

SENATE BILL NO. 496—SENATOR D. HARRIS

MARCH 29, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to limousines.
(BDR 58-1086)

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

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to limousines; authorizing the holder of a certificate of public convenience and necessity to operate a limousine in certain counties to lease a limousine to an independent contractor; requiring a lease agreement be entered into between such a limousine operator and the independent contractor; imposing certain duties and responsibilities on such an independent contractor; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a person who holds a certificate of public convenience and necessity to operate a taxicab may lease a taxicab to an independent contractor. The independent contractor may operate the taxicab: (1) as a taxicab to the extent authorized by the certificate holder's certificate; and (2) to provide transportation services under an agreement with a transportation network company. (NRS 706.473, 706.88396) **Section 1** of this bill authorizes, in a county whose population is over 700,000 (currently Clark County), an operator of a limousine who holds a certificate to similarly lease the limousine to an independent contractor who may operate the limousine: (1) as a limousine to the extent of the authority of the certificate holder; and (2) to provide transportation services under an agreement with a transportation network company. Existing law makes a violation of **section 1** a misdemeanor. (NRS 706.756) **Sections 2-8** of this bill make conforming changes.



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

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

1. Except as otherwise provided in subsection 8, a certificate holder who is an operator of a limousine in a county whose population is over 700,000 may, upon approval from the Authority, lease a limousine to an independent contractor who is not a certificate holder. A certificate holder may lease only one limousine to each independent contractor with whom the person enters into a lease agreement. The limousine may be used, without limitation:

(a) In a manner authorized by the certificate holder's certificate of public convenience and necessity; or

(b) By the independent contractor to provide transportation services in accordance with an agreement with a transportation network company entered into pursuant to chapter 706A of NRS.

2. A certificate holder who enters into a lease agreement with an independent contractor pursuant to this section shall submit a copy of the agreement to the Authority for its approval. The agreement is not effective until approved by the Authority.

3. Except as otherwise provided in subsection 8, the Authority may not limit the number of:

(a) Lease agreements entered into by a certificate holder; or

(b) Days for which a lease agreement remains in effect.

4. A certificate holder who leases a limousine to an independent contractor shall inspect the limousine not less than once each month.

5. An independent contractor may not operate more than one limousine pursuant to a lease agreement with a certificate holder during any one 24-hour period.

6. An independent contractor operating a limousine pursuant to this section must:

(a) Charge and collect the technology fee imposed pursuant to paragraph (a) of subsection 2 of NRS 706.465, if applicable; and

(b) Remit to the Authority, not later than the 10th day of each month, all technology fees collected for the immediately preceding month.

7. A certificate holder who leases a limousine to an independent contractor is jointly and severally liable with the independent contractor for any violation of the provisions of this chapter or the regulations adopted pursuant thereto or, if applicable, chapter 706A of NRS or the regulations adopted



pursuant thereto, and shall ensure that the independent contractor complies with such provisions and regulations.

8. The Authority or any of its employees may intervene in a civil action involving a lease agreement entered into pursuant to this section.

9. A certificate holder may not have a number of unexpired leases that exceeds the number of limousines the Authority has authorized the certificate holder to operate.

Sec. 2. NRS 706.101 is hereby amended to read as follows:

706.101 "Operator" means a person, other than a lienholder, having a property interest in or title to a vehicle. Except as otherwise provided in this section, the term includes a person entitled to the use and possession of a vehicle under a lease or contract for the purpose of transporting persons or property. The term does not include a person who is the lessee of a taxicab pursuant to NRS 706.473 ~~or~~ *or the lessee of a limousine pursuant to section 1 of this act.*

Sec. 3. NRS 706.465 is hereby amended to read as follows:

706.465 1. An operator of a limousine shall, beginning on July 1, 2003, and on July 1 of each year thereafter, pay to the Authority a fee of \$100 for each limousine that the Authority has authorized the operator to operate.

2. ~~An~~ *Except as otherwise provided in section 1 of this act,* an operator of a limousine shall:

(a) Charge and collect a technology fee in an amount set by the Authority for each compensable trip by a limousine that the Authority has authorized the operator to operate, if a computerized real-time data system is used for the purposes set forth in NRS 706.165; and

(b) Remit to the Authority, not later than the 10th day of each month, all technology fees collected by the operator pursuant to this subsection for the immediately preceding month.

↪ The fee charged pursuant to this subsection may only be charged within a county whose population is 700,000 or more, and may be included in the operator's tariff.

3. Any person who fails to pay any fee on or before the date provided in this section shall pay a penalty of 10 percent of the amount of the fee, plus interest on the amount of the fee at the rate of 1 percent per month or fraction of a month, from the date the fee is due until the date of payment.

4. As used in this section:

(a) "Computerized real-time data system" means the computerized real-time data system implemented by the Authority pursuant to subsection 3 of NRS 706.1516.

(b) "Limousine" includes:



(1) A livery limousine; and

(2) A traditional limousine.

Sec. 4. NRS 706.475 is hereby amended to read as follows:

706.475 1. The Authority shall adopt such regulations as are necessary to:

(a) Carry out the provisions of NRS 706.473 ~~{ }~~ *and section 1 of this act;* and

(b) Ensure that the taxicab ~~{business remains}~~ *and limousine businesses remain* safe, adequate and reliable.

