

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 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; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes a transportation network company to enter into an
2 agreement with one or more drivers to receive connections to potential passengers
3 using the digital network or software application service of the company under
4 certain circumstances. (NRS 706A.160) **Section 2** of this bill prohibits a
5 transportation network company from allowing a driver or potential driver to be
6 affiliated with the company unless the driver or potential driver possesses a valid
7 state business registration. **Section 2** also requires a person who wishes to become a
8 driver affiliated with a transportation network company to include in his or her
9 application submitted to the company the business identification number assigned
10 to the person by the Secretary of State upon issuance of a state business
11 registration. Finally, **section 2** requires the transportation network company to
12 verify the state business registration of each driver before allowing the driver to be
13 connected to potential passengers and not less than once every year thereafter.
14 **Section 1** of this bill requires each transportation network company to submit a
15 quarterly report to the Nevada Transportation Authority stating the total number of
16 drivers affiliated with the company in this State and the number of drivers affiliated



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17 with the company in this State whose state business registration has been verified
18 by the company.

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
2 adding thereto a new section to read as follows:

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

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

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

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

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

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

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

23 (1) The name, age and address of the applicant.

24 (2) A copy of the driver's license of the applicant.

25 (3) A record of the driving history of the applicant.

26 (4) A description of the motor vehicle of the applicant and a
27 copy of the motor vehicle registration.

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

30 **(6) *The business identification number assigned by the***
31 ***Secretary of State upon compliance with the provisions of chapter***
32 ***76 of NRS.***

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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



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

4 *(k) The applicant holds a valid state business registration*
5 *pursuant to chapter 76 of NRS.*

6 4. A transportation network company shall terminate an
7 agreement with any driver who:

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

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

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

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

22 **Sec. 3.** This act becomes effective on July 1, 2017.

