

NEVADA LEGISLATURE
LEGISLATIVE COMMISSION'S SUBCOMMITTEE TO STUDY THE
ALLOCATION OF LIMOUSINES (A.B. 518)
SUMMARY MINUTES AND ACTION REPORT

The third and final meeting of the Legislative Commission's Subcommittee to Study the Allocation of Limousines was held on Thursday, April 15, 2004, at 9 a.m. in Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([EXHIBIT A](#)) and other substantive exhibits, is available on the Nevada Legislature's Web site at www.leg.state.nv.us/Session/72nd2003/Interim. In addition, copies of the audio record may be purchased through the Publications Office, Legislative Counsel Bureau (LCB) (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

SUBCOMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblywoman Vonne Chowning, Chairwoman
Senator Maggie Carlton
Senator Warren B. Hardy
Senator Joseph M. Neal
Assemblyman Bob Beers
Assemblyman Jerry D. Claborn
Assemblyman Harry Mortenson

SUBCOMMITTEE MEMBERS ABSENT:

Assemblyman Walter Andonov, Excused

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Brian L. Davie, Legislative Services Officer, LCB, Las Vegas Office
Brenda Erdoes, Chief Deputy Legal Counsel, Legal Division, LCB
Joyce Garrett, Program Analyst, Fiscal Division, LCB
Melisa Aguon, Secretary/IS Support Specialist, LCB, Las Vegas Office

OPENING REMARKS

Assemblywoman Chowning opened the meeting and identified the Subcommittee members present, noting that Assemblyman Walter Andonov was excused and Senator Maggie Carlton would be arriving later in the meeting. She welcomed the members and public to the third and final meeting of the 2003-2004 interim.

PUBLIC TESTIMONY

- Dave Kimball, Deputy Commissioner, Transportation Services Authority (TSA), noted changes to the agency's original minimum requirements for an allocation system as presented at the second meeting held April 5, 2004. He indicated that the TSA found a way to lower the additional limousine annual fee to \$600. Furthermore, the TSA has considered the need to outsource the development of the allocation system at a cost of \$50,000.

Please see [EXHIBIT B](#) for details of Mr. Kimball's remarks.

- Keith Sakelhide, Esq., Docket Manager, TSA, suggested changes to the language of A.B. 518 regarding the use of the terms *livery limousine* and *traditional limousine*. He explained that the use of those terms may subject certain specific carriers that were not intended to be included, such as special service authority vehicles, off-road tour operators, airport transfer services and non-emergency medical transport services, to an allocation system and additional fees. Mr. Sakelhide further explained that the revised work session document defined the allocation system in terms of charter service by limousine.
- James Jimmerson served several years as the appointed chairperson of the Taxicab Authority. He returned to private practice and is the newest licensee of the limousine industry. By virtue of his background, Mr. Jimmerson discussed matters involving the taxicab and limousine industries and commented on related issues regarding driver conduct and public safety. He spoke in support of the TSA's funding proposal in the amount of \$50,000 and agreed with the annual fee of \$600.
- Brent Bell, President, Whittlesea Bell Transportation, also spoke in support of the TSA's allocation scheme and added that an allocation system would not freeze out competition. He stated it would provide controlled growth to benefit the entire limousine industry. Please see [EXHIBIT C](#) for details of Mr. Bell's remarks.
- Brad Balaban, President, On Demand Sedan & Limousine, agreed with Mr. Bell and indicated the company's support of the allocation system. He told the Subcommittee that the allocation system would place his company on a level playing field with other limousine operators. Mr. Balaban also shared concerns regarding chauffeur conduct and tariff violations as a result of intense competition between limousine companies.
- Randy King, General Manager, CLS Transportation, stated his company was also in support of the allocation system and a limousine annual fee of \$600.
- Norman Ty Hilbrecht supported the proposed budget and suggested the Subcommittee consider adding a trip charge similar to that of the taxicab industry.
- Ray Chenoweth of Ambassador Limousine would like to see regulations dealing with limousine driver misconduct. Mr. Chenoweth remarked that he would support the allocation system. However, he disagreed with the idea of adding a trip charge, stating the results would cause additional accounting responsibilities and unwarranted tracking of fees.
- Art McGill, General Manager, Las Vegas Limousines, supported the need for an allocation system and would agree to pay the annual fee of \$600.
- Mark Risman asked the Subcommittee to consider an incentive program to reward limousine companies providing good service to the public. Mr. Risman spoke in support of expanding the allocation system, but voiced concerns about the current allocation system interfering with free enterprise.
- A.R. Fairman of Budget Chauffeur Drive asked the Subcommittee if companies would have to pay an additional fee of \$600 on vehicles, including leased vehicles, in northern Nevada.
- Brian L. Davie, Legislative Services Officer, LCB, clarified that the allocation system, if approved, would be implemented for counties whose population is 400,000 or more.

