

**PROPOSED REGULATION OF THE TAXICAB AUTHORITY
OF THE DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R006-25

December 3, 2025

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

AUTHORITY: §§ 1, 2, 17-19, 21-24, 28 and 33, NRS 706.8818; §§ 3-16 and 50-53, NRS 233B.050 and 706.8818; §§ 20, 25-27, 29, 32, 35 and 37-39, NRS 706.8818 and 706.88181; §§ 30 and 31, NRS 706.8818 and 706.8836; § 34, NRS 706.8818 and 706.8841; § 36, NRS 706.8818, 706.88181 and 706.8845; § 40, NRS 706.8818, 706.88181 and 706.8849; §§ 41-44, NRS 706.88181; §§ 45-49, NRS 706.8818 and 706.8829.

A REGULATION relating to the operation of taxicabs in certain counties; revising provisions governing the election and duties of the Chair and Vice Chair of the Taxicab Authority of the Department of Business and Industry; revising provisions relating to certain proceedings before the Authority and Administrator of the Authority; providing for the issuance of digital medallions by the Administrator; extending the duration of time for which a driver's permit issued by the Administrator remains valid; revising requirements for certain applications to the Authority; revising provisions governing the provision of certain information by a holder of a certificate of public convenience and necessity to the Authority and the Administrator; revising requirements relating to the appearance, equipment and mechanical standards of a taxicab operated within the jurisdiction of the Authority; authorizing a certificate holder to lease a taxicab to an employee; revising provisions governing the duties and standards of conduct of drivers and independent contractors; revising requirements for the lease of a taxicab; revising certain criteria relating to the uniform system of accounts that certificate holders must maintain; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Taxicab Authority and provides the Authority with regulatory authority over taxicab motor carriers in any county whose population is 700,000 or more (currently only Clark County). (NRS 706.881, 706.8818) **Section 2** of this regulation: (1) provides that the Authority will elect a Chair and a Vice Chair for a term of 1 year, except that the Authority will not elect a Chair if a Chair has been appointed by the Governor; and (2) establishes the duties of the Chair and Vice Chair.

Existing law requires the Authority and the Administrator of the Authority to conduct hearings and make final decisions in certain matters relating to the taxicab business. (NRS 706.8819, 706.8822) Existing regulations establish certain procedures governing proceedings

before the Authority and the Administrator. (NAC 706.876-706.990) **Section 3** of this regulation authorizes the Chair of the Authority or certain persons designated by the Chair to act as the presiding officer in public hearings before the Authority. **Sections 4-7** of this regulation establish certain requirements and procedures governing motions, petitions, protests and answers filed in proceedings before the Authority. **Section 50** of this regulation authorizes the Authority or Administrator to follow any applicable rule in the Nevada Rules of Civil Procedure if the procedure for an action before the Authority or Administrator is not specifically addressed by regulation. **Section 51** of this regulation requires a petition that seeks relief which is not specifically covered by the regulations governing actions before the Authority and Administrator to be handled in the same manner as other petitions. **Section 53** of this regulation authorizes the Authority, Administrator or presiding officer to, upon a showing of good cause, excuse compliance with or suspend the effectiveness of an order upon which a petition for rehearing has been filed. **Section 52** of this regulation defines the term “relevant” with respect to evidence or information that may be used in a proceeding.

Sections 8-17 of this regulation establish: (1) procedures for a person to request the confidential treatment of any information that pertains to the person and is in the possession of the Authority or Administrator and to appeal the denial of such a request; and (2) requirements for the handling of information which is designated as confidential or during the pendency of a request to treat information as confidential.

Existing law prohibits a person from engaging in the taxicab business within the jurisdiction of the Authority without a certificate of public convenience and necessity issued by the Authority. (NRS 706.8827) Existing law authorizes the Authority to allocate among all certificate holders the total number of taxicabs that may be operated within the jurisdiction of the Authority. (NRS 706.8824) To evidence such an allocation, existing law and regulations provide that the Administrator will issue a medallion for each taxicab that a certificate holder is authorized to operate within the jurisdiction of the Authority. (NRS 706.88183; NAC 706.450 706.5565) Existing regulations require that a medallion be physically affixed to the left rear fender of each taxicab. (NAC 706.450, 706.489) **Section 17** provides that a medallion may be issued by the Administrator as a metal plate or a digital credential. **Section 26** of this regulation: (1) establishes requirements for the display of a medallion that is issued as a digital credential; and (2) requires that a medallion that is issued as a metal plate be displayed above the left rear wheel well of the taxicab, rather than on the rear fender on that side, specifically. **Sections 36, 41 and 44** of this regulation make conforming changes to indicate that a medallion must be displayed in accordance with the requirements of **section 26**.

Existing regulations require, before the transfer of a certificate of public convenience and necessity or a transfer of an interest in a corporation holding a certificate, that the transferor apply for and receive approval from the Authority before the commencement of the transfer. Existing regulations authorize the Authority to make an investigation before approving the transfer. (NAC 706.465) **Section 18** of this regulation requires an applicant for approval of such a transfer to provide the Authority with certain organizational charts of the certificate holder before the Authority will commence an investigation.

Existing regulations require a certificate holder to furnish to the Authority certain information relating to the operations of the certificate holder. (NAC 706.474, 706.476, 706.477) **Section 19** of this regulation provides that a certificate holder is only required to furnish to the Administrator a list of certain persons authorized to act for the certificate holder in dealing with the Authority if so requested by the Administrator. **Section 20** of this regulation extends from 2

to 5 working days the time in which a certificate holder is required to notify the Administrator if the certificate holder has received a complaint which alleges that a driver or independent contractor operating on behalf of the certificate holder has engaged in certain unlawful conduct. **Section 21** of this regulation eliminates a requirement that each certificate holder provide to the Authority on a monthly basis a list of all drivers whose employment was terminated by the certificate holder during that month.

Existing regulations establish certain requirements for taxicabs that are operating in passenger service within the jurisdiction of the Authority, including requirements that taxicabs have installed or display certain equipment, identifying marks and disclosures. (NAC 706.481, 706.486-706.495, 706.501, 706.504) **Section 22** of this regulation eliminates a requirement that certificate holders display on each taxicab an emblem which indicates that the certificate holder participates in a secret witness program. **Section 23** of this regulation requires the Administrator, rather than the Authority or its designee, to inspect each taxicab that has been involved in a crash. **Section 24** of this regulation revises the manner in which a certificate holder is required to display the unit number of a taxicab on the exterior of each taxicab. **Section 27** of this regulation revises requirements governing the mechanical standards and equipment for taxicabs. **Section 28** of this regulation revises the terminology used to refer to the radio that existing law requires certificate holders to equip in each taxicab to conform with the terminology used in existing law. (NRS 706.8832)

Existing regulations require a certificate holder to obtain the approval of the Authority before the certificate holder may modify the color scheme or insignia of a taxicab. (NAC 706.487) **Section 25** of this regulation eliminates limitations on: (1) the total number of applications for such modifications that the Administrator will approve in a calendar year; (2) the number of modifications to the color scheme of taxicabs that a certificate holder may request at one time; (3) the percentage of taxicabs owned by a certificate holder that may be temporarily modified at a given time; and (4) the duration of time for which a taxicab may be temporarily modified. **Section 25** also eliminates certain requirements relating to the information that a certificate holder must include with an application for a temporary modification.

Existing regulations prescribe certain requirements relating to the design of taximeters and require that a taxicab be equipped with amber lights which illuminate when the taximeter is not in use. (NAC 706.501) **Section 30** of this regulation: (1) eliminates the requirement that numerals on the face of a taximeter be displayed in certain colors; and (2) revises certain other requirements relating to the amber lights which illuminate when the taximeter is not in use.

Existing law sets forth certain technical requirements for taximeters that may be used on taxicabs. Existing law requires the Administrator to: (1) inspect each taximeter for conformity with these requirements; and (2) upon determining that the taximeter is in conformity with those requirements, seal the taximeter. Existing law authorizes the Administrator to seal the taximeter using an electronic security seal that meets certain requirements in lieu of affixing a physical security seal to each access point of the taximeter. (NRS 706.8836) **Section 31** of this regulation eliminates provisions that require: (1) a taximeter to be physically sealed by the Authority at both the taximeter and transmission; and (2) a certificate holder to return to the Authority a broken physical seal that is removed by the certificate holder.

Existing law and regulations generally prohibit a person from operating a taxicab within the jurisdiction of the Authority as a driver or independent contractor without obtaining a driver's permit from the Administrator. (NRS 706.8843; NAC 706.513) **Section 33** of this regulation requires an applicant for a driver's permit to submit a health certificate that is valid for

not more than 2 years, rather than for at least 2 years. **Section 34** of this regulation increases from 1 to 2 years the duration for which a driver's permit issued by the Administrator remains valid. **Section 17** revises existing references to the period of time for which a permit remains valid, to reflect to the changes made by **section 34**. **Sections 24 and 35** of this regulation require a permit to be displayed in a holder, rather than a bracket.

