

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON TRANSPORTATION**

**Seventy-Eighth Session
February 19, 2015**

The Committee on Transportation was called to order by Chair Jim Wheeler at 4:03 p.m. on Thursday, February 19, 2015, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Jim Wheeler, Chair
Assemblywoman Jill Dickman, Vice Chair
Assemblyman Nelson Araujo
Assemblyman Richard Carrillo
Assemblywoman Victoria A. Dooling
Assemblywoman Michele Fiore
Assemblyman Edgar Flores
Assemblyman Brent A. Jones
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman P.K. O'Neill
Assemblyman Stephen H. Silberkraus
Assemblywoman Ellen B. Spiegel
Assemblyman Michael C. Sprinkle
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

None



GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Michelle L. Van Geel, Committee Policy Analyst
Melissa N. Mundy, Committee Counsel
Henri Stone, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Francis P. (Frank) Gonzales, Brigadier General, USA (Retired), Nevada
State Director, Selective Service System
Terri L. Albertson, CPM, Administrator, Division of Management Services
and Programs, Department of Motor Vehicles
Stacey Shinn, representing Progressive Leadership Alliance of Nevada
Vanessa Spinazola, Legislative and Advocacy Director, American Civil
Liberties Union of Nevada
D. Neal Tomlinson, representing Integrity Vehicle Solutions
Company
Mark A. James, CEO, Integrity Vehicle Solutions Company
Sairam Raugarham, Chief Technical Officer, Integrity Vehicle Solutions
Company
David Goldwater, representing Desert Cab and On Demand Limousine
Service
Michael Sullivan, representing Whittlesea-Bell Transportation
S. M. (Corky) Gowans, Director Operations, Triad Transportation
Technology

Chair Wheeler:

[Roll was taken. Protocol was explained.] Assemblyman O'Neill, please come
to the dais to present Assembly Bill 131.

**Assembly Bill 131: Revises provisions governing the Department of Motor Vehicles and registration under the Selective Service System.
(BDR 43-624)**

Assemblyman P.K. O'Neill, Assembly District No. 40:

Assembly Bill 131 revises the procedures by which certain males are registered by the Department of Motor Vehicles (DMV) with the Selective Service System as required by federal law. Under current law, when a male citizen or immigrant between the ages of 18 and 26 applies to DMV for a driver license, commercial driver license, identification card, instruction permit, restricted license, or special restricted license, or for a duplicate or renewal or reinstatement of such a license permit or card, he may authorize the department to register him with the Selective Service System.

Under the provisions of A.B. 131, solely submitting an application to DMV for one of these licenses authorizes the DMV to register the male citizen or immigrant with the Selective Service System. Additionally, the application for these licenses or permits must inform the applicant that submission for the application indicates that the applicant has already registered with the Selective Service System or that he is authorizing DMV to forward the necessary information to the Selective Service System for such registration.

As you will hear in testimony shortly, there are many benefits to registering with the Selective Service System, and over half of other states have already implemented this type of automatic registration system.

The Department of Motor Vehicles has brought an amendment to this bill (Exhibit C) to change the effective date. I accept this amendment and encourage my fellow committee members to agree to it because it will remove the sizable fiscal note from this bill. A representative from DMV will testify later that the DMV commits to rolling this project into another top-priority driver license project, so the funds initially required to implement this bill are not necessary.

Before having the DMV representative testify, Mr. Chair, I would like to introduce the Nevada State Director of the Selective Service System, U.S. Army Retired General Francis Gonzales, to provide additional testimony and information on A.B. 131. I encourage you to support this valuable legislation.

Francis P. (Frank) Gonzales, Brigadier General, USA (Retired), Nevada State Director, Selective Service System:

The Selective Service System strongly supports A.B. 131 because it will automatically register Nevada's young men with the Selective Service System

when they get a driver license or renewal, by adding a simple registration consent statement to applications. With Nevada having one of the nation's lowest registration rates, A.B. 131 would protect tens of thousands of its young men from losing valuable federal benefits linked to the registration requirement. It is a win for Nevada's young men and a win for Nevada's economy.

Even though Nevada men can optionally register for Selective Service when they apply for their driver licenses, over a three-year period young men in Nevada lost over \$5.2 million in potential benefits simply because they failed to register. Many young men, especially the disadvantaged, those who have fallen out of the mainstream, minorities, and immigrants fail to register with Selective Service and learn later they have been denied valuable benefits that would have otherwise helped them to attain the American dream. These benefits include: federal employment (including employment with the U.S. Postal Service), federal and state student financial assistance, participation in federally funded job training programs, and eligibility for U.S. citizenship for immigrants. Assembly Bill 131 addresses this problem by automatically registering them when they get a driver license or renewal.

