

## Amendment No. 373

Senate Amendment to Senate Bill No. 226

(BDR 58-486)

**Proposed by:** Senate Committee on Commerce, Labor and Energy**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

AAK/WLK



Date: 4/20/2017

S.B. No. 226—Revises provisions relating to transportation network companies.  
(BDR 58-486)





SENATE BILL NO. 226—COMMITTEE ON  
COMMERCE, LABOR AND ENERGY

FEBRUARY 28, 2017

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to transportation network companies.  
(BDR 58-486)

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

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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 transportation network companies; ~~prohibiting a transportation network company from allowing a person to be connected to potential passengers using the digital network or software application service of the company unless the person holds a valid state business registration;~~ requiring a driver to ~~submit~~ provide to a transportation network company certain information relating to his or her state business registration; ~~requiring a transportation network company to periodically report certain information relating to drivers affiliated with the company;~~ requiring a transportation network company to terminate an agreement with a driver who fails to comply with the requirement to provide such information to the company; requiring the Nevada Transportation Authority to provide certain information to the Secretary of State for the purpose of enforcing the provisions of law governing the state business registration; providing for the confidentiality of the information provided to the Secretary of State; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes a transportation network company to enter into an agreement with one or more drivers to receive connections to potential passengers using the digital network or software application service of the company under certain circumstances. (NRS 706A.160) **Section 2** of this bill ~~prohibits a transportation network company from allowing a driver or potential driver to be affiliated with the company unless the driver or potential driver possesses a valid state business registration. Section 2 also~~ requires ~~to a person who wishes to become~~ a driver affiliated with a transportation network company to ~~include in his or her application submitted to the company~~ provide verification to the transportation network company that the driver holds a valid state business registration: (1) not later than 6 months after the driver is allowed to receive connections to potential passengers pursuant to the agreement with the company; and (2) annually thereafter on or before the anniversary date of that agreement. Under section 2, the verification may consist of

13 providing to the company the business identification number assigned to the ~~person~~ driver  
14 by the Secretary of State upon issuance of a state business registration. ~~Finally, section 2~~  
15 ~~requires the transportation network company to verify the state business registration of each~~  
16 ~~driver before allowing the driver to be connected to potential passengers and not less than~~  
17 ~~once every year thereafter. Section 1 of this bill requires each transportation network company~~  
18 ~~to submit a quarterly report to the Nevada Transportation Authority stating the total number of~~  
19 ~~drivers affiliated with the company in this State and the number of drivers affiliated with the~~  
20 ~~company in this State whose state business registration has been verified by the company.]~~  
21 Finally, section 2 requires a transportation network company to terminate an agreement  
22 with a driver who fails to provide verification that he or she holds a valid state business  
23 registration as required by section 2.

24 Existing law requires a transportation network company to maintain certain  
25 records relating to the business of the company and to make those records available for  
26 inspection by the Nevada Transportation Authority as necessary to investigate  
27 complaints. (NRS 706A.230) Section 2.3 of this bill requires the Authority to provide to  
28 the Secretary of State the name of each driver affiliated with a transportation network  
29 company and such other information as the Secretary of State deems necessary to  
30 enforce existing law relating to state business registration. Under section 2.3, the  
31 Secretary of State and any employee of the Secretary of State is required to keep such  
32 information confidential to the same extent that the Authority is required to keep the  
33 information confidential.

34 Under section 2.7, any driver who has an agreement with a transportation network  
35 company that is in effect on October 1, 2017, is required to provide the first verification  
36 that he or she holds a valid state business registration on or before the anniversary date  
37 of his or her registration.

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

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

3 ~~— Each transportation network company shall, on or before the end of each~~  
4 ~~calendar quarter, submit a report to the Authority that includes, without~~  
5 ~~limitation:~~

6 ~~1. The total number of drivers affiliated with the company in this State~~  
7 ~~during that calendar quarter; and~~

8 ~~2. The number of drivers affiliated with the company in this State for which~~  
9 ~~the company has verified as holding a valid state business registration pursuant~~  
10 ~~to chapter 76 of NRS during that calendar quarter.] (Deleted by amendment.)~~

11 **Sec. 2.** NRS 706A.160 is hereby amended to read as follows:

12 706A.160 1. A transportation network company may enter into an  
13 agreement with one or more drivers to receive connections to potential passengers  
14 from the company in exchange for the payment of a fee by the driver to the  
15 company.

16 2. Before a transportation network company allows a person to be connected  
17 to potential passengers using the digital network or software application service of  
18 the company pursuant to an agreement with the company, the company must:

19 (a) Require the person to submit an application to the company, which must  
20 include, without limitation:

- 21 (1) The name, age and address of the applicant.  
22 (2) A copy of the driver's license of the applicant.  
23 (3) A record of the driving history of the applicant.  
24 (4) A description of the motor vehicle of the applicant and a copy of the  
25 motor vehicle registration.

(5) Proof that the applicant has complied with the requirements of NRS 485.185.