Existing law and regulations generally require a person operating a taxicab as an employee of a certificate holder or independent contractor to adhere to certain standards while leasing or operating a taxicab. (NRS 706.8845, 706.8846, 706.8847; NAC 706.540, 706.543, 706.544, 706.550, 706.551, 706.552) Existing regulations prohibit a certificate holder from allowing a driver or independent contractor to operate a taxicab under certain conditions. (NAC 706.546) **Section 37** of this regulation provides that a certificate holder only violates this prohibition if the certificate holder knowingly allows a driver or independent contractor to operate a taxicab under those conditions.

Section 37 also eliminates a requirement that a company carry as a permanent driver a driver who has driven more than 10 periods of duty for the company within a 30-day period. **Section 36** increases from five to six the maximum number of passengers that a driver or independent contractor may allow in his or taxicab at any one time. **Section 39** of this regulation decreases the frequency at which a driver or independent contractor is required to search the interior of his or her taxicab for personal property left behind by passengers. **Section 40** of this regulation authorizes a driver to operate a taxicab for the parent company of the company listed on his or her permit. **Section 42** of this regulation reduces from each day to each week the frequency at which an independent contractor must return a leased taxicab to the certificate holder for inspection.

Existing law requires a certificate holder to require its drivers and independent contractors to keep a daily trip sheet in a form prescribed by the Authority, which may be in electronic form. (NRS 706.8844) **Section 32** of this regulation requires a certificate holder to provide the Administrator, upon request, any information contained within a trip sheet, in addition to the physical or electronic trip sheet itself. Existing regulations require a certificate holder to require its drivers and independent contractors to time stamp their trip sheets at the beginning and end of their periods of duty using a time clock provided by the certificate holder. (NAC 706.549) **Section 38** of this regulation: (1) eliminates a requirement that the Authority approve a time clock before its use; (2) updates certain terminology to reflect the usage of electronic time clocks; and (3) provides that a certificate holder is not required to require a driver or independent contractor to record on his or trip sheet the time at which his or her period of duty ended if the time clock provided by the certificate holder meets certain requirements.

Existing law and regulations authorize a certificate holder to lease a taxicab to an independent contractor pursuant to a lease agreement that is approved by the Administrator. (NRS 706.88396; NAC 706.5551, 706.5555) Existing regulations prohibit a certificate holder from entering into a lease agreement with an employee of the certificate holder. (NAC 706.497) **Section 29** of this regulation eliminates this prohibition, thereby authorizing an independent contractor to lease a taxicab to an employee of the certificate holder.

Existing regulations: (1) establish certain requirements for the contents of lease agreements; and (2) authorize the Administrator to preapprove a lease agreement template that satisfies those requirements. (NAC 706.5551, 706.5557) **Section 41** clarifies that a certificate holder is not required to seek additional approval of a lease agreement if the agreement was executed using a valid lease agreement template that the Administrator has preapproved. **Section**

41 also eliminates a requirement that a certificate holder notify the Authority if a lease agreement terminates before the expiration date included in the agreement.

Existing regulations authorize a certificate holder to include in a lease agreement a requirement for a security deposit. (NAC 706.5557) If such a requirement is included in a lease agreement, existing regulations: (1) require the certificate holder to ensure that any security deposit is maintained in an account separate from the account in which the certificate holder maintains his or the operating capital; and (2) authorize the certificate holder to reimburse any interest accrued by the security deposit at the termination of the lease agreement. (NAC 706.5559) **Section 43** of this regulation eliminates those provisions.

Existing law prohibits the Authority from limiting the number of lease agreements entered into by a certificate holder. (NRS 706.88396) Existing regulations limit the number of lease medallions that may be issued to a certificate holder to one-half of the total number of medallions otherwise issued to the certificate holder. (NAC 706.5565) **Section 44** removes this limitation.

Existing law requires a certificate holder to keep and maintain a uniform system of accounts in a form prescribed by the Authority. (NRS 706.8829) Existing regulations require such accounts to include certain property with an original cost of \$100 or more. (NAC 706.669, 706.720, 706.732) **Sections 45-47** of this regulation increase the threshold to \$5,000. **Sections 48 and 49** of this regulation require certificate holders to include within certain other accounts for general or administrative expenses the cost of certain property valued at or below \$5,000.

Section 1. Chapter 706 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 16, inclusive, of this regulation.

Sec. 2. 1. *Except as otherwise provided in this subsection, the Authority will elect a Chair and a Vice Chair from among its members. Each Chair and Vice Chair elected by the Authority holds office for a term of 1 year commencing on July 1. The Authority will not elect a Chair if one has been appointed by the Governor.*

2. The Vice Chair shall perform the duties of the Chair during the absence of the Chair.

3. In the event that the office of the Chair becomes vacant, the Vice Chair shall serve as the Acting Chair for the remainder of the term of the Chair or until a Chair is appointed by the Governor.

4. The Chair shall determine the agenda for the public meetings of the Authority in cooperation with the Administrator.

Sec. 3. 1. Except as otherwise provided in subsection 2, the Chair, or a member of the Authority designated by the Chair, shall be the presiding officer of the Authority in any public hearing that the Authority is required to conduct by law.

2. The Chair may require the Administrator, or a person appointed by the Administrator to serve as a hearing officer, to preside over any preliminary or prehearing matter that the Authority may conduct pursuant to NAC 706.876 to 706.990, inclusive, and sections 3 to 16, inclusive, of this regulation.

Sec. 4. 1. Any request for an order by the Authority or Administrator, except for an order to allow intervention or an order to show cause, concerning any matter that has been assigned a docket number but has not been finally decided by the Authority or Administrator must be styled a “motion.”

2. A motion must be made in writing unless made during a hearing. If a motion is made during a hearing, the motion may be written or oral. Oral motions must be timely made.

3. The presiding officer or Administrator may order the parties to file one or more affidavits in support or contravention of a motion which has been made.

4. A motion must include, without limitation, citations of any authorities upon which the motion relies.

5. A written motion must be filed with the Authority or Administrator, as applicable, and served on all parties to the proceeding.

6. The presiding officer or Administrator may direct that any motion made at a proceeding be reduced to writing, filed and served in accordance with this section.

7. A motion that involves the final determination of a proceeding, including, without limitation, a motion to dismiss, will be considered by the Authority or Administrator at the time

of the final decision and order, unless the presiding officer, Authority or Administrator determines that an expedited ruling would be in the public interest.

8. The presiding officer or Administrator may rule on any motion made at a hearing which does not constitute a final determination of the proceeding.

9. A written motion other than one made during a proceeding must be served not later than 10 days before the date set for the hearing unless a different time is specified by the presiding officer or Administrator.

10. Motions filed by different parties but involving the same point of law may be set for hearing at the same time.

Sec. 5. *1. A pleading praying for affirmative relief, other than an application, motion, answer or complaint, must be styled a “petition.”*

2. If the Authority or Administrator does not grant, deny or set a petition for further proceedings within 60 days after the date on which the petition is received by the Authority or Administrator, as applicable, the petition shall be deemed denied.

3. If the Authority or Administrator sets a petition for further proceedings, the Authority or Administrator, as applicable, will rule on the petition within 120 days after the date on which the Authority or Administrator set the petition for further proceedings.

Sec. 6. *1. Any objection or request to make a statement at a hearing by a person, including, without limitation, a state or local governmental entity, who is not a party to an application, petition or other matter must be styled a “protest” and such a person must be styled a “protestant.” The filing of a protest or request to make a statement does not make the protestant a party.*

2. *A written protest must legibly set forth a clear statement of the matter to which an objection is made.*
3. *The Authority or Administrator will make available a copy of a written protest to the parties against whom it is directed.*
4. *Even if a hearing on a written protest is not required by law, the Authority or Administrator will notify the parties and may hold such a hearing if the public interest will be served.*
5. *A protest may be oral or written.*
6. *At a hearing, the presiding officer or Administrator shall allow any protestant to enter an appearance in the proceeding and may allow a protestant to make a statement. A protestant who desires to participate as a party in a proceeding must file a written petition for leave to intervene. A protestant is entitled to participate as a party only to the extent that leave is granted, at which time the protestant must be styled an “intervener.”*

Sec. 7. *1. A party to a proceeding who desires to contest a petition, an order to show cause or a complaint or make any representation about it to the Authority or Administrator may file an answer with the Authority or Administrator, as applicable.*

2. *An answer to a petition must:*
 - (a) *Be in writing;*
 - (b) *Be written so as to advise the Authority and parties fully of the nature of the answer;*
 - (c) *Contain a separate statement and number for each material element of the answer;*
 - (d) *Be signed by the answering party or, if represented, by his or her attorney or other authorized representative;*
 - (e) *Include the full name, address and telephone number of the answering party; and*

(f) Be filed with the Authority or Administrator within 15 days after service of the petition to which the answer is directed, unless the Authority or Administrator extends this time.

