

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 28, 2015

Agency Submitting: Business and Industry, Transportation Authority

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Personnel costs (Expense)		(\$453,510)	(\$453,510)	(\$453,510)
Legal and Court costs (Expense)		\$557,520	\$557,520	\$557,520
Develop regulations (Expense)		\$3,500		
Position related expense (Expense)		(\$23,579)	(\$23,579)	(\$23,579)
Total	0	\$83,931	\$80,431	\$80,431

Explanation

(Use Additional Sheets of Attachments, if required)

Please see attached for explanation.

Name	Marilyn Skibinski
Title	Deputy Commissioner

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date	Friday, February 27, 2015
------	---------------------------

The agency's response appears reasonable.

Name	Julia Teska
Title	Director

BDR 58-716

FISCAL NOTE EXPLANATION

Section 1 through Section 3 and Section 9 of this act removes Compliance Enforcement Officers and their duties enforcing certain state statutes and regulations pertaining to motor carriers from the Nevada Transportation Authority, and transfers such personnel and enforcement duties to the Department of Public Safety.

Fiscal Impact to NTA:

Reduction in personnel costs related to 7 peace officer positions \$(695,695)

Section 4 Removes the Authority's ability to conduct administrative hearings to assess fines and substitutes holding a preliminary hearing to determine whether there is probably cause to believe that a person has violated a provision of NRS 706.111 to 706.791. If probably cause is found the Authority may then file an action in a court of competent jurisdiction for the recovery of a civil penalty.

Section 21 Requires the authority to hold a preliminary hearing upon receiving notification from the Department of Public Safety of an impoundment of a vehicle pursuant to NRS 706.476. The Authority may recover civil penalties in a civil action brought in a court of competent jurisdiction pursuant to NRS 706.771.

Section 4, Section 16 and Section 21

Preparation of court filing, including transcription fees and costs of preparing a record of the preliminary hearing; and legal representation for the preparation and filing of complaint documents. The authority could no longer order an entity to remove advertisements for unlicensed transportation services so would need to petition a court for an injunction to order discontinuance of such advertisements and disconnection of related telephone numbers. There would be costs for legal representation in all such filings and in all subsequent court proceedings and at any related depositions as well as legal costs for preparation and filing of subsequent petitions and motions.

In lieu of imposing an administrative fine, if civil penalties are recovered in court, NTA would need to file a judgment to collect the civil penalty on behalf of the State.

Transcripts of each preliminary hearing for court filing at an estimate average cost of an estimated \$250.00 each must be paid by the Authority pursuant to Section 16 of this act.

Fiscal Impact:

Transcripts: Estimated \$250.00 each x 736 hearings = \$184, 000 probable cause court filings.

Attorney costs: Court appearances and preparation hourly rate of \$145.00 x estimated 3.5 hours per hearing x 736 hearings = \$373,520

Total Legal Costs = \$557,520

Section 10 requires NTA to adopt regulations setting forth the training which a compliance enforcement officer employed by the Department of Public Safety must complete. Promulgation of such regulations would require publication of legal notices for 3 workshops and 1 hearings; costs for drafting the regulations; attorney general participation, review and legal advice, and costs to prepare a complete record of workshops and hearings for filing with the Legislative Commission as well as costs of regulation review by LCB legal division.

Estimated cost of workshops, hearings and related costs is \$3,500.

Section 15:

Requires that the Authority investigate any complaint against any fully regulated carrier or operator of a tow car. Such complaints and related investigations are currently handled by Compliance Enforcement Investigators that are eliminated by this measure.

Section 20:

Contemplates that the Authority would still receive complaints regarding any vehicle being operated without a certificate of public convenience and necessity for contract carriers, permits or any person who is advertising to provide the services of a fully regulated carrier in intrastate commerce or towing services without including the number of the person's certificate of public convenience and necessity or permit in each advertisement. The Authority is required to request the Department of Public Safety to investigate the operations or advertising. The Authority would receive the results of the investigation, hold a preliminary hearing and petition a court to order the owner or operator of the vehicle or the person advertising, to cease and desist from operating or advertising. **If the court issues such an order, the Authority shall enforce compliance with the order.**

To meet the requirements of Section 15 and Section 20, additional non-peace officer Compliance Audit Investigator resources are needed.

FISCAL IMPACT of Sections 15 & 20:

A total of 4 fulltime positions would be required to carry out these provisions as follows:

1 supervising compliance audit investigator

2 new compliance audit investigators for Southern Nevada and 1 new compliance audit investigator for northern Nevada;

Personnel costs \$ 242,185

Reduction in staff reduction related costs, including elimination of Department of Public Safety and Nevada Department of Transportation cost allocations for dispatch and radios.

Related costs \$ (23,578.98)