

UNSOLICITED
EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: May 20, 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 (Expense)		\$281,028	\$285,107	\$285,107
Travel (Expense)		\$3,000	\$3,000	\$3,000
Operating (Expense)		\$22,766	\$22,551	\$22,551
Equipment (Expense)		\$85,916		
Information Technology (Expense)		\$16,780	\$2,066	\$2,066
Total	0	\$409,490	\$312,724	\$312,724

Explanation

(Use Additional Sheets of Attachments, if required)

Assembly Bill (AB) 175, SECTION 51 imposes an excise tax on the transport of a passenger at the rate of 3 percent of the total fare charged for the transportation of a passenger made by a common motor carrier. The Nevada Transportation Authority is required to charge and collect from each common motor carrier of passengers the excise tax imposed by this Section and deposit with the State Treasurer.

Please see the attached for detail.

Name Dana Howry
Title MA III

Department of Business and Industry
Nevada Transportation Authority
Fiscal Note
AB 175 (Second Reprint)

May 14, 2015

Assembly Bill (AB) 175, SECTION 51 imposes an excise tax on the transport of a passenger at the rate of 3 percent of the total fare charged for the transportation of a passenger made by a common motor carrier. The Nevada Transportation Authority is required to charge and collect from each common motor carrier of passengers the excise tax imposed by this Section and deposit with the State Treasurer.

Section 51 provides an exemption from the excise tax for Airport Transfer Service and specifically excludes from the definition of "airport transfer service" charter services by bus, charter services by limousine, scenic tours or special services. The Nevada Transportation Authority interprets this to mean that the above mentioned services, excluded from the airport transfer service exemption, are subject to the excise tax along with all other common motor carrier passenger service regulated by the Authority, including taxicab service outside Clark County.

Based upon this interpretation there are approximately 148 passenger transportation companies under the Authority's jurisdiction subject to the excise tax. The Authority further assumes that the amount of excise tax owed will be calculated and paid monthly by each of these carriers. Additional administrative fiscal staff will be required to process the incoming payments, maintain revenue logs, accounts receivable aging sheets and individual payment records for each company, prepare and deposit funds and transmit deposit information to the State Treasurer. Additionally, administrative staff will maintain data and prepare reports of collection data, identifying any delinquent payments and will prepare related correspondence. The Authority recommends the addition of one Administrative Assistant 3 for the Las Vegas office location and one Administrative Assistant 3 for the Reno office location.

To review internal report data and perform audits to verify accurate record keeping and full compliance with payment of the imposed excise tax, the Authority recommends the addition of one Compliance Audit Investigator 3 to develop and oversee the excise tax function, one Compliance Audit Investigator 2 in its Las Vegas office and one Compliance Audit Investigator 2 in its Reno office. The Authority contemplates a modest amount of travel to conduct onsite compliance audits and assist with serving citations or notices related to enforcement of collections, when necessary.

Legislative counsel bureau review of the regulations costs depend upon how extensive the draft regulations are and how many revisions and subsequent reviews are needed. The estimated cost would be \$1,000 based on \$500 for two reviews. Additionally, notices of the workshops would be mailed to each of the 148 carriers affected by the rulemaking, plus other parties of interest for an estimated total mailing of 175. Assuming these would require \$1.61 postage each for large envelopes, with at least two workshops and one adoption hearing would amount to a total cost for postage of \$845.25.