3. An answer to an order to show cause or a complaint must:

(a) Be in writing; and

(b) Specifically admit or deny each material allegation and state any new matter constituting a defense. Matters alleged by way of an affirmative defense must be separately stated and numbered.

4. If an amendment or a correction to a pleading is filed before the filing of an answer, the time within which to answer will be computed from the date of service of the amendment or correction unless the Authority, presiding officer or Administrator directs otherwise.

5. Except as otherwise ordered by the Authority or Administrator, the facts set forth in an amendment or a correction shall be deemed admitted if an answer to the amendment or correction is not filed within 15 days after service of the amendment or correction unless the Authority, presiding officer or Administrator directs otherwise.

6. Amendments or corrections made after the filing of an answer need not be answered.

7. Failure to file an answer or failure to indicate a jurisdictional defect in an answer does not waive the right to object to a jurisdictional defect.

Sec. 8. *As used in sections 8 to 16, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 9 and 10 of this regulation have the meanings ascribed to them in those sections.*

Sec. 9. *“Information” means any books, accounts, records, minutes, reports, papers and property of a person which are in the possession of, or have been provided to, the Authority or Administrator.*

Sec. 10. *“Protective agreement” means an agreement pursuant to which a person agrees not to disclose, or otherwise make public, the information requested to be confidential and which specifies the manner in which the confidentiality of the information is to be treated.*

Sec. 11. *The provisions set forth in sections 8 to 16, inclusive, of this regulation:*

- 1. Apply to all proceedings before the Authority, presiding officer or Administrator.*
- 2. Do not limit or otherwise affect the confidentiality of information described in NAC 706.479 or any restriction or limitation on the disclosure of such information imposed by that section.*

Sec. 12. *1. A person who requests that information, which is in the possession of the Authority or Administrator and pertains to that person, not be disclosed must submit:*

(a) To the presiding officer or Administrator, one copy of the document which contains the information in an unredacted form. The document must be placed in a sealed envelope, and the envelope and each page of the document must be stamped with the word “confidential.”

(b) To the Authority, a copy of the document which redacts the information for which the confidential treatment is requested and such additional copies of the redacted documents as requested by the Authority. The Authority may not request more than nine additional copies of the redacted document.

2. A request that information not be disclosed submitted pursuant to subsection 1 must be served on the staff of the Authority and must:

- (a) Describe with particularity the information to be treated as confidential information;*
- (b) Specify the grounds for the claim of confidential treatment of the information; and*
- (c) Specify the period during which the information must not be disclosed.*

3. Public disclosure of only those specific portions of a filing which contain information for which confidentiality is requested will be withheld or otherwise limited.

4. If the information for which confidentiality is requested is part of an application, petition or other initial filing, the application, petition or filing must comply with the provisions of this section. A notice issued by the Authority pursuant to NAC 706.924 will state that certain information contained in the application, petition or filing has been requested to be treated as confidential information.

5. The Authority and Administrator are responsible for the custody, maintenance and return or disposal of confidential information in the possession of the Authority or Administrator and the Authority will and the Administrator shall:

(a) Maintain the confidential information separate and apart from all other records of the Authority or Administrator; and

(b) Adequately safeguard access to such information and ensure that confidential information is not divulged to unauthorized persons.

6. To determine whether to accord confidential treatment to information pursuant to sections 8 to 16, inclusive, of this regulation, the presiding officer or Administrator may review the information in camera.

7. The Authority, presiding officer or Administrator may conduct a closed hearing to receive or examine information designated as confidential pursuant to sections 8 to 16, inclusive, of this regulation. If the Authority, presiding officer or Administrator conducts a closed hearing pursuant to this subsection, the Authority will or the presiding officer or Administrator shall restrict access to the records and transcripts of the closed hearing without

the prior approval of the Authority or an order of a court of competent jurisdiction authorizing access to the records or transcripts.

8. Any participant at a closed hearing conducted pursuant to subsection 7 shall not disclose information designated as confidential pursuant to sections 8 to 16, inclusive, of this regulation without receiving authorization from the Authority, presiding officer or Administrator.

9. The Authority will or the presiding officer or Administrator shall consider in an open meeting whether the information reviewed or examined in a closed hearing conducted pursuant to subsection 7 may be disclosed without revealing the confidential subject matter of the information. To the extent the Authority, presiding officer or Administrator determines that the information may be disclosed, the Authority will or the presiding officer or Administrator shall make the information part of the records available to the public. Information that the Authority, presiding officer or Administrator determines may not be disclosed will be kept under seal.

10. Notwithstanding the other provisions of this section, the staff of the Authority is entitled to receive information designated as confidential pursuant to sections 8 to 16, inclusive, of this regulation if the staff of the Authority has executed a protective agreement.

Sec. 13. *For information determined to be confidential, the Authority will or the presiding officer or Administrator shall, in addition to the other procedures set forth in sections 8 to 16, inclusive, of this regulation:*

1. Require that the prepared testimony which contains the confidential information not be disclosed except as otherwise specified in a protective agreement or a protective order issued by the Authority, presiding officer or Administrator; or

2. Unless otherwise agreed upon by the parties involved, require that the portion of the prepared testimony of a person which may address the confidential information be submitted to the party who had requested that the information not be disclosed, before the date on which the prepared testimony is to be submitted to the Authority, Administrator or other parties.

Sec. 14. If the Authority, presiding officer or Administrator determines that a protective order should be issued with regard to the information designated as confidential, the Authority will or the presiding officer or Administrator shall, issue a protective order which:

1. Describes generally the nature of the confidential information and the procedures to be used to protect the information.

2. Specifies the period during which the disclosure of the information to the public will be withheld or otherwise limited.

3. Specifies the procedures to be used by each person during the pendency of the proceedings to ensure the confidentiality of the information.

4. Specifies the procedures for handling or returning the confidential information, as appropriate, upon the close of the proceedings or at the end of the period for which the information is to be treated as confidential.

5. Requires that the confidential information not be disclosed, except as:

(a) May be agreed upon by the parties pursuant to a protective agreement; or

(b) Otherwise directed by the Authority, presiding officer or Administrator.

6. Specifies the procedures to be used at the time of the evidentiary hearing to protect the confidentiality of the information.

7. Requires such other action as the Authority, presiding officer or Administrator deems appropriate under the circumstances.

Sec. 15. 1. *Any determination by the presiding officer or Administrator regarding the treatment of confidential information may be appealed to the full Authority. The information will be subject to public disclosure 3 business days after the date on which the presiding officer or Administrator issues his or her order denying the request for confidentiality unless:*

(a) The party who made the request appeals the decision of the presiding officer or Administrator to the full Authority; or

(b) Otherwise required by the order of a court of competent jurisdiction or agreed upon by the parties involved.

2. *If the Authority determines that the disclosure of information requested to be treated as confidential information is justified, the Authority will:*

(a) Issue an order to that effect; and

(b) Unless otherwise required by the order or agreed upon by the parties involved, continue to protect the information from public disclosure for the next 3 business days after the date on which the order denying the confidential treatment of the information is issued.

Sec. 16. 1. *During the pendency of a proceeding, any person who receives information which has been designated as confidential pursuant to sections 8 to 16, inclusive, of this regulation:*

(a) Shall not disclose the information unless the confidentiality of the information is waived. The confidentiality of information shall be deemed to be waived if:

(1) The person who requested that the information not be disclosed makes the information public or otherwise authorizes the disclosure of the information; or

(2) The Authority, presiding officer or Administrator enters an order which authorizes the disclosure of the information.

(b) May request, at any time, that the Authority, presiding officer or Administrator make a determination that the disclosure of the information is justified. The person may accompany his or her request with a sealed copy of the unredacted document or information.

2. The person seeking to have the information protected from disclosure has the burden of proof to demonstrate that the information sought to be disclosed is entitled to that protection.

3. Information which is the subject of an agreement or protective order will be provided only to the staff of the Authority.

4. A party, the legal counsel of a party, an expert designated by a party or any other person shall not:

(a) Violate the procedures of the Authority, presiding officer or Administrator for protecting information.

(b) Fail to obey a protective order issued by the Authority, presiding officer or Administrator.

(c) Violate the terms or conditions of a protective agreement.

(d) Violate any other prohibition on the disclosure of information designated as confidential pursuant to sections 8 to 16, inclusive, of this regulation.