Assembly Bill 131 offers an easy and constituent-friendly modification that helps men improve their futures, while allowing federal education and training dollars to flow into Nevada. Passing this legislation will also simplify the Department of Motor Vehicle's filing of Nevada registrants with the Selective Service since the DMV will only have to automatically transfer one file rather than having to separate out individuals opting not to register before transmission of the data. This will result in lower operational costs and reduce, if not eliminate, the administrative burden of the DMV to process registrations.

Finally, passing A.B. 131 will align Nevada with 27 other states that have already passed automatic driver license registration without any reported problems.

Thank you for your consideration of A.B. 131. It is an important tool to allow young men and women to secure their future. Thank you for your support.

Chair Wheeler:

Thank you General. Are there any questions?

Assemblyman Araujo:

How do we rank nationally and what is our percentage of Nevada males who have registered for Selective Service right now?

Frank Gonzalez:

Right now we are 48th out of 50 states and 4 territories nationwide as far as individuals between 18 and 25 registering for Selective Service. One of the issues that I took on when the Governor asked me to take this position was to support Nevada to raise our ranking and show our commitment to the rest of the nation.

Assemblyman Flores:

I understand the intent is to ensure that all individuals be in compliance with the Selective Service. What mechanisms are in place at the DMV to ensure that individuals who do not have to register with the Selective Service, specifically two categories—those with a student visa and those with a seasonal agricultural visa—are not obligated to sign up?

Assemblyman O'Neill:

I am asking DMV to come up to explain that. My belief is that they are just going to wrap it into their programming.

Terri L. Albertson, CPM, Administrator, Division of Management Services and Programs, Department of Motor Vehicles:

As Assemblyman O'Neill indicated, we would need to include that within our programming to make sure that those individuals are excluded from having their information submitted to Selective Service.

Assemblyman Flores:

Typically when someone comes before the DMV, they have to show they have adequate paperwork and bring their visa that has the student visa stamp. Is that how you would be able to differentiate between that category of individual and somebody else?

Terri Albertson:

The answer is yes, if the individual chose to use that document as their proof of identity in order to receive their driver license or identification (ID) card.

Assemblyman Flores:

Is there a possibility that a scenario exists where an individual who has a student visa does not get tracked correctly and is registered through the Selective Service?

Terri Albertson:

Today, the DMV application form for a driver license includes many different functions. You can be an organ donor; you have the option to register for Selective Service. So, if someone with a student visa indicated that they

wanted to register for Selective Service, we would send that information to Selective Service.

Assemblyman Flores:

No, I mean if the amendment were to go through, would there be adequate safeguards in place to ensure on the initial registration form that those individuals do not get pushed through that mandatory Selective Service registration?

Terri Albertson:

We can include that as part of the programming edits that those people would be excluded if they chose to. The way the bill is currently written, there are only two options for an individual. One is to state on their application form that they have already registered for Selective Service. Or, if they are between the ages of 18 and 26 and an eligible male, [acknowledge that] as a condition of receiving their license, we are required to submit their information to Selective Service. I do not know, Mr. O'Neill, if at this point that is something we may want to consider as an amendment to the bill to ensure that those individuals would have an option to not indicate either.

Assemblyman O'Neill:

Just to clarify, we will work with DMV and give them the list. If you go onto Nevada Electronic Legislative Information System (NELIS), there are several documents ([Exhibit D](#), [Exhibit E](#), [Exhibit F](#), [Exhibit G](#), and [Exhibit H](#)). One of them is a chart of who must register ([Exhibit H](#)). It is a very simple yes, no. Two foreign students here on student visas do not have to register. They would not be included. However, I will say that if they came in and failed to show their documents, they could be registered, but when the notification came, they would be back in their home country and would have a no penalty, no foul situation. However, we will work and make sure that DMV is aware of who has to register and who does not have to register so they have that in their programming.

Assemblyman Sprinkle:

To follow up, is the legislative intent that the obligation is now with the DMV to differentiate between who should and should not have their information submitted or are you saying that all applicants unless they show otherwise will have their information submitted?

Assemblyman O'Neill:

Yes, they would have to show that they are exempt, a diplomat, or a consulate employee here getting a Nevada driver license. Even now when they go in to

get those exemptions, they must show their records. Unless that person claims otherwise, DMV would send the information to Selective Service.

