12 (b) *The final report on the audit or examination must be*
13 *completed and provided to the motor carrier not more than 90*
14 *days after the completion of the audit or examination.*

15 2. *If a final report issued pursuant to subsection 1 makes a*
16 *finding that a motor carrier has violated the International*
17 *Registration Plan, the Department may not audit or examine any*
18 *other motor carrier who shares identical common ownership with*
19 *the motor carrier against whom such a finding was made solely*
20 *because of that finding for not less than 3 years after the final*
21 *report containing the finding is issued to the motor carrier.*

22 3. *If the Department audits or examines a motor carrier who*
23 *shares identical common ownership with a motor carrier against*
24 *whom a finding of a violation of the International Registration*
25 *Plan was reported pursuant to subsection 1:*

26 (a) *On grounds which are not precluded by this subsection; or*

27 (b) *More than 3 years after the issuance of the report of the*
28 *finding made pursuant to subsection 1,*

29 ↪ *the motor carrier may not be cited for an identical or*
30 *substantially similar violation of the International Registration*
31 *Plan which occurred before the issuance of the final report*
32 *pursuant to subsection 1 and in the same time frame as the*
33 *violation which was the subject of the finding made pursuant to*
34 *subsection 1.*

35 4. *No interest may be charged on an administrative fine or*
36 *other monetary penalty imposed by the Department for a violation*
37 *of the International Registration Plan pursuant to an audit or*
38 *examination conducted pursuant to subsection 1 until the final*



* S B 4 6 5 *

report required pursuant to subsection 1 is issued to the motor carrier.

Sec. 2. NRS 706.813 is hereby amended to read as follows:

706.813 The provisions of NRS 706.801 to 706.861, inclusive, *and section 1 of this act* do not apply to:

1. Vehicles which are exempt from special fuel tax requirements under NRS 366.221.

2. Vehicles having a gross vehicle weight rating or gross combined vehicle weight rating of 26,000 pounds or less unless the vehicle meets the definition of "commercial motor vehicle" set forth in 49 C.F.R. § 350.105, and except that such vehicles are eligible for apportionment under the provisions of this chapter upon application by the operator.

Sec. 3. Chapter 366 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If the Department carries out an audit or examination of a motor carrier who is based in this State and whose vehicles are registered with the Department pursuant to NRS 706.801 to 706.861, inclusive, to determine compliance with, without limitation, an agreement entered into pursuant to NRS 366.175:

(a) Such an audit or examination must be completed not more than 90 days after the Department begins the audit or examination; and

(b) The final report on the audit or examination must be completed and provided to the motor carrier not more than 90 days after the completion of the audit or examination.

2. If a final report issued pursuant to subsection 1 makes a finding that a motor carrier has violated an agreement entered into pursuant to NRS 366.175, the Department may not audit or examine any other motor carrier who shares identical common ownership with the motor carrier against whom such a finding was made solely because of that finding for not less than 3 years after the final report containing the finding is issued to the motor carrier.

3. If the Department audits or examines a motor carrier who shares identical common ownership with a motor carrier against whom a finding of a violation of an agreement entered into pursuant to NRS 366.175 was reported pursuant to subsection 1:

(a) On grounds which are not precluded by this subsection; or

(b) More than 3 years after the issuance of the report of the finding made pursuant to subsection 1,

↳ the motor carrier may not be cited for an identical or substantially similar violation of an agreement entered into pursuant to NRS 366.175 which occurred before the issuance of the final report pursuant to subsection 1 and in the same time



1 *frame as the violation which was the subject of the finding made*
2 *pursuant to subsection 1.*

3 *4. No interest may be charged on an administrative fine or*
4 *other monetary penalty imposed by the Department for a violation*
5 *of an agreement entered into pursuant to NRS 366.175 pursuant*
6 *to an audit or examination conducted pursuant to subsection 1*
7 *until the final report required pursuant to subsection 1 is issued to*
8 *the motor carrier.*

9 **Sec. 4.** This act becomes effective on July 1, 2015.