Section A1: Line Item Detail by GL

Budget Account: 3922 B&I - TRANSPORTATION AUTHORITY

Item No	Description	Actual 2013-2014	Work Program 2014-2015	W03 Year 1 2015-2016	W03 Year 2 2016-2017
E240	EFFICIENT AND RESPONSIVE STATE GOVERNMENT This request funds AB175 inclusive of amendments adopted on May 7, 2015. AB 175 implements the collection of a 3 percent excise tax imposed on the connection, whether by dispatch or other means, made by a common motor carrier of a passenger of the total fare charged for the transportation which must include all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare. The Authority is to charge and collect from each common motor carrier of passengers the excise tax imposed. Further, the State Treasurer shall deposit any money received from the Public Utilities Commission of Nevada, the Nevada Transportation Authority, and the Taxicab Authority: The first \$5,000,000 of the combined amount of such money received in each biennium, for credit to the State Highway Fund; for any additional amount of such money received in each fiscal year, for the credit to the State General Fund.				
REVENUE					
2507	HIGHWAY FUND AUTHORIZATION	0	0	409,490	312,724
TOTAL REVENUES FOR DECISION UNIT E240		0	0	409,490	312,724
EXPENDITURE					
01	PERSONNEL SERVICES Salaries for five full-time equivalent positions (one Compliance Audit Investigator III, two Compliance Audit Investigator II and two Administrative Assistant II).				
5100	SALARIES	0	0	195,473	200,905
5200	WORKERS COMPENSATION	0	0	5,136	4,221
5300	RETIREMENT	0	0	28,344	29,132
5400	PERSONNEL ASSESSMENT	0	0	1,193	1,205
5500	GROUP INSURANCE	0	0	43,180	41,650
5700	PAYROLL ASSESSMENT	0	0	274	280
5750	RETIRED EMPLOYEES GROUP INSURANCE	0	0	4,339	4,540
5800	UNEMPLOYMENT COMPENSATION	0	0	254	261
5840	MEDICARE	0	0	2,835	2,913
TOTAL FOR CATEGORY 01		0	0	281,028	285,107
03	IN-STATE TRAVEL Travel required for audit of various companies located in the rural areas; training of staff; and supervision of staff in Las Vegas.				
6000	TRAVEL Unable to determine actual travel need with current requirement language contained in AB175.	0	0	3,000	3,000
TOTAL FOR CATEGORY 03		0	0	3,000	3,000
04	OPERATING				
7020	OPERATING SUPPLIES Year 1: Startup \$100 + \$50/Month x 11 Months x 5 FTE Year 2: \$50/Month x 12 Months x 5 FTE	0	0	3,250	3,000
7050	EMPLOYEE BOND INSURANCE	0	0	6	6
7052	VEHICLE COMP & COLLISION INS	0	0	206	194
7054	AG TORT CLAIM ASSESSMENT	0	0	578	578
7059	AG VEHICLE LIABILITY INSURANCE	0	0	542	542
705A	NON B&G - PROP. & CONT. INSURANCE	0	0	7	7
7080	LEGAL AND COURT	0	0	1,200	1,200

State of Nevada - Budget Division
Line Item Detail & Summary
2015-2017 Biennium (FY16-17)

Item No	Description	Actual 2013-2014	Work Program 2014-2015	W03 Year 1 2015-2016	W03 Year 2 2016-2017
7081	Anticipate 3 hearings at \$400 each LEGAL AND COURT-A Legislative Counsel Bureau regulation review expense. Anticipate 2 reviews at \$500	0	0	1,000	1,000
7110	NON-STATE OWNED OFFICE RENT	0	0	12,228	12,401
7120	ADVERTISING & PUBLIC RELATIONS Advertising of open meeting for regulation review in two newspapers (north and south).	0	0	250	250
7255	B & G LEASE ASSESSMENT	0	0	143	147
7285	POSTAGE - STATE MAILROOM See exhibit	0	0	845	845
7290	PHONE, FAX, COMMUNICATION LINE Long distance telephone charges five positions.	0	0	375	375
7291	CELL PHONE/PAGER CHARGES Three cell phones (\$36.00/mo X 12 months X 3 positions = 1,296)	0	0	1,296	1,296
7295	EITS STATE PHONE LINE Enterprise Information Technology Services (EITS) telephone lines for five full-time equivalent positions.	0	0	720	710
8371	COMPUTER HARDWARE <\$5,000 - A Surge protector strips for five full-time equivalent positions.	0	0	120	0
TOTAL FOR CATEGORY 04		0	0	22,766	22,551
05	EQUIPMENT				
7460	EQUIPMENT PURCHASES < \$1,000 Three cellular telephones for use by three full-time equivalent Compliance Audit Investigator positions.	0	0	450	0
8241	NEW FURNISHINGS <\$5,000 - A	0	0	11,150	0
8310	PICK-UPS, VANS - NEW Purchase of three vehicles to be used by the Compliance Audit Investigator positions located in the Las Vegas and Reno offices. Four-wheel drive vehicles requested due to travel in areas with inclement weather.	0	0	74,316	0
TOTAL FOR CATEGORY 05		0	0	85,916	0
26	INFORMATION SERVICES				
7533	EITS EMAIL SERVICE Email service for five full-time equivalent positions.	0	0	403	398
7545	EITS VPN SECURE LINK Virtual private Network (VPN) service for three full-time equivalent Compliance Audit Investigator positions.	0	0	492	465
7554	EITS INFRASTRUCTURE ASSESSMENT Enterprise Information Technology Services (EITS) infrastructure assessment for five full-time equivalent positions.	0	0	664	688
7556	EITS SECURITY ASSESSMENT	0	0	516	515
7771	COMPUTER SOFTWARE <\$5,000 - A Microsoft Office Suite Pro software (three laptops; five desktop computers).	0	0	2,640	0
8371	COMPUTER HARDWARE <\$5,000 - A Computer hardware equipment for five full-time equivalent positions.	0	0	12,065	0
TOTAL FOR CATEGORY 26		0	0	16,780	2,066
TOTAL EXPENDITURES FOR DECISION UNIT E240		0	0	409,490	312,724
TOTAL REVENUES FOR BUDGET ACCOUNT 3922		0	0	409,490	312,724