Assemblyman Sprinkle:

As a follow up, I was a strong supporter of the driver authorization card, and my concern is if that is the case, this may cause people to be afraid to go in and get the authorization card because of the fear that their information would be submitted without their knowing. I am not sure there is a way to clean this up so that fear will not exist. From what I hear you say, unless they take it upon themselves or even understand they have to do this, that information is automatically going to be submitted for Selective Service and the fear, whether rational or not, may be that information could be entered into other data banks.

Assemblyman O'Neill:

I may have misunderstood your question. I am talking about a diplomat or someone that does not have to register. Even an immigrant coming in to get that driver authorization card should register with Selective Service because if he does not, when he turns 26, if he is on a path for U.S. citizenship, he cannot get U.S. citizenship. We have met with representatives of the American Civil Liberties Union, of Progressive Leadership Alliance of Nevada, and Latino groups. They are staying neutral on this and actually see some benefit to this program to ensure that they have that access to U.S. citizenship.

Assemblyman Araujo:

General Gonzalez, the only concern I have is that I would argue that many 18 to 26 year olds are not familiar with the Selective Service. I would hope there is an educational component attached to this where maybe we have an opportunity to share more information with the DMV so that folks know exactly what they are being asked to sign up for, and what the pros would be for signing up. I do feel it would be a missed opportunity to just ask them to sign up for something they are not familiar with.

Frank Gonzalez:

That is a great question. When I came into the position, we ended up rebuilding it for the state of Nevada. I have hired two reserve forces officers who are actually going out and doing education. We are making sure the information is in all of the post offices. We are working with the high schools to get them the information. Nevada was somewhat remiss. That is probably why we slipped to where we are today. We are on track to repair that. One of the issues that I am concerned with is missing someone. Somebody that comes back after they turn 26 is a huge issue. What they have to go through to register is not pleasant. If you are someone who has the means to hire a legal staff, you will be successful. If you do not, you probably will not accomplish that. What this

means is that you can never hold a federal job, get a Pell Grant...it is not the right thing.

Chair Wheeler:

Are there any further questions? Seeing none, we will go to those in favor of A.B. 131.

Assemblyman O'Neill:

Mr. Chair, can DMV go on the record regarding the initial fiscal note they have attached?

Terri Albertson:

To follow up with the fiscal note that was originally submitted and with the enabling legislation that is proposed in the amendment to allow us to work on this as resources become available, it will eliminate the fiscal note. It is the Department's intent to implement portions of this requirement incrementally in conjunction with other programming that is being done on driver licenses and ID cards. We are hoping to have it accomplished before our system modernization effort, if we are allowed to work on it incrementally.

Chair Wheeler:

I heard a lot of "we are hoping to" and "we will do it as," et cetera. What kind of time frame are we really looking at to have this fully implemented?

Terri Albertson:

What I can indicate is that there are federal mandates currently that the driver license programming track is working on. There are pieces of this work that will touch upon that. That project will probably take them 1 1/2 years to complete. If we are allowed to do this incrementally with that other programming, there will be pieces of this that come online as they are able to accomplish the work. If all works well, it will be two years or less.

Chair Wheeler:

Are there any further questions about the amendment? [There were none.] Those in favor of A.B. 131 please come to the dais. Is there anyone in Carson City? [There was no one.] Is there anyone in Las Vegas in favor of A.B. 131? We will go to testimony opposed in Carson City? [There was none.] Any testimony opposed in Las Vegas? [There was none.] We will now go to testimony neutral to A.B. 131 in Carson City.

Stacey Shinn, representing Progressive Leadership Alliance of Nevada:

Initially, immigrant rights activists were worried about this bill because it talked about the driving authorization cards, but upon further investigation and

discussion, we found that this is not only beneficial to all young men but to undocumented immigrants as well. Enlisting in Selective Service is actually a requirement for the deferred action of childhood arrivals. We are here though in neutral because, as Assemblyman Sprinkle pointed out earlier, we do not want to scare or deter Nevadans from accessing the driving authorization cards that we passed last session.

Vanessa Spinazola, Legislative and Advocacy Director, American Civil Liberties Union of Nevada:

We had some reservations about how the community notifications would work out. However, the charts and working with the DMV will help to explain that to folks. We believe that participating in the United States has both rights and responsibilities, and we believe that our immigrant communities do want to participate, and they also deserve the knowledge and information about registering for Selective Service so they are not denied the benefits later in life.

Chair Wheeler:

Is there anyone in the neutral position in Las Vegas? Seeing none, we will close the hearing on A.B. 131. We will move into the presentation by Ride Genie.