WORK SESSION ON RECOMMENDATIONS CONCERNING ISSUES BEFORE THE SUBCOMMITTEE

Brian L. Davie, Legislative Services Officer, LCB, explained the design of the work session document and its intent to assist the Subcommittee members in their decision-making process. The document lists possible actions regarding 1) The Allocation System and Budgetary Needs; and 2) Other Subcommittee Recommendations. Please see [EXHIBIT D](#) for details of Mr. Davie's explanation.

The Subcommittee **TOOK THE FOLLOWING ACTION:**

ASSEMBLYMAN CLABORN MOVED THAT THE SUBCOMMITTEE RECOMMEND THAT AN ALLOCATION SYSTEM BE APPROPRIATE FOR THE ISSUANCE OF CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR LIMOUSINES OPERATED IN A COUNTY WHOSE POPULATION IS 400,000 OR MORE; AND TO HAVE THE SUBCOMMITTEE ADVISE THE LEGISLATIVE COMMISSION TO PROVIDE TO THE TSA ITS RECOMMENDATION THAT THE TSA SHOULD ESTABLISH BY REGULATION A SYSTEM OF ALLOCATIONS FOR CARRIERS HOLDING CERTIFICATES FOR CHARTER SERVICE BY LIMOUSINES AS DEFINED BY NAC 706.036. THE SUBCOMMITTEE FINDS THAT THE BUDGETARY NEEDS OF THE TSA ARE NOT BEING MET AT A LEVEL THAT ENSURES OPTIMUM REGULATION OF LIMOUSINES, AND THAT LIMOUSINE OPERATORS COULD SUPPORT REASONABLE, ADDITIONAL REGULATORY FEES FOR THE ADMINISTRATION OF AN ALLOCATION SYSTEM. THE SUBCOMMITTEE, THEREFORE, RECOMMENDS THE DRAFTING OF LEGISLATION TO INCREASE THE ANNUAL LIMOUSINE LICENSE FEE TO \$600. THE MOTION WAS SECONDED BY ASSEMBLYMAN BEERS AND CARRIED WITH SENATOR CARLTON VOTING NO.

The Subcommittee **TOOK THE FOLLOWING ACTION:**

SENATOR HARDY MADE A MOTION THAT THE SUBCOMMITTEE RECOMMEND THAT THE LEGISLATIVE COMMISSION RECOMMEND, AND THE INTERIM FINANCE COMMITTEE CONSIDER AND APPROVE, AN APPROPRIATION OF \$50,000 FROM THE CONTINGENCY FUND, OR OTHER APPROPRIATE SOURCE, TO THE TSA FOR A STUDY TO ESTABLISH THE CRITERIA FOR AN ALLOCATION SYSTEM FOR THE REGULATION OF LIMOUSINES IN A COUNTY WHOSE POPULATION IS 400,000 OR MORE. THE APPROPRIATION SHALL BE MADE CONTINGENT UPON REPAYMENT OF THAT AMOUNT TO THE CONTINGENCY FUND IF AND WHEN THE ANNUAL LIMOUSINE LICENSE FEE IS INCREASED BY THE 2005 SESSION. THE MOTION WAS SECONDED BY ASSEMBLYMAN MORTENSON AND CARRIED WITH SENATOR CARLTON VOTING NO.