~~1 (6) The business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS.~~

(b) At the time of application and not less than once every 3 years thereafter, conduct or contract with a third party to conduct an investigation of the criminal history of the applicant, which must include, without limitation:

(1) A review of a commercially available database containing criminal records from each state which are validated using a search of the primary source of each record.

(2) A search of a database containing the information available in the sex offender registry maintained by each state.

(c) At the time of application and not less than once every year thereafter, obtain and review a complete record of the driving history of the applicant.

~~1 (d) At the time of application and not less than once every year thereafter, verify that the applicant holds a valid state business registration pursuant to chapter 76 of NRS.~~

3. A transportation network company may enter into an agreement with a driver if:

(a) The applicant is at least 19 years of age.

(b) The applicant possesses a valid driver's license issued by the Department of Motor Vehicles unless the applicant is exempt from the requirement to obtain a Nevada driver's license pursuant to NRS 483.240.

(c) The applicant provides proof that the motor vehicle operated by him or her is registered with the Department of Motor Vehicles unless the applicant is exempt from the requirement to register the motor vehicle in this State pursuant to NRS 482.385.

(d) The applicant provides proof that the motor vehicle operated by him or her is operated and maintained in compliance with all applicable federal, state and local laws.

(e) The applicant provides proof that he or she currently is in compliance with the provisions of NRS 485.185.

(f) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of three or more violations of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a misdemeanor.

(g) In the 3 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of the motor vehicle laws of this State or any traffic ordinance of any city or town, the penalty prescribed for which is a gross misdemeanor or felony.

(h) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any violation of federal, state or local law prohibiting driving or being in actual physical control of a vehicle while under the influence of intoxicating liquor or a controlled substance.

(i) In the 7 years immediately preceding the date on which the application is submitted, the applicant has not been found guilty of any crime involving an act of terrorism, an act of violence, a sexual offense, fraud, theft, damage to property of another or the use of a motor vehicle in the commission of a felony.

(j) The name of the applicant does not appear in the database searched pursuant to subparagraph (2) of paragraph (b) of subsection 2.

~~1 (k) The applicant holds a valid state business registration pursuant to chapter 76 of NRS.~~

4. A driver shall, not later than 6 months after a transportation network company allows the driver to be connected to potential passengers using the digital network or software application service of the company pursuant to an agreement with the company and annually thereafter, on or before the anniversary date of that agreement, provide to the company verification that the driver holds a valid state business registration pursuant to chapter 76 of NRS. Such verification may consist of the business identification number assigned by the Secretary of State to the driver upon compliance with the provisions of chapter 76 of NRS.

5. A transportation network company shall terminate an agreement with any driver who:

(a) Fails to submit to the transportation network company a change in his or her address, driver's license or motor vehicle registration within 30 days after the date of the change.

(b) Fails to immediately report to the transportation network company any change in his or her driving history or criminal history.

(c) Refuses to authorize the transportation network company to obtain and review an updated complete record of his or her driving history not less than once each year and an investigation of his or her criminal history not less than once every 3 years.

(d) Is determined by the transportation network company to be ineligible for an agreement pursuant to subsection 3 on the basis of any updated information received by the transportation network company.

(e) Fails to comply with the provisions of subsection 4.

Sec. 2.3. NRS 706A.230 is hereby amended to read as follows:

706A.230 1. A transportation network company shall maintain the following records relating to the business of the company for a period of at least 3 years after the date on which the record is created:

(a) Trip records;

(b) Driver records and vehicle inspection records;

(c) Records of each complaint and the resolution of each complaint; and

(d) Records of each accident or other incident that involved a driver and was reported to the transportation network company.

2. Each transportation network company shall make its records available for inspection by the Authority upon request and only as necessary for the Authority to investigate complaints. This subsection does not require a company to make any proprietary information available to the Authority. ~~Any~~ Except as otherwise provided in subsection 3, any records provided to the Authority are confidential and must not be disclosed other than to employees of the Authority.

3. The Authority shall disclose to the Secretary of State the name of each driver and such other information as the Secretary of State determines necessary to enforce the provisions of chapter 76 of NRS. If the Secretary of State obtains any confidential information pursuant to this subsection, the Secretary of State, and any employee of the Secretary of State engaged in the administration of chapter 76 of NRS or charged with the custody of any records or files relating to the administration of chapter 76 of NRS, shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the Authority.

Sec. 2.7. 1. Notwithstanding the provisions of NRS 706A.160, as amended by section 2 of this act, a person who, on or before October 1, 2017, entered into an agreement with a transportation network company to receive connections to potential passengers which is in effect on October 1, 2017, must, on or before the anniversary date of the agreement, provide to the company

1 verification that the person holds a valid state business registration pursuant  
2 to chapter 76 of NRS. Such verification may consist of the business  
3 identification number assigned by the Secretary of State to the person entering  
4 into an agreement with the company upon compliance with the provisions of  
5 chapter 76 of NRS.

6 2. As used in this section, "transportation network company" and  
7 "company" have the meaning ascribed to them in NRS 706A.050.

8 Sec. 3. ~~[This act becomes effective on July 1, 2017.]~~ (Deleted by  
9 amendment.)