D. Neal Tomlinson, representing Integrity Vehicle Solutions Company:

With me is Mark James, CEO of Integrity Vehicle Solutions, and also Mr. Sairam Raugarham, the Chief Technology Officer of Integrity Vehicle Solutions. We are here to update you regarding the comprehensive transportation technology bill, Senate Bill No. 430 of the 77th Session. The bill provided for two different types of transportation technology. First is a computerized real-time data system that is used by the regulator, and the second component is electronic ride-hailing services. I will turn the presentation over to Mr. James to describe those two products for you. One is called Ride Genie and the other is Ride Integrity. Both are in different stages of approval and in use by both agencies.

Mark A. James, CEO, Integrity Vehicle Solutions Company:

I am here to report to you regarding a very farsighted piece of legislation that this Legislature passed two years ago. As you may know, the regulatory system for for-hire vehicles (FHV), which includes for-hire vehicles of all kinds including taxicabs, has evolved considerably in our state. Back in the mid-1960s, it was regulated by the Public Utilities Commission of Nevada. We had the taxi wars in Las Vegas where taxicabs were burning in the streets and drivers were clubbed off of stands and regularly carried weapons to defend themselves. In 1969 an evolution of our system began. It has evolved into two very sophisticated professional agencies that have specified duties in

regulating these vehicles and protecting the public. They are the Nevada Transportation Authority (NTA) and the Nevada Taxicab Authority.

The next step in that evolution was instituted during the last session to give new technology tools to those agencies so that they can do their jobs better. It was mandated that there be a real-time data collection system so that at any given moment—every six seconds—data would be pulled about the location, speed, distance, time, whereabouts, passenger loading, et cetera of any taxi or black car carrying someone around the state of Nevada. The NTA has responded to that mandate and has gone through a request for information (RFI) process. We were pleased to have been ranked first in that process and now be in the position of working with NTA to implement that system, which we hope to be doing over the next few weeks. The Taxicab Authority has also instituted an RFI process, pursuant to your mandate. They are in the process of doing that now.

As Mr. Tomlinson told you, the system that we call Ride Integrity is that real-time data collection system, that regulatory tool. That is coupled with any e-hailing application. We have our own, but the statute mandated that it give the consumer the ability to have certain things: to do trip planning, to understand the cost of traveling a specific distance, and the cost in different kinds of vehicles. Our app does that. We have already launched the app ahead of the regulatory system being in place. It has been operating in Las Vegas with black cars and limousines since August. We have just been approved by the Taxicab Authority to add taxicabs on to that. We are in the midst of finishing the integration of our app with taxicabs to launch it here in a few weeks.

The last point I want to make is that I think Nevada can be very proud in having set this up and having foreseen the technology revolution that is taking place in this industry. In many places around the country, they have gone to alternative forms of hailing vehicles, and even allowing unregulated people to become chauffeurs overnight. The policy predicate for that is it is impossible to integrate this smartphone technology with the traditional taxi meter, which is mandated, really all over the world, as the time and distance calculation methodology for a taxicab-type vehicle. What we have accomplished with the help of a company called Triad Transtech, which is also another local Nevada technology company, is a full integration of the smartphone technology with the taxi meter. That is pretty revolutionary. This type of integration has never happened that we know of anywhere in the world. Sairam Raugarham is going to show you a short video to explain how that works. We will take any questions after that.

Assemblyman O'Neill:

I apologize, but what is a black car?

Mark James:

It is a sedan or an SUV, something that is not a limousine. It is a car that is regulated and has the ability under a certificate of public convenience and necessity to pick people up and take them on trips.

Sairam Raugarham, Chief Technology Officer, Integrity Vehicle Solutions Company:

We are going to watch a quick four-minute video about what Mark James was talking about, an e-hailing app integration with a taxi meter that is certified as a single taxi meter. You do not have two devices distracting the driver. In the taxi we have a certified taxi meter working with our e-hailing app ([Exhibit I](#)).

Mark James:

I think, Mr. Chairman you were curious about this app versus any other app. What you saw there specifically in terms of the mapping capabilities of both the Triad Transtech meter, which is combined with a dispatch and GPS, and the Ride Genie app with the capability to plan your trip is because the Legislature said they wanted the consumer to have that information. As you remember, last session the long-hauling problem in the industry was a big issue. That was a lot of the policy impetus behind this initiative. Really, once the Ride Integrity System is up and running at the two agencies, any app can utilize that system as the back end of their app, so long as they have a certificated carrier or two certificated carriers that are going to use that app and they have in their app the capabilities described in the video because those are the ones mandated by the statute.

There was a real desire, and there were some changes made during the session to make sure that the information is not just available to the fleet, the regulators, and the drivers, for this to be available to the passengers. It really helps to give the passenger information that makes this a much more pleasurable way to travel.