Item No	Description	Actual	Work Program	W03	W03
		2013-2014	2014-2015	Year 1 2015-2016	Year 2 2016-2017
	TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3922	0	0	409,490	312,724

State of Nevada
BAV Position List

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Budget Period: 2015-2017 Biennium (FY16-17)

Budget Account: 3922 B&I - TRANSPORTATION AUTHORITY

Version: W03 AB 175 TRANSPORTATION NETWORK COMPANIES

DU	PCN	Group	Class	Class Description	Type	Grade	Step	Adj	Act FTE	WP FTE	Yr1 FTE	Yr2 FTE	Start Dt	End Dt
E240	000045	LV	11365	COMPLIANCE/AUDIT INVEST 2	New	33	1	0	0.00	0.00	1.00	1.00	201507	201706
E240	000046	RNO	11365	COMPLIANCE/AUDIT INVEST 2	New	33	1	0	0.00	0.00	1.00	1.00	201507	201706
E240	000047	RNO	02211	ADMIN ASSISTANT 3	New	27	1	0	0.00	0.00	1.00	1.00	201507	201706
E240	000048	LV	11363	COMPLIANCE/AUDIT INVEST 3	New	35	1	0	0.00	0.00	1.00	1.00	201507	201706
E240	000049	LV	02211	ADMIN ASSISTANT 3	New	27	1	0	0.00	0.00	1.00	1.00	201507	201706

**State of Nevada
Equipment Schedule**

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Budget Period: 2015-2017 Biennium (FY16-17)

Budget Account: 3922 B&I - TRANSPORTATION AUTHORITY

Version: W03 AB 175 TRANSPORTATION NETWORK COMPANIES

Schedule: EQUIPMENT

DU	Catg	GL	Equipment Type	Priority	Yr 1 Count	Yr 1 Rate	Yr 1 Total	Yr 2 Count	Yr 2 Rate	Yr 2 Total
E240	05	8241	OFFICE FURNITURE-SECRETARIAL *** ENTIRE UNIT ***	35	5	1,990.00	9,950	0	1,990.00	0
E240	26	7771	SOFTWARE-MICROSOFT OFFICE SUITE PRO	40	8	330.00	2,640	0	330.00	0
E240	26	8371	HARDWARE-LAPTOP PC WITH OPERATING SYSTEM	45	3	1,575.00	4,725	0	1,575.00	0
E240	04	8371	HARDWARE-SURGE PROTECTOR STRIPS	50	5	24.00	120	0	24.00	0
E240	26	8371	HARDWARE-DESKTOP PC W/ MONITOR & OS, HIGH COST	55	5	1,258.00	6,290	0	1,258.00	0
E240	05	8241	OFFICE FURNITURE-SECRETARIAL 4 DRAWER FILE CABINET	65	3	400.00	1,200	0	400.00	0
E240	05	8310	VEHICLE-FLEET-LV-5.2 SPORT UTILITY VEHICLE:4X4;4 DOOR;4-6 PASS	70	1	24,872.00	24,872	0	25,618.00	0
E240	05	8310	VEHICLE-FLEET-RNO/CC-5.2 SPORT UTILITY VEHICLE:4X4;4 DOOR;4-6 PASS	75	1	24,572.00	24,572	0	25,309.00	0
E240	26	8371	HARDWARE-LAPTOP DOCKING STATION	85	3	350.00	1,050	0	350.00	0
E240	05	8310	VEHICLE-FLEET-LV-5.2 SPORT UTILITY VEHICLE:4X4;4 DOOR;4-6 PASS	95	1	24,872.00	24,872	0	25,618.00	0
E240	05	7460	SAMSUNG VIBRANT (WSCA)	90	3	149.99	450	0	0.00	0