The Subcommittee **TOOK THE FOLLOWING ACTION:**

SENATOR HARDY MOVED THAT THE SUBCOMMITTEE RECOMMEND THAT THE TSA ADOPT REGULATIONS TO MAINTAIN THE CURRENT ALLOCATION SYSTEM UNDER SECTION 9 OF A.B. 518, AND BE ENCOURAGED TO USE THE TIME BETWEEN JULY 1, 2004, AND THE BEGINNING OF THE 2005 SESSION OF THE NEVADA LEGISLATURE TO CONDUCT THE CRITERIA STUDY AND DEVELOP REGULATIONS TO FULLY IMPLEMENT AN ALLOCATION SYSTEM IF AND WHEN THE ANNUAL LIMOUSINE LICENSE FEE IS INCREASED. THE MOTION WAS SECONDED BY ASSEMBLYMAN CLABORN AND CARRIED WITH SENATOR CARLTON VOTING NO.

The Subcommittee **TOOK THE FOLLOWING ACTION:**

SENATOR HARDY MOVED THAT THE SUBCOMMITTEE RECOMMEND THAT LEGISLATION BE DRAFTED TO CLARIFY THAT THE ANNUAL LIMOUSINE LICENSE FEE IN NRS 706.465 APPLIES TO A CHARTER SERVICE BY LIMOUSINE AS DEFINED BY NAC 706.036. THE MOTION WAS SECONDED BY ASSEMBLYMAN CLABORN AND CARRIED UNANIMOUSLY.

DISCUSSION OF FINAL REPORT AND DIRECTION TO STAFF

Brian L. Davie, Legislative Services Officer, LCB, provided the Subcommittee with a proposed outline for the final report ([EXHIBIT F](#)), to be reported to the 73rd Session of the Nevada Legislature.

The Subcommittee **TOOK THE FOLLOWING ACTION:**

ASSEMBLYMAN CLABORN MOVED THAT THE SUBCOMMITTEE ADOPT THE PROPOSED OUTLINE OF FINAL REPORT. THE MOTION WAS SECONDED BY SENATOR HARDY AND CARRIED UNANIMOUSLY.

ADJOURNMENT

There being no further business to come before the Subcommittee, the meeting was adjourned at 11:33 a.m.

Respectfully submitted,

Melisa Aguon
Secretary/IS Support Specialist

Brian L. Davie
Legislative Services Officer

APPROVED BY:

Assemblywoman Vonne Chowning, Chairwoman

Date: _____

LIST OF EXHIBITS

Exhibit A is the Meeting Notice and Agenda provided by Brian L. Davie, Legislative Services Officer, Administrative Division, Legislative Counsel Bureau, Las Vegas, Nevada.

Exhibit B is a document titled, "Minimum Requirements for Allocation System," provided by Dave Kimball, Deputy Commissioner, Transportation Services Authority, Las Vegas, Nevada.

Exhibit C is a copy of a magazine article from Limousine & Chauffeured Transportation, September 2002, provided by Brent Bell, President, Whittlesea Bell Transportation, Las Vegas, Nevada.

Exhibit D is a document titled "Work Session Document (Revised)" provided by Brian L. Davie, Legislative Services Officer, Administrative Division, Legislative Counsel Bureau, Las Vegas, Nevada.

Exhibit E is copy of the Nevada Revised Statutes and Nevada Administrative Code specific to Limousines provided by Brian L. Davie, Legislative Services Officer, Administrative Division, Legislative Counsel Bureau, Las Vegas, Nevada.

Exhibit F is a document titled "Proposed Outline of Final Report," provided by Brian L. Davie, Legislative Services Officer, Administrative Division, Legislative Counsel Bureau, Las Vegas, Nevada.

Exhibit G is a copy of a memorandum dated April 14, 2004, titled "Response to Request for Information from the April 5, 2004 Subcommittee Meeting," provided by Joyce Garrett, Program Analyst, Fiscal Division, Legislative Counsel Bureau, Carson City, Nevada.

This set of "Summary Minutes and Action Report" is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library by [e-mail \(www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm\)](mailto:www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm) or telephone: 775/684-6827.