Assemblyman Jones:

Are you already integrated with all of the cab companies in Las Vegas?

Mark James:

Our app is being used by a good number of the black car companies. There the integration that needs to be done is minimal because there is no taxi meter. We have been launched with the support of probably the majority of the fleets in Las Vegas since August. We are being tested by several of the taxi fleets

right now, and we hope to be launched sometime around the middle of March. We have been approved by the Taxicab Authority as an app, which is a process that has been established in Nevada now for apps like ours to go through an approval and a public vetting process.

Assemblyman Jones:

How do you guys get paid? Do you get a 5 percent override or how does it work?

Mark James:

With respect to taxicabs, there was a fee not to exceed \$3 per hail that the Taxicab Authority said could be charged to the customer. It can be up to that amount or any amount less. With respect to black cars, the NTA approved a separate fee, an e-connect fee, and then have an arrangement with the carriers to be paid by them for the use of this service.

Chair Wheeler:

I have a question for you as well.

Mark James:

Could I please follow up on that answer? One really important thing to mention is that all of the preceding went through a public process that we thought was very important. The receipt that you get has everything itemized. There is a fuel surcharge that is extant in Nevada. There are certain tariff amounts. Those are all broken down separately in your receipt so you can see what you were charged and how it added up to the total amount.

Chair Wheeler:

Is the fare known upfront to the customer?

Mark James:

If you plan your trip with Ride Genie so that you go through the process that was at the end of the video, the answer is yes. You will get an amount that the trip will cost. You select a vehicle that will be connected to that amount. If you just hail a car and intend to tell the driver where to go, you will not have that information because it will not be in the system. The important thing I think is that we have developed one of the best products out there in terms of being able to very easily plan your trip by just moving the map pin around and then pushing a button, then all of the vehicle types working with us come up at the same time. You push the one you want and the system automatically hails that car for you. You will be charged the amount that is estimated there.

Chair Wheeler:

I know that there are wait times, et cetera, idle times when you get into a taxi. So if the fare is known up front by the customer, is that an estimate or solid fare?

Mark James:

With respect to a taxicab where ultimately the fare is going to be determined by the time and distance calculation of the meter, that meter amount is what you will be charged. We will give you the best estimate of the fare based upon all the information we have in the system, based upon historical route fare, and the time and distance we estimate it will take in our system. However, ultimately you will be charged what the meter reads.

Assemblywoman Spiegel:

Is there also a back end to the technology that would have the path that the driver is taking and the pickup location sent back to the cab company so that they would be alerted if there were a safety kind of problem with the driver so they could track down the last known location in a quick way? Is that incorporated?

Mark James:

We have all of that information. It is available to the regulator through Ride Integrity and it is available to the fleet both on a real-time basis and for searching forensically through different search processes that we have developed. Both the regulators and the fleets that are managing these services are going to have an abundance of information from this system that they have never had before. We developed it that way specifically because of the mandate of the Legislature for there to be additional information so that people could protect themselves both from mistakes happening and from unscrupulous practices.

Assemblyman Araujo:

If folks do not have a mobile app, is there a way to access this through the website, ridegenie.com, or if they have a landline can they call in somewhere or is this just specifically for folks who have mobile apps?

Mark James:

You need a mobile app. We anticipated when we started this process having an app that you could download that would provide you with the information. It would not have an e-hailing function as part of it. We did not do that because we thought if we were going to have an app available to the public, why not give them all of the tools they might need. That is how we developed the app. In order to access the information directly from your smart phone, you have to

have the app for the real-time information. If you want to access the information after the fact, you can go through the agency and do it.

Here is a typical dashboard screen for Ride Integrity that is showing you all the information about a given set of trips (page 6, [Exhibit J.](#)) Our system is operating, regulating, and collecting data on all of the taxicabs in San Francisco. We provide that information to the San Francisco Municipal Transportation Agency (SFMTA), and we have been delivering different deliverables on the system over the past several months. It covers everything from driver registration, all the trips, the status of insurance requirements, to the status of other licensing requirements, color scheme, affiliation, medallion status, all of those things. The Nevada regulators will have all of that, probably more due to the statutes you have passed, to mine into and understand what is happening in this industry.

Neal Tomlinson:

If I could just add one thing in response to the Assemblyman's question. Passengers are of course free to call the individual carriers as they do now. I know many of those carriers have their own websites. For those passengers who do not have smartphones, the traditional means is still available.