Sec. 17. NAC 706.450 is hereby amended to read as follows:

706.450 As used in NAC 706.450 to 706.990, inclusive, *and sections 2 to 16, inclusive, of this regulation*, unless the context otherwise requires:

1. “Administrator” means the Taxicab Administrator or his or her authorized agent.
2. “Authority” means the Taxicab Authority created by NRS 706.8818.

3. “Certificate” means a certificate of public convenience and necessity issued by the Authority.
4. “Driver” means a person who is employed by a certificate holder to operate a taxicab and includes a certificate holder when the certificate holder operates a taxicab. The term does not include an independent contractor.
5. “Independent contractor” means a person who drives and leases a taxicab from a certificate holder pursuant to NAC 706.5551 to 706.5569, inclusive.
6. “Lease medallion” means the metal plate *or digital credential* issued by the Authority pursuant to NAC 706.5565 which ~~is affixed to~~ *authorizes* a taxicab ~~authorizing it~~ to be operated by an independent contractor within the jurisdiction of the Authority.
7. “Medallion” means the metal plate *or digital credential* issued by the Authority which ~~is affixed to~~ *authorizes* a taxicab ~~authorizing it~~ to be operated by a driver within the jurisdiction of the Authority.
8. “Permit” means the document supplied by the Authority authorizing a person to drive a taxicab within the jurisdiction of the Authority for a period of ~~1 year~~ *2 years*.
9. “Regular business hours” means Monday through Friday from 8 a.m. to 5 p.m., excluding legal holidays.
10. “Temporary permit” means the document supplied by the Authority authorizing a person to drive a taxicab within the jurisdiction of the Authority for less than ~~1 year~~ *2 years*.

Sec. 18. NAC 706.465 is hereby amended to read as follows:

706.465 1. An interest in a certificate or in a corporation holding a certificate may not be transferred without first making application to and securing approval of the Authority.

2. A nonrefundable fee of \$200 must accompany an application for a transfer of any interest in a certificate or in a corporation holding a certificate.

3. The Authority reserves the right to make an investigation before approving a transfer. Upon determining that an investigation is necessary, the Authority will notify the applicant of the estimated cost of the investigation. The Authority will not commence the investigation until the applicant has ~~paid~~ :

(a) ***Paid*** one-half of the estimated cost of the investigation ~~+~~ ; and

(b) ***Provided the Authority with the following charts, presented in a hierarchical structure:***

(1) ***A chart that reflects the current organizational structure of the holder of the certificate.***

(2) ***A chart that reflects what the organizational structure of the holder of the certificate would be if the proposed transfer occurred.***

Sec. 19. NAC 706.474 is hereby amended to read as follows:

706.474 1. All certificate holders are required to notify the Administrator any time they change the location of their business.

2. ~~Certificate~~ ***Upon request, certificate*** holders shall furnish to the Administrator a current list of supervisory or responsible persons in their employ . ~~which includes a schedule indicating when they are available.~~ The persons ~~on this list~~ ***listed*** must be authorized to act for the certificate holder in dealing with the Authority.

Sec. 20. NAC 706.476 is hereby amended to read as follows:

706.476 If a certificate holder receives a complaint concerning a driver or an independent contractor that alleges a violation of any of the provisions of this chapter or chapter 706 of NRS,

the certificate holder shall notify the Administrator of the complaint not later than ~~12~~ 5 working days after receiving the complaint.

Sec. 21. NAC 706.477 is hereby amended to read as follows:

706.477 Each certificate holder shall, within 2 working days, inform the Administrator of the dismissal of any driver and the reason therefor. ~~[Within 5 working days after the end of each month, each certificate holder shall provide the Authority with a list of all drivers whose employment was terminated during the month.]~~

Sec. 22. NAC 706.481 is hereby amended to read as follows:

706.481 1. If a driver or an independent contractor is the victim of a violent crime while on duty, the Administrator will notify all certificate holders concerning the commission of the crime, including all relevant details pertaining thereto.

2. Upon notification, a certificate holder shall immediately disseminate the information concerning the crime to all drivers and dispatch operators employed by him or her and to all independent contractors who have entered into a lease agreement with the certificate holder pursuant to NAC 706.5551 to 706.5569, inclusive.

~~{3.—If funding is provided by certificate holders for the payment of monetary rewards under a secret witness program, pursuant to which a witness to a crime may provide information concerning the crime without divulging his or her identity, all certificate holders shall display an emblem, approved by the Administrator, on the outside passenger door of each of their taxicabs and may display the emblem on the card holder inside those taxicabs indicating their participation in the program.}~~

Sec. 23. NAC 706.483 is hereby amended to read as follows:

706.483 Whenever a taxicab is involved in a crash, the Authority must be notified immediately and the cab inspected by the ~~{Authority or its designee.}~~ *Administrator.*

Sec. 24. NAC 706.486 is hereby amended to read as follows:

706.486 1. Each certificate holder shall:

(a) Equip his or her taxicabs with a cruising light approved by the Administrator attached to the top of the taxicab which must be illuminated during the hours of darkness. The light must not be confused with the signal lights described in NAC 706.501.

(b) Display in bold block letters, not less than ~~{6}~~ 4 inches in height, the unit number of each taxicab, on the sides of both front fenders and on the left *side* of the rear ~~{trunk lid}~~ of the taxicab in plain view, in a color contrasting with the color of the taxicab. *The entirety of the unit number displayed on the left side of the rear of the taxicab must be visible from directly behind the taxicab.*

(c) Display ~~{his or her telephone number and}~~ the unit number of the taxicab within each taxicab in a location plainly visible to all passengers.

(d) Obtain approval from the Administrator for the color scheme, insigne, cruising light design and assignment of unit designation numbers to ensure that they do not conflict with those of another certificate holder.

(e) Affix inside each taxicab, in a conspicuous place, a ~~{bracket or}~~ holder that would accommodate a 5-inch by 7-inch driver's permit and an authority rate card.

(f) Display inside each taxicab, in a conspicuous place, a placard at least 5 inches by 7 inches in size in substantially the following form:

IMPORTANT

You are riding in a (name of taxicab company) vehicle.

Please note the company name and unit number of this vehicle.

This information is important if you leave property in this vehicle

or wish to file a complaint or commendation with the

Nevada Taxicab Authority at (702) ~~486-6532~~ 668-4000.

2. Any taxicab found to be in violation of this section by the Authority will be placed out of service and not put back in service until inspection and approval by the Authority.

Sec. 25. NAC 706.487 is hereby amended to read as follows:

706.487 1. A certificate holder shall not:

(a) Modify the color scheme or insignie of any taxicab unless the certificate holder first secures written approval for the modification from the Administrator in accordance with the provisions of this section.

(b) Operate any taxicab on which the color scheme or insignie has been modified without first securing written approval for the modification from the Administrator in accordance with the provisions of this section or for which approval has been withdrawn by the Administrator pursuant to this section.

~~[(c) Request more than six modifications of the color scheme of its taxicabs at one time.]~~

2. If a certificate holder wishes to modify temporarily the color scheme or insignie of any taxicab, the certificate holder must file a written application with the Administrator. The application must include:

(a) A description of the proposed temporary modification.

(b) ~~{Three}~~ *One* colored ~~{copies}~~ *copy* or ~~{photographs}~~ *photograph* of the proposed temporary modification.

(c) ~~{A description of the materials and procedures that will be used to achieve the proposed temporary modification.}~~

~~—(d) A copy of any written contract related to the proposed temporary modification.~~

~~—(e)}~~ Any additional information that the Administrator deems necessary to evaluate the application.

3. The Administrator shall approve or deny an application filed pursuant to this section within 30 days after receipt of the application. If no action is taken within the 30-day period, the application shall be deemed denied.

4. The Administrator may approve an application filed pursuant to this section subject to satisfaction of all the following conditions:

(a) ~~{Only the number of taxicabs equal to 20 percent or less of the total number of medallions issued to the certificate holder are temporarily modified at any given time, unless fewer than five taxicabs constitute more than 20 percent of those taxicabs, in which case the certificate holder may temporarily modify more than five taxicabs. For the purposes of this paragraph, a medallion issued for a special event and a lease medallion must not be included when calculating the total number of medallions issued to the certificate holder.}~~

~~—(b) The temporary modification of the taxicab does not last for more than 6 months.~~

~~—(e)}~~ The color scheme and insignia of any taxicab that is temporarily modified remains sufficiently distinct from the approved color scheme and insignia or temporary modification of another certificate holder.

~~[(d)]~~ (b) The information required pursuant to NRS 706.8835 remains clearly visible at all times on any taxicab that is temporarily modified.