2. Such regulations must include, without limitation:

(a) The minimum qualifications for an independent contractor;

(b) Requirements related to liability insurance;

(c) Minimum safety standards; and

(d) The procedure for approving a lease agreement and the provisions that must be included in a lease agreement concerning the grounds for the revocation of such approval.

Sec. 5. NRS 706.736 is hereby amended to read as follows:

706.736 1. Except as otherwise provided in subsection 2, the provisions of NRS 706.011 to 706.791, inclusive, *and section 1 of this act* do not apply to:

(a) The transportation by a contractor licensed by the State Contractors' Board of the contractor's own equipment in the contractor's own vehicles from job to job.

(b) Any person engaged in transporting the person's own personal effects in the person's own vehicle, but the provisions of this subsection do not apply to any person engaged in transportation by vehicle of property sold or to be sold, or used by the person in the furtherance of any commercial enterprise other than as provided in paragraph (d), or to the carriage of any property for compensation.

(c) Special mobile equipment.

(d) The vehicle of any person, when that vehicle is being used in the production of motion pictures, including films to be shown in theaters and on television, industrial training and educational films, commercials for television and video discs and tapes.

(e) A private motor carrier of property which is used for any convention, show, exhibition, sporting event, carnival, circus or organized recreational activity.

(f) A private motor carrier of property which is used to attend livestock shows and sales.

(g) The transportation by a private school of persons or property in connection with the operation of the school or related school activities, so long as the vehicle that is used to transport the persons or property does not have a gross vehicle weight rating of 26,001



1 pounds or more and is not registered pursuant to NRS 706.801 to
2 706.861, inclusive.

3 2. Unless exempted by a specific state statute or a specific
4 federal statute, regulation or rule, any person referred to in
5 subsection 1 is subject to:

6 (a) The provisions of paragraph (d) of subsection 1 of NRS
7 706.171 and NRS 706.235 to 706.256, inclusive, 706.281, 706.457
8 and 706.458.

9 (b) All rules and regulations adopted by reference pursuant to
10 paragraph (b) of subsection 1 of NRS 706.171 concerning the safety
11 of drivers and vehicles.

12 (c) All standards adopted by regulation pursuant to
13 NRS 706.173.

14 3. The provisions of NRS 706.311 to 706.453, inclusive, *and*
15 *section 1 of this act*, 706.471, 706.473, 706.475 and 706.6411
16 which authorize the Authority to issue:

17 (a) Except as otherwise provided in paragraph (b), certificates of
18 public convenience and necessity and contract carriers' permits and
19 to regulate rates, routes and services apply only to fully regulated
20 carriers.

21 (b) Certificates of public convenience and necessity to operators
22 of tow cars and to regulate rates for towing services performed
23 without the prior consent of the owner of the vehicle or the person
24 authorized by the owner to operate the vehicle apply to operators of
25 tow cars.

26 4. Any person who operates pursuant to a claim of an
27 exemption provided by this section but who is found to be operating
28 in a manner not covered by any of those exemptions immediately
29 becomes liable, in addition to any other penalties provided in this
30 chapter, for the fee appropriate to the person's actual operation as
31 prescribed in this chapter, computed from the date when that
32 operation began.

33 5. As used in this section, "private school" means a nonprofit
34 private elementary or secondary educational institution that is
35 licensed in this State.

36 **Sec. 6.** NRS 706A.075 is hereby amended to read as follows:

37 706A.075 1. Except as otherwise provided in subsection 2,
38 the provisions of this chapter do not exempt any person from any
39 law governing the operation of a motor vehicle upon the highways
40 of this State.

41 2. A transportation network company which holds a valid
42 permit issued by the Authority pursuant to this chapter, a driver who
43 has entered into an agreement with such a company and a vehicle
44 operated by such a driver are exempt from:



(a) The provisions of chapter 704 of NRS relating to public utilities; and

(b) Except as otherwise provided in NRS 706.88396 **[H]** *and section 1 of this act*, the provisions of chapter 706 of NRS, **[H]** to the extent that the services provided by the company or driver are within the scope of the permit.

Sec. 7. NRS 706A.110 is hereby amended to read as follows:

706A.110 1. A transportation network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.

2. A driver shall not provide transportation services unless the company with which the driver is affiliated holds a valid permit issued by the Authority pursuant to this chapter.

3. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all transportation network companies and drivers who operate or wish to operate within this State. Except as otherwise provided in NRS 706.88396 **[H]** *and section 1 of this act*, the Authority shall not apply any provision of chapter 706 of NRS to a transportation network company or a driver who operates within the provisions of this chapter and the regulations adopted pursuant thereto.

Sec. 8. NRS 706A.130 is hereby amended to read as follows:

706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.

2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:

(a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to a driver who can provide transportation services.

(b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.

(c) Except as otherwise provided in NRS 706.88396 **[H]** *and section 1 of this act*, does not authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.



1 3. Nothing in this chapter prohibits the issuance of a permit to
2 operate a transportation network company to a person who is
3 regulated pursuant to chapter 706 of NRS if the person submits an
4 application pursuant to NRS 706A.120 and meets the requirements
5 for the issuance of a permit.