Assemblyman Silberkraus:

During your video I took the opportunity to download your app. It was very easy and I signed up within a couple of minutes. I have actually been tracking where the cars have been going while sitting here. The first question I have is about price surging. I know that other apps have had issues with price surging during special events or at peak times. Obviously Las Vegas is known to have a special event or two. Is that going to be an issue?

Mark James:

That is a great question. It is something that has happened in the industry and as a person from this industry who has worked in it for quite a few years, both as an attorney and later as a CEO of a major company, I think it is a terrible thing that is happening. We are committed in this company to not doing anything like that. If you look at the tariffs that are charged for the black cars and limousines or the taxicab fares, one of the arguments against the incumbent industry implementation of technology, like what we are doing on behalf of the industry here, is that the other services are cheaper. I do not think that they are. I think that if you take into account the surge pricing over an entire specific time period, that these services from the incumbent industry are either cheaper or just as economical as these new services coming in. It is a great question and the answer is no, we will not be doing any kind of surge pricing.

I think if you talk about Las Vegas, you would almost always be doing surge pricing for some event.

Assemblyman Silberkraus:

The other thing I have noticed is clearly the majority of the cars are in the entertainment corridor, the Strip. However, I have seen one or two venture farther out. One is headed out toward North Las Vegas, another is out by Sam's Town. If I am out in Henderson or out in Summerlin and call for a cab, can we expect someone to choose to accept that call?

Mark James:

I am really glad you asked that question as I meant to speak about it. One of the big benefits of this system that we and the industry envision is curing the problem of not being able to get a taxicab in the outlying areas and at outlying businesses. By nature of the business of black cars and limousines, those are staged at the airport or at the major hotels, and they have responsibilities and duties under contracts to be there. That is why when you are just seeing black cars, you see a lot of them concentrated around those areas.

There are several companies like Bell Trans, Presidential Limousine, On Demand Sedan and Limousine (ODS), that have made a commitment to try to push black cars out and serve the outlying areas. However, that service is really going to come with taxicabs. As you know, the Taxicab Authority has for years issued restricted certificates and restricted medallions to try to, as a policy initiative, push those drivers out into those areas where they are needed. That has not been as effective as they intended it to be because they have not had the tools to enforce those restrictions. They will now have those tools. We are really on the cusp of having some fantastic taxi service in Las Vegas for the local public and the local businesses that we have never had before. There are several reasons for that. The first is that the app incentivizes drivers to now go out into those areas and leave the resort corridor or the "golden triangle" of the airport, convention center, and the Strip and serve downtown and the outlying areas because they have a specific passenger.

They can see that passenger on their equipment in their car. The passenger can see them. After a few minutes the passenger cannot cancel that ride so the driver will make the commitment to go out there since there will be somebody there to pick up. That has been a very successful thing in other app systems around the world. It will be very successful for this app system in a city that desperately needs incentivizing for drivers to make taxi service more available.

Most people do not realize that about 95 percent of all taxicab pickups in Las Vegas are in that resort-golden triangle area. That means only 5 percent are

dispatch service that goes to the outlying areas. This is in spite of significant commitments by all of the companies. They all have big call centers, they spend a lot on information technology infrastructure, they really do try to serve those areas, but it is just very difficult. These drivers need to make a living. It is difficult when the business out there is so uncertain because passengers may call three or four cab companies and then take the first one that comes. This app system combined with the regulatory tools we are going to give the regulators, we think will cure that problem. It will be a great day for Nevada. I am really glad that you asked that question as it is a big part of this program.

Assemblyman Silberkraus:

I look forward to trying the app this weekend when I am back home.

Assemblyman O'Neill:

Two quick questions, hopefully. If I cancel for some reason after summoning a cab, am I charged at all?

Mark James:

You will be after a certain time. You have quite a bit of time to cancel. You have three minutes after the trip is accepted by the driver to cancel that trip without any charge. After that time passes, there will be a no-go fee that has been approved by both of the agencies that will be charged to your credit card. Virtually every app system around the world has this fee because it is so critical for the system to function. You want drivers to make the commitment to come and pick you up when you have hailed a car. We give you the time to change your mind if something else happens, but after that you are committed to at least the amount of that fee.

Assemblyman O'Neill:

How much would that fee be and does it work in reverse if the taxicab gives an estimate of arrival time and still has not appeared 45 minutes later? Would the taxicab be penalized?

Mark James:

It does not, but we are just starting this system. If things like that need to be changed, we will do it through the public process with the regulators and with the drivers, fleets, and passengers all represented. Right now, you should not have that situation happen much. Where we are launched right now and where we are going to be launching with taxicabs in Las Vegas, those time estimates should not be that long. It is an important part of this all working to have that fee. The fee is \$10 to cancel and we at Ride Genie believe that most of the fleets are going to give most of that money to the driver to compensate them for having made the commitment to go on that trip that did not occur.