~~[(e)]~~ (c) The temporary modification of the taxicab does not create a risk to the health, safety or welfare of the traveling public, as determined by the Administrator.

5. If an application filed pursuant to this section is approved, not less than 7 days before the temporary modification of any taxicab, the certificate holder shall provide the Administrator with the following information for the taxicab that will be temporarily modified:

- (a) The unit designation number of the taxicab.
- (b) The dates on which the temporary modification of the taxicab will begin and end.

6. The Administrator may withdraw the approval of the temporary modification of any taxicab if the Administrator determines that:

- (a) The temporary modification is not sufficiently distinct from the approved color scheme and insignia of another certificate holder;
- (b) The materials used in the temporary modification have deteriorated to the extent that the color scheme or insignia is no longer neat in appearance; or
- (c) The temporary modification creates a risk to the health, safety or welfare of the traveling public.

~~{7. The Administrator will not approve more than 12 applications for the modification of the color scheme and insignia of the taxicabs of a certificate holder in a calendar year.}~~

Sec. 26. NAC 706.489 is hereby amended to read as follows:

706.489 A certificate holder shall not permit a cab to be put into operation unless the medallion or lease medallion issued by the Administrator is :

*1. If issued by the Administrator as a metal plate, prominently displayed on the **body of the cab, above the** left rear ~~fender of the cab.~~ wheel well.*

2. If issued by the Administrator as a digital credential, readily available to be displayed upon demand using:

(a) The taximeter;

(b) An external display that is connected to the taximeter and installed in the interior of the taxicab; or

(c) Such other electronic equipment as may be approved by the Administrator that is capable of storing and authenticating the digital credential issued by the Administrator and displaying such a credential upon demand.

Sec. 27. NAC 706.492 is hereby amended to read as follows:

706.492 *1.* A certificate holder shall not permit a taxicab to be operated in passenger service unless the taxicab meets all of the following standards in addition to those prescribed by NRS 706.8837:

~~11.~~ *(a)* The front suspension system is in good repair and proper working order.

~~12.~~ *(b)* The engine, transmission and drive train, including mounts, are in good repair and proper working order and, during normal operation, do not die, miss, backfire or show noticeable loss of power.

~~13.~~ *(c)* The engine, transmission, drive train or accessories must not emit loud noises so as to be disturbing to the passengers or distracting to the driver or independent contractor.

~~14.~~ *(d)* The taxicab is equipped with an air filter or adequate flame arrester covering the air intake of the ~~carburetor.~~ *engine.*

~~15.1~~ (e) The taxicab does not pull to the left or right or tend to drift under normal driving conditions.

~~16.1~~ (f) The engine, transmission, radiator or accessories do not allow a noticeable quantity of fluid to leak.

~~17.1~~ (g) The engine does not emit excessive smoke from either the exhaust or crankcase.

~~18.—All~~ (h) *Except as otherwise provided in subsection 2, all* windows are operable, free of obstruction and the driver's or independent contractor's view is not impaired in any direction.

~~19.1~~ (i) The brake lining is of sufficient thickness to prevent the metal portion of the brake shoe or pad from coming in contact with the brake drum or disc. Under normal braking conditions, the taxicab does not pull to the left or right or unusual locking of wheels does not occur.

~~110.1~~ (j) Heating and air-conditioning systems are mandatory equipment on all taxicabs operating in this State and are required to provide reasonable comfort to passengers at their request and must conform to reasonable standards of efficiency.

~~111.1~~ (k) The taxicab must be equipped with:

~~1(a)~~ (1) A mirror on the outside of the front door on the passenger's side;

~~1(b)~~ (2) Operable trunk lid supports or a trunk rod or bar, one end of which is permanently affixed to the vehicle;

~~1(e)~~ (3) Straps to tie down the trunk;

~~1(d) —Windows that have not been tinted more than the manufacturer's specifications for the vehicle;~~

~~—(e)~~ (4) Seat belts that are maintained in a clean and operable condition at all times;

~~(f)~~ (5) Automatic locks which control all doors and which are operable at the driver's or independent contractor's door; and

~~(g)~~ (6) A trunk release which is operable from inside the trunk.

2. If one or more windows of a taxicab are partially obstructed by a sticker affixed to the window by the manufacturer of the taxicab, the taxicab shall nonetheless be deemed to be in compliance with paragraph (h) of subsection 1, unless and until such time as the Administrator determines pursuant to subsection 3 that the sticker unreasonably impairs the view of the driver or independent contractor in one or more directions.

3. If the Administrator, during any inspection of a taxicab, determines that a sticker affixed to a window by the manufacturer of the taxicab unreasonably impairs the view of the driver or independent contractor in one or more directions, the Administrator:

(a) Will notify the certificate holder that the taxicab does not meet the requirements of paragraph (h) of subsection 1; and

(b) May direct the certificate holder to remove the sticker from the window of the taxicab.

Sec. 28. NAC 706.495 is hereby amended to read as follows:

706.495 1. The ~~two-way~~ *mobile* radio in each taxicab of a certificate holder must be turned on and audible at all times.

2. A certificate holder shall provide reasonable service to persons who make ~~telephone~~ requests for service *by telephone* if that service is within the limits of the holder's certificate.

Sec. 29. NAC 706.497 is hereby amended to read as follows:

706.497 1. Any vehicle operated as a taxicab must be registered to a certificate holder.

2. Except as otherwise provided in NAC 706.5551 to 706.5569, inclusive, a certificate holder may not enter into any lease, commission arrangement or other agreement concerning any

taxicab registered to the certificate holder unless he or she maintains full and complete control of the taxicab at all times.

3. Except as otherwise provided in NAC 706.5551 to 706.5569, inclusive, a certificate holder may not enter into a:

(a) Contract for sale;

(b) Conditional sale; *or*

(c) Chattel mortgage, ~~or~~

~~—(d) Lease, or~~

↪ with an employee of the certificate holder concerning any taxicab registered to the certificate holder.

4. Except as otherwise provided in *NAC 706.546, paragraph (b) of subsection 2 of NAC 706.552 and* NAC 706.5551 to 706.5569, inclusive, a taxicab driver must be a certificate holder or the employee of a certificate holder.

Sec. 30. NAC 706.501 is hereby amended to read as follows:

706.501 1. Electronic meters must have all phases of the “LED” or “LCD” digits working properly.

2. The face of the taximeter must be of sufficient transparency that the fare recording device can be read by passengers and must be free of any obstruction. ~~{All meters purchased after January 1, 1989, must have the numerals displayed in a color which can be read from outside the taxicab.}~~

3. Every certificate holder shall equip its taxicabs with one or more amber lights on top of the taxicab which are plainly visible ~~{}~~ *during the daylight from a distance of 100 feet.* These lights must connect to a contact switch attached to the taximeter and must automatically

illuminate when the taximeter is not in operation. These lights must operate independently from the cruising lights and are considered as part of the meter.

~~{4. Every electronic taximeter must be connected to an amber light located in the rear window of the taxicab and the light must be visible through all windows of the taxicab. This light must be visible during the daylight from a distance of 100 feet. The light must automatically illuminate when the taximeter is not in operation and is considered part of the meter.}~~

Sec. 31. NAC 706.504 is hereby amended to read as follows:

706.504 1. A certificate holder shall not place a taxicab in passenger service at any time unless the taximeter has been inspected and sealed by the Authority . ~~{at both the taximeter and transmission.}~~

2. ~~{If a certificate holder removes a seal affixed by the Authority, he or she will return the broken seal to the Authority upon inspection.}~~

~~—3.}~~ Any taxicab found by the Authority to have:

- (a) A defective or inaccurate taximeter;
- (b) A taximeter that shows signs of having been tampered with; or
- (c) A taximeter with ~~{either}~~ *any physical* seal removed,

↪ must be placed out of service and will not be put back into service until inspected and approved by the Authority.

Sec. 32. NAC 706.510 is hereby amended to read as follows:

706.510 1. The Administrator may , ~~{confiscate a daily trip sheet}~~ at any time for good cause ~~{after first furnishing the certificate holder, driver or independent contractor with a duplicate or substitute copy of the}~~ , *request from a certificate holder any trip sheet required to*

be maintained by the certificate holder pursuant to NRS 706.8844 or any information contained within such a trip sheet.

2. A ~~{simple receipt for a confiscated trip sheet is sufficient if the sheet is confiscated more than}~~ *certificate holder shall provide to the Administrator any information or trip sheet requested pursuant to subsection 1 within* 10 days after the date of the ~~{sheet.}~~ *request.*

Sec. 33. NAC 706.519 is hereby amended to read as follows:

706.519 1. In addition to the requirements of NRS 706.8842, an applicant must:

(a) Meet the requirements of the Federal Motor Carrier Safety Regulations, 49 C.F.R. 391.41 to 391.49, inclusive.

(b) Provide to the Administrator a copy of a health certificate valid for ~~{at least}~~ *not more than* 2 years. If the health certificate expires before the proposed date of expiration of the applicant's permit, the applicant must obtain a new health certificate and provide a copy to the Administrator before issuance of the permit.

2. This section applies both to new applicants and applicants for renewal.

Sec. 34. NAC 706.525 is hereby amended to read as follows:

706.525 1. If the Administrator determines that an applicant meets all the requirements of NRS 706.8841 and 706.8842 and the regulations of the Authority, he or she shall issue ~~{an annual}~~ *the applicant a* permit. ~~{Annual permits are}~~ *A permit is* valid for ~~{1-year}~~ *2 years* after the date of application, unless *the permit is* suspended or revoked.

2. ~~{Annual permits, if they have}~~ *A permit that has* expired ~~{, are}~~ *is* not renewable.

Sec. 35. NAC 706.531 is hereby amended to read as follows:

706.531 1. A driver or independent contractor shall display his or her permit to the left of the rate schedule in the ~~{bracket or}~~ holder provided for that purpose at all times while on duty.

2. The permit must be displayed in an upright position and facing the passenger for an unobstructed view and so it may be easily read.

Sec. 36. NAC 706.543 is hereby amended to read as follows:

706.543 During a driver's or independent contractor's period of duty, he or she shall, in addition to the requirements of NRS 706.8845:

1. Not engage in verbal arguments or acts of physical violence.
2. Refrain from backing into position in any taxicab stand.
3. Refrain from loading passengers at any establishment where a taxicab stand has been established unless the driver or independent contractor has been through the rotation of the stand.

This provision does not apply if:

- (a) There are no taxicabs on the stand; or
 - (b) The taxicab is operating via an electronic hailing service which connects passengers directly to a driver or independent contractor.
4. Not permit more than two passengers in the front seat of the driver's or independent contractor's taxicab and not permit more than ~~five~~ six passengers in his or her taxicab at any one time.
 5. Not knowingly operate a taxicab equipped with a faulty or inaccurate taximeter, or that shows signs of having been tampered with.
 6. Not operate a taxicab in which the taximeter is not sufficiently illuminated or the face obscured to the extent that the entire fare recording device cannot be easily seen by the passenger.
 7. Not operate a taxicab in which the taximeter does not have a properly attached seal as affixed by the Administrator.

8. Not operate a taxicab that does not have ~~properly affixed~~ a valid medallion or lease medallion ~~has~~ issued by the Administrator ~~+~~ *and displayed in accordance with NAC 706.489.*

9. Not operate a taxicab when any illness or physical or mental disorder may impair his or her safe operation of a taxicab.

10. Not operate a taxicab while taking drugs that may impair his or her ability safely to operate a taxicab.

11. Keep a complete and accurate trip sheet as prescribed in NAC 706.510 and 706.549 and NRS 706.8844.

12. Not display or distribute any advertising within or on the driver's or independent contractor's taxicab which has not been authorized by his or her employer or the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive.

Sec. 37. NAC 706.546 is hereby amended to read as follows:

706.546 1. No certificate holder may *knowingly* allow a driver or independent contractor to operate a taxicab under any of the following conditions:

(a) When the driver's license of the taxicab driver or independent contractor is not in his or her possession or has been suspended or revoked by the Department of Motor Vehicles, until proof of reinstatement of driving privileges has been furnished to the Administrator;

(b) When a driver's permit has been denied or revoked by the Administrator or is under suspension as ordered by the Administrator;

(c) During the time that a driver or independent contractor shows temporary or permanent inability to meet the standards of NRS 706.8842;

- (d) When a driver or independent contractor is intoxicated or shows signs of having been drinking;
- (e) When a driver or independent contractor shows obvious effects of having taken drugs;
- (f) When a driver or independent contractor does not meet the prescribed minimum standards of dress and appearance as set forth by the certificate holder; or
- (g) When a driver or independent contractor does not possess a valid permit issued by the Administrator which authorizes him or her to be employed by the certificate holder or operate a taxicab, as applicable.

2. In case of unforeseen circumstances, a driver having a valid permit issued by the Authority who has not exceeded the hours of service established by NAC 706.549 may drive a period of duty for another company using the same dispatch facilities.

~~3. A driver who has driven more than 10 periods of duty for a company within a 30-day period must be carried as a permanent driver of that company.~~

Sec. 38. NAC 706.549 is hereby amended to read as follows:

706.549 1. A driver or independent contractor shall not work a period of duty longer than 12 consecutive hours except when under a charter or a trip, the charter or trip having commenced within a reasonable period before the end of the driver's or independent contractor's period of duty.

2. Under no circumstances may a driver or independent contractor work longer than 16 hours within a 24-consecutive hour period.

3. A driver or independent contractor who has completed a period of duty of 8 hours or more must not be knowingly permitted or required to resume driving unless the driver or independent contractor has been off duty for at least 8 consecutive hours.

4. A certificate holder shall not knowingly require or permit any driver or independent contractor to work longer than 12 consecutive hours, except as provided in subsection 1.

5. Each certificate holder shall provide an appropriate, accurate and operable time clock ~~[-~~
~~The time clock must be approved by the Authority before its use, and the~~ , *which may include, without limitation, an electronic time clock.* A certificate holder shall require ~~[-its drivers]~~ *each driver and independent contractor with whom it has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive, to* ~~[-time stamp their]~~ *record on his or her trip* ~~[-sheets]~~ *sheet using the time clock provided pursuant to this section:*

(a) *The time at which his or her period of duty began* at the beginning ~~[-and end of each]~~ of ~~[-their periods]~~ *each period* of duty ~~[-]~~ ; and

(b) *Unless the time clock provided by the certificate holder satisfies the requirements described in subsection 5 of NRS 706.8844, the time at which his or her period of duty ended at the end of each period of duty.*

Sec. 39. NAC 706.551 is hereby amended to read as follows:

706.551 Each driver and independent contractor shall conduct a search of the interior of his or her taxicab at ~~[-the termination of each trip-]~~ *reasonable intervals, but not less than two times during each period of duty.* If the driver or independent contractor discovers any *personal* property ~~[-of]~~ *belonging to* a passenger , *or the ownership of which is unknown,* in the taxicab, the driver or independent contractor shall immediately report the property discovered to the driver's employer or the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive, and, as soon as practicable, deliver the property to his or her employer or the certificate holder, as applicable.

The employer or certificate holder shall maintain the property in his or her possession and dispose of the property in the manner provided by law.

Sec. 40. NAC 706.552 is hereby amended to read as follows:

706.552 1. A taxicab driver or an independent contractor shall, in addition to the requirements of NRS 706.8849:

- (a) Ensure that the electronic taximeter of his or her taxicab is engaged while the taxicab is on hire.
- (b) Not solicit passengers by voice or action.
- (c) Not accept, directly or indirectly, a gratuity or any form of compensation from any person for diverting or attempting to divert a prospective customer from any commercial establishment.
- (d) Not knowingly operate a taxicab that is unsafe for passenger service.
- (e) Report immediately any inoperable or defective taximeters to the certificate holder or the certificate holder's representative.
- (f) Not divert or attempt to divert a prospective customer from any commercial establishment.
- (g) Except as authorized by the taxicab driver's employer, the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive, or the Authority, not permit any person, other than himself or herself, within his or her taxicab unless that person is a passenger who is actually being transported and is paying a fare.

2. A taxicab driver shall, in addition to the requirements of NRS 706.8849:

- (a) Upon changing employment from one certificate holder to another, present to the Administrator the taxicab driver's permit and a referral slip from his or her new employer for

issuance of a permit. Before commencing employment, a taxicab driver must present his or her taxicab driver's permit to his or her employer.

(b) Except as otherwise provided in NAC 706.546, not operate a taxicab within the jurisdiction of the Authority for a company other than the company listed on his or her driver's permit ~~or~~ *or the parent company of the company listed on his or her driver's permit.*

Sec. 41. NAC 706.5551 is hereby amended to read as follows:

706.5551 ~~1.~~ A certificate holder may lease a taxicab to an independent contractor pursuant to NRS 706.88396 and NAC 706.5551 to 706.5569, inclusive, provided that the:

~~(a)~~ *1.* Lease agreement *or lease agreement template* has been approved *or preapproved, as applicable,* by the Administrator pursuant to NAC 706.5555;

~~(b)~~ *2.* Independent contractor:

~~(1)~~ *(a)* Holds a driver's permit issued pursuant to NRS 706.8841; and

~~(2)~~ *(b)* Has obtained a medical examiner's certificate pursuant to NRS 706.8842; and

~~(c)~~ *3.* Taxicab which is leased under the lease agreement ~~bears~~ *has displayed in accordance with NAC 706.489* a lease medallion issued to the certificate holder pursuant to NAC 706.5565.