Assemblyman O'Neill:

Are you anticipating expanding up to Reno, Carson City, and Washoe County?

Mark James:

We absolutely are. We want to make this a statewide service. We have had a lot of interest in our system, in our app, around the world, but we are committed to making it work in Nevada first. We actually have contracts to launch with vehicles in New York and other cities around the world. We are going to begin here in Nevada, and make the service available as best we can for everybody in Nevada and then we will move on to other locations. We are committed to being up here in the north and to rural areas as well when we can.

Assemblyman Sprinkle:

Were you contracted to be working with the cabs? How was it that you were able to integrate as much as you have so far with the cabs in southern Nevada?

Mark James:

We do not have a contract with the government yet. We have been selected as the company to provide this back-end regulatory system to the government. Our relationship with the fleets to support our app is by means of contracts. We executed contracts with several of the companies for black car and limousine service. We are in the process of doing those kinds of contracts with several of the taxicab companies. When we launch in taxicabs, we will have those contracts in place.

We did this integration with Triad Transtech. We did the development with many of our developers in-house who are Nevada employees. We did a significant technology initiative. At the time there was only one company even considering buying these meters so they could have this capability. Now there are several companies in varying stages of doing that, so we are really glad we did do that integration. Triad is a fine company, and they have had to make their own extreme commitment to build hardware with embedded software. They have done that through various developers in Nevada and around the country. Both of us did it believing in what we are doing and believing this would be a great system to bring forth in Nevada. Once it proves itself in Nevada, we are hopeful it will be picked up very quickly around the country.

Assemblyman Jones:

Can you tell us what is your ride volume right now per week and per month?

Mark James:

We have all of that information, which I can provide for you. We are just getting started, so we have a few thousand downloads and a few

thousand people who are active on the app. I know that there are many people in Las Vegas who use it regularly, but we believe it really will expand when we make the more economical taxi service available. Right now there are limousines and black cars; they are on an hour minimum tariff. We think that if you compare that to other services, it is just as inexpensive and as good a service in terms of your pocketbook. We are building that constituency as we go. Because we have Ride Integrity, which keeps track of every trip, we can provide you with those volume numbers.

Assemblyman Jones:

Off the top of your head, could you estimate what those numbers are?

Mark James:

I cannot.

Neal Tomlinson:

I live in Summerlin, in Las Vegas. On Friday, February 13, I hailed a ride to go down to the Wynn for a meeting. When you hail it, it gives you a time estimate. The time estimate was 12 to 13 minutes. It arrived within 12 minutes to my home. The entire trip from the time that I hailed the ride to the time that I arrived at the Wynn was 40 minutes. That included the 12 minutes for the car to get to me. I use it all the time and it is fantastic. I did use a sedan and as Mr. James said, right now there are sedans, SUVs, and limousines available. The Taxicab Authority has approved the use of taxis and that is being implemented right now. In a short time you will also have the added availability of not just taxis but also wheelchair-accessible vehicles that can also be hailed.

Mark James:

We are relying on the newspaper and the media to let people know about us. We are not doing a lot of marketing. We will be doing that when taxicabs are available. We want a full range of vehicles available when we push out the marketing for this app around Nevada so that people will have a full menu of cars and prices.

Assemblyman O'Neill:

I have a question on privacy. You get my cell number when I hail. Are you able to record that? Does the driver actually see the cell number so that he could record or utilize it later, or is it a blank number he can call?

Mark James:

We actually had something in this video that addressed that. We must have taken it out. The answer is no, they do not get your cell phone number. That is

a security feature that we have built into this system so that nobody can have your personal information in order to get in touch with you in any other context. That call goes through the app. The app is what calls you. You have the ability to receive a text message. That also comes from the app.

Assemblyman Silberkraus:

I would like a quick clarification. I know that you mentioned on cancellations that after the three minutes there is a \$10 charge. There is also the hail fee. Is that hail fee included in that \$10 charge or would that be in addition to the \$10 cancellation charge?

Mark James:

It would just be the \$10. There is no hail fee if you do not take a ride.

Chair Wheeler:

How long before your full implementation?

Mark James:

We think it is going to be mid-March when we have the integration completed to our satisfaction. We have already been testing with taxis, so we are in the process of doing that right now with a group of testers who are doing that as we speak. When we are fully implemented, we will also depend on adoption by the service providers. We have had a lot of support from key service providers on the taxi side and a lot of them on the black car side. We think we will have more who will support this system. Obviously the more who support the system, the more ubiquitous the service will be and the easier and faster it will be to get a vehicle.