~~{2. — If a lease agreement executed pursuant to NAC 706.5551 to 706.5569, inclusive, terminates before the expiration date included in the lease agreement, the certificate holder shall notify the Authority in writing within 48 hours after the termination.}~~

Sec. 42. NAC 706.5557 is hereby amended to read as follows:

706.5557 1. A lease agreement entered into between a certificate holder and an independent contractor pursuant to NAC 706.5551 to 706.5569, inclusive, must:

(a) Be in writing and in a form approved by the Authority.

(b) Be signed by each party, or his or her representative, to the agreement.

(c) Identify the use to be made of the taxicab by the independent contractor and the consideration to be received by the certificate holder. The use to be made of a taxicab must conform to the authority granted by the certificate to operate the taxicab.

(d) Include language that the certificate holder and the independent contractor indemnify, release and hold harmless governmental agencies, including, without limitation, the Authority, from all claims arising from the lease agreement.

(e) Identify the taxicab to be leased under the lease agreement.

(f) Specifically state that the:

(1) Independent contractor is subject to all laws and regulations relating to the operation of a taxicab which have been established by the Authority and other regulatory agencies and that a violation of those laws and regulations will breach the lease agreement.

(2) Certificate holder is responsible for providing insurance for the taxicab which meets the requirements of NRS 706.8828.

(3) Lease agreement does not release the certificate holder from any of his or her duties or responsibilities set forth in this chapter and chapter 706 of NRS.

(4) Independent contractor:

(I) Shall comply with the requirements of subsections 1 to 4, inclusive, of NAC 706.549 concerning hours of service;

(II) Shall return the taxicab to the certificate holder not less than one time per ~~day~~ *week* to enable the certificate holder to comply with the requirements of NRS 706.8837 and 706.8838;

(III) Shall not transfer, assign, sublease or otherwise enter into an agreement for another person to operate the taxicab; and

(IV) Shall remit to the certificate holder all applicable taxes and fees required pursuant to NRS 706.8826 and NAC 706.5563 collected by the independent contractor from each passenger.

(5) Taxicab provided by the certificate holder pursuant to the lease agreement:

(I) Will be painted with the name and unit number of the certificate holder; and

(II) Is in good mechanical condition that will meet the requirements for operating taxicabs in this State and the county or other political subdivision in which the taxicab will be operated.

(g) Contain any other provision which the Authority deems necessary to protect the health and safety of the public.

2. A lease agreement entered into between a certificate holder and an independent contractor pursuant to NAC 706.5551 to 706.5569, inclusive, may contain a requirement for a security deposit that meets the requirements of NAC 706.5559.

3. If the Authority has reason to believe that a lease provision required by this section is being violated, the Authority may, upon at least 5 days' notice to the certificate holder or independent contractor, as applicable, and after a hearing unless waived by the certificate holder or independent contractor, as applicable:

(a) Order the certificate holder or independent contractor, as applicable, to cease and desist from any action taken in violation of the lease agreement;

(b) Impose an administrative fine as provided in subsection 2 of NRS 706.885; or

(c) Revoke or suspend the approval or preapproval granted pursuant to NAC 706.5555 for any lease agreements entered into by the certificate holder or independent contractor, as applicable.

Sec. 43. NAC 706.5559 is hereby amended to read as follows:

706.5559 1. A certificate holder may, as a condition of leasing a taxicab to an independent contractor, require the driver to deposit money with the certificate holder in an amount sufficient to secure the return of the taxicab in good condition.

2. ~~If a certificate holder collects a security deposit pursuant to subsection 1, the certificate holder shall ensure that the security deposit is maintained in an account separate from the account in which the operating capital of the certificate holder is maintained.~~

~~—3.—~~ Upon the termination or expiration of the lease agreement, the certificate holder shall reimburse the independent contractor the amount of the security deposit ~~and any interest accrued by the security deposit,~~ minus the costs of repairs made to the taxicab pursuant to subsection ~~4,~~ 3, if any ~~. If the cost of the repairs exceeds the amount of the security deposit, the certificate holder may retain any interest accrued on the security deposit in an amount equal to the difference between the cost of the repairs and the amount of the security deposit.~~

~~—4.—~~, *and any outstanding amount owed to the certificate holder pursuant to the lease agreement, if any.*

3. A certificate holder who, at the termination or expiration of the lease agreement, retains any amount from the security deposit authorized by this section must, within 30 days after the completion of any repairs made to the taxicab, provide the independent contractor with an itemized list of any repairs made to the taxicab and copies of receipts for such repairs in an amount equal to the amount that was retained.

Sec. 44. NAC 706.5565 is hereby amended to read as follows:

706.5565 1. A certificate holder may not lease a taxicab to an independent contractor pursuant to NAC 706.5551 to 706.5569, inclusive, unless a lease medallion *is* obtained from the Authority ~~is affixed to the taxicab.~~ *and displayed in accordance with NAC 706.489.*

2. Except as otherwise provided in this section, the Authority will issue a lease medallion to a certificate holder upon request.

3. A certificate holder may not:

(a) ~~Obtain a number of lease medallions issued pursuant to this section that exceeds one-half of the number of medallions otherwise issued to the certificate holder by the Authority;~~

~~—(b)—~~ Permit the combined operation by drivers and independent contractors of more taxicabs than the number of taxicabs allocated to the certificate holder by the Authority pursuant to NRS 706.8824; or

~~—(c)—~~ (b) Sell, transfer or mortgage a lease medallion issued pursuant to this section.

4. ~~A lease medallion obtained pursuant to this section must be affixed to a taxicab being leased by an independent contractor in such a manner and in such a place on the taxicab as directed by the Authority.~~

~~—5.—~~ If a lease medallion *that was issued as a metal plate* is lost, stolen or damaged, the certificate holder to whom the lease medallion was issued:

(a) Shall notify the Authority within 3 business days; and

(b) May request that the Authority provide the certificate holder with a replacement lease medallion. A replacement lease medallion ~~will~~ :

(1) May be issued by the Authority as a metal plate or digital credential.

(2) *Will* only be available from the Authority during the regular business hours of the Authority.

Sec. 45. NAC 706.669 is hereby amended to read as follows:

706.669 The accounts must include the original cost of all property which:

1. Is owned by the company and devoted to the company's taxicab operations;
2. Has an estimated service life of more than 1 year; and
3. Had an original cost of over ~~100~~ *\$5,000*.

Sec. 46. NAC 706.720 is hereby amended to read as follows:

706.720 1. Accounts for fixed assets include the original cost of property owned by the company which is devoted to the company's taxicab operations, having an estimated service life of more than 1 year and a cost of ~~100 or~~ more *than \$5,000*.

2. The cost of additions to and improvements of property leased from others, which are also includable in these accounts, must be recorded in subdivisions separate and distinct from those relating to owned property. Such additions or improvements must be included in the account for leasehold improvements described in NAC 706.729.

3. When the consideration given for property is other than cash, the value of the consideration must be determined on a cash basis. In the entry recording such a transaction, the actual consideration must be properly described to make it easily identifiable. The company must be prepared to furnish the Authority with details regarding the method used by the company to determine the cash value.

4. When property is purchased under a plan involving deferred payments, no charge may be made to the asset accounts for interest, insurance or other expenditures occasioned solely by that form of payment.

5. Upon a disposition or abandonment of any of these assets, the applicable asset account must be credited in the amount at which the asset was recorded and the amount must be debited as appropriate to the account for gain or loss on disposal of automotive equipment described in subsection 14 of NAC 706.816, or the account for gain on sale of assets, except automotive equipment described in subsection 4 of NAC 706.849.

Sec. 47. NAC 706.732 is hereby amended to read as follows:

706.732 The account for shop and garage equipment includes the cost of all hoists, electric motors, lathes, drill presses, air compressor equipment, tire changing equipment, wheel alignment equipment, welding sets, work benches and expensive special purpose tools which cost over ~~[\$100.]~~ **\$5,000**. This account must not include any hand or other portable tools which:

1. Are likely to be lost or stolen;
2. Have a value of ~~[\$100.]~~ **\$5,000** or less; or
3. Have a short life or period of use.

➔ Such items must be charged as appropriate to the account for repairs and maintenance described in paragraph (d) of subsection 6 of NAC 706.816 or the account for repairs and maintenance of shop and garage equipment described in subsection 11 of NAC 706.822.

Sec. 48. NAC 706.822 is hereby amended to read as follows:

706.822 The following accounts must be used by each company maintaining a shop or facilities for the repair and maintenance of company taxicabs:

1. The account for supervisors' salaries (shop and garage) includes the salaries incurred in the supervision and direction of shop and garage activities.
2. The account for wages (shop and garage) includes the salaries and wages of shop and garage employees for the repair of company taxicabs and facilities, except for the salaries and

wages of shop and garage supervisors which are included in the account described in subsection 1.

3. The account for vacation pay (shop and garage) includes all vacation pay paid to shop and garage personnel, both supervisors and nonsupervisors.

4. The account for payroll taxes (shop and garage) includes all payroll taxes of shop employees, both supervisors and nonsupervisors, including, but not limited to, FICA, FUTA, NUC and SIIS.

5. The account for payroll benefits (shop and garage) includes the costs incurred by the company for welfare and pension benefits of all its shop and garage employees.

6. The account for contract services (shop and garage) includes all costs incurred as a result of utilizing outside labor.

7. The account for depreciation (shop and garage equipment) includes the amount of depreciation applicable to all shop and garage equipment included in the account for shop and garage equipment described in NAC 706.732. This account also includes depreciation applicable to the account for other automotive equipment described in NAC 706.741, when such cars are used exclusively in connection with shop work.

8. The account for depreciation (fuel conversion plant) includes depreciation applicable to the use of any fuel conversion plant as included in the account for fuel conversion plants described in NAC 706.753.

9. The account for equipment rental (shop and garage) includes costs incurred by the company in the rental or leasing of shop and garage equipment used and useful to the company. This account must be maintained in such manner as will permit ready identification, analysis and

verification of all facts relevant to each item rented or leased, the costs of which have been included.

10. The insurance account for shop and garage includes the cost of insurance specifically for the coverage of shop and garage facilities.

11. The account for repairs and maintenance of shop and garage equipment includes all costs incurred in the maintenance and repair of shop and garage equipment and tools, other than internal labor costs included in the accounts described in subsections 1 and 2. This account also includes the costs incurred in the maintenance and repair of automotive equipment, other than taxicabs when that equipment is used exclusively in connection with shop work. This account also includes the cost of hand or portable tools which are easily lost or stolen, which have a value of ~~of \$100~~ \$5,000 or less, or have a short life.

12. The account for miscellaneous shop and garage expenses includes shop and garage costs not provided for in any of the foregoing accounts such as uniform charges, laundry, cleaning rags and solvent for washing parts. This account must be maintained in such manner as will permit ready identification, analysis and verification of all facts relevant to each class of items included. Appropriate subaccounts may be employed for this purpose.

13. The telephone account includes telephone expense applicable or attributable to maintaining shop and garage facilities.

14. The account for transferred internal costs (shop and garage) includes the internal costs transferred from the various other functional divisions to shop and garage expense. Costs transferred to this account must be either actual or on a percentage basis provided such percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

Sec. 49. NAC 706.846 is hereby amended to read as follows:

706.846 1. The account for office expenses must include all costs for office supplies and miscellaneous office expenses incurred in connection with the company's taxicab operations such as:

- (a) Bank service charges.
- (b) Cash shortages.
- (c) Books, periodicals, bulletins and subscriptions to newspapers, newsletters and tax services.
- (d) Membership fees and dues in trade, technical and professional associations.
- (e) Office supplies and expenses, postage, printing and stationery.
- (f) Cost of individual items of office equipment used by general departments which have a short useful life or a value of ~~100~~ \$5,000 or less.

↪ Appropriately entitled subaccounts must be maintained for each class of expense included in this account with sufficient detail and description contained so as to permit ready identification.

2. The telephone account includes all telephone expenses not charged to any other functional division.

3. The account for travel expenses includes all fuel and oil, operating maintenance, replacement parts and repair costs incurred, applicable to vehicles other than taxicabs, or cars connected with shop work, or supervisors' cars. This account also includes other travel expenses necessary to the operation of a taxicab company.

4. The utilities account includes items such as power, electricity, gas, water, garbage disposal and sewage rental. It does not include telephone rental or tolls.

5. The account for miscellaneous general and administrative expenses includes any cost of outside labor, materials or other cost incurred by the company in connection with its general management if the cost is not provided for elsewhere in these regulations. This account must be maintained with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

Sec. 50. NAC 706.876 is hereby amended to read as follows:

706.876 1. NAC 706.876 to 706.990, inclusive:

(a) Govern all practice and procedure before the Taxicab Authority and the Administrator unless otherwise directed by the Authority or Administrator.

(b) Must be liberally construed to secure just, speedy and economical determination of all issues presented to the Authority.

2. *To the extent that any action before the Authority is not covered by the provisions of NAC 706.876 to 706.990, inclusive, the Authority may, to the extent it deems appropriate, use the applicable rule of the Nevada Rules of Civil Procedure.*

3. In cases, where good cause appears, not contrary to statute, the Administrator or the Authority may permit deviation from the rules if it finds compliance impracticable or unnecessary.

Sec. 51. NAC 706.912 is hereby amended to read as follows:

706.912 When the subject matter of any desired relief is not specifically covered by NAC 706.876 to 706.975, inclusive, an application *or petition* seeking such relief and stating the reason for it may be filed, and will be handled in the same manner as other applications ~~H~~ *or petitions, as applicable.*

Sec. 52. NAC 706.948 is hereby amended to read as follows:

706.948 1. In conducting any investigation, inquiry or hearing, neither the Authority nor any of its officers or employees are bound by the technical rules of evidence, and no informality in any proceeding or in the manner of taking of testimony will invalidate any order, decision, rule or regulation made, approved or confirmed by the Authority or Administrator. Rules of evidence before the courts of Nevada will be generally followed but may be relaxed in the discretion of the Authority, presiding officer or Administrator when deviation from the technical rules of evidence will aid in ascertaining the facts.

2. A copy of each documentary exhibit must be furnished to each party of record present, and nine additional copies must be furnished for the use of the Authority. Where relevant and material matter offered in evidence is embraced in a written or printed statement, book or document of any kind containing other matter not material or relevant and not intended to be put in evidence, such statement, book or document in whole must not be received or allowed to be filed, but counsel and other parties offering it must present in convenient and proper form for filing, a copy of such material and relevant matter, or at the discretion of the presiding officer, read it into the record, and that only will be received and allowed to be filed as evidence and made part of the record. Whenever practicable, the parties should interchange copies of exhibits before, or after the commencement of the hearing. Any documentary evidence offered, whether in the form of exhibit or introduced by reference, is subject to appropriate and timely objection.

3. With the approval of the presiding officer, a witness may read into the record his or her testimony on direct examination. Before any prepared testimony is read, unless excused by the presiding officer, the witness shall deliver copies thereof to the presiding officer, the reporter and all counsel or parties. Admissibility is subject to the rules governing oral testimony. If the presiding officer deems that a substantial saving in time will result and where the parties so

agree, prepared testimony may be copied into the record without reading, provided that the copies have been served upon all parties and the Authority 5 days before the hearing or that such prior service is waived. All parties and the Authority staff shall be prepared for cross-examination with respect to direct testimony upon its presentation for the record, whether such testimony is delivered orally, read into the record or copied into the record in accordance with this section.

4. Resolutions properly authenticated of the governing bodies of cities, towns, counties, and other municipal corporations, and of chambers of commerce, boards of trade, commercial, mercantile, agricultural, or manufacturing societies and other civic organizations will be received in evidence if offered at the hearing by the president, secretary or other proper person. Such resolutions will be received subject to rebuttal by adversely affected parties as to either the authenticity of the resolution or the circumstances surrounding its procurement. Recitals of fact contained in resolutions are not proof of those facts, and resolutions may only be received for the limited purpose of showing the expression of the official action of the resolving body with respect to the matter under consideration in the proceeding.

5. When a party desires to offer in evidence any portion of the oral testimony, exhibits, order, decision or record in any other proceeding before the Authority or Administrator, such portion must be plainly designated in the record and, if admitted, shall be deemed to be a part of the oral testimony in the immediate proceeding without physical production and marking for identification.

6. As used in this section, “relevant” means evidence or information that is:

(a) Directly related to the subject matter of a proceeding; and

(b) Has any tendency to make the existence of any fact that is of consequence to a determination by the presiding officer more or less probable than it would be without the evidence or information.

Sec. 53. NAC 706.972 is hereby amended to read as follows:

706.972 1. An application for a rehearing must be filed with the Administrator not later than 30 days after the effective date of the order upon which rehearing is requested.

2. Rehearings will be conducted in accordance with the procedure at regular hearings, subject to the discretion of the Authority or Administrator.

3. The filing of a petition for rehearing does not excuse compliance with the order nor suspend the effectiveness of such order unless otherwise ordered ~~by~~ *by the Authority, Administrator or presiding officer, as applicable, upon a showing of good cause.*