Chair Wheeler:

Just to let you know, I will use your black car the next time I am down there just to see how it is. I hope you will come back in May and let us know how it is working. Thank you for a good presentation. I am going to open the floor for public comment. Is there any public comment in Las Vegas? [There was none.] How about in Carson City?

David Goldwater, representing Desert Cab and On Demand Sedan & Limousine:

I am representing Desert Cab and On Demand Sedan & Limousine. We are a fleet partner with Ride Genie. On Demand and Desert Cab operate in the regulated environment that requires a certificate of public convenience. They are focused on passenger safety and balancing the needs of the riding public with a robust transportation industry. Ride Genie is gateway technology that I think will bring the entire industry and the riding public the services they

need. It is working great. We love it. The passengers love it and we thank you for your work in 2011 that allowed this technology to exist.

Chair Wheeler:

Any questions for Mr. Goldwater?

Michael Sullivan, representing Whittlesea-Bell Transportation:

We also support Ride Genie and are planning on using it in the cabs, are already using it as part of the black car and limousine services. We also have operations in Reno and are interested in talking about this technology in Reno.

Chair Wheeler:

Is there anyone else who wants to talk?

S.M. (Corky) Gowans, Director, Operations, Triad Transportation Technology:

I am a part owner, one of three owners, of Triad Transportation Technology. I would like to thank Mr. James for the kind words involving our technology. I was very much involved, not in writing the technology but as vice president of operations and working with the Taxicab Authority and the Weights and Measures Division, National Institute of Standards and Technology, U.S. Department of Commerce. It would take me three hours to explain some of the regulations and because the meter was new approximately six or seven months ago, we have held hands with the Taxicab Authority, with enforcement, as well as the board. It was a pleasure working with Ride Genie, especially with the stringent areas that the Weights and Measures Division was looking at, but also this whole application, the attention to the regulations from where you can and cannot e-hail all the way from start to finish from pressing the "hire" button and now getting documentation from start to stop for the passengers on what they pay.

I am very much involved in the pilot program with the two companies that have already testified as well as two others, on day-to-day operations in getting these meters installed as well as the interest in the Ride Genie application.

As a consumer riding in a cab from Summerlin, I would call six different cab companies just hoping one would show up. With the e-hail application, now we have the ability to not only tie a passenger to a cab driver, but vice versa. Some of the excitement I get from talking with drivers has been phenomenal. One of the most important parts is that at the end of the ride the driver presses that this ride will be done by Ride Genie. That is the only functionality that the driver has to use. It is absolutely amazing, whether it be a cash transaction, or a credit card transaction. That is a huge change. The drivers' obligation after they see "paid by Ride Genie" and "accept the ride hail,"

that is all they have to do. Appreciated by the owners, it gets more and more rides daily per shift, as well as the drivers know if the credit card went through.

Chair Wheeler:

How is the tip handled? Is it a preset amount or does the passenger put that in?

Mark James:

The tip is a default tip of 20 percent and if you do not object to that, you do not need to do anything with the app. It will just process that payment with that default tip. You can go in and change that tip, either more or less to your liking, and then submit the payment with the revised tip.

Chair Wheeler:

Does anyone else out there want to talk? Is there any public comment either in Las Vegas or Carson City? [There was none.] Seeing none we will close this hearing on Transportation. Meeting is adjourned [at 5:10 p.m.]. [Exhibits not mentioned include Ride Integrity Brochure ([Exhibit K](#)) and Ride Genie Overview ([Exhibit L](#)).]

RESPECTFULLY SUBMITTED:

Henri Stone
Committee Secretary

APPROVED BY:

Assemblyman Jim Wheeler, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Transportation

Date: February 19, 2015

Time of Meeting: 4:03 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 131	C	Department of Motor Vehicles	Proposed Amendment
A.B. 131	D	Assemblyman P.K. O'Neill	Handout
A.B. 131	E	Assemblyman P.K. O'Neill	Texas Statistical comparison
A.B. 131	F	Assemblyman P.K. O'Neill	Newspaper article
A.B. 131	G	Assemblyman P.K. O'Neill	Selective Service System Fact Sheet
A.B. 131	H	Assemblyman P.K. O'Neill	Selective Service Fact Sheet
	I	Integrity Vehicle Solutions Company	Video
	J	Integrity Vehicle Solutions Company	Power Point
	K	Integrity Vehicle Solutions Company	Brochure
	L	Integrity Vehicle Solutions Company	Overview Document