### PROPOSED REGULATION OF THE

### NEVADA TRANSPORTATION AUTHORITY

#### LCB File No. R012-19

July 17, 2019

EXPLANATION - Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §1, NRS 706A.100, 706A.110, 706A.140 and 706A.240.

A REGULATION relating to transportation network companies; revising provisions relating to the annual regulatory assessment paid by a transportation network company; and providing other matters properly relating thereto.

# **Legislative Counsel's Digest:**

Existing law requires the Nevada Transportation Authority to levy and collect an annual regulatory assessment from each transportation network company at a rate determined by the Authority based on the gross operating revenue derived from the intrastate operations of the company in this State. (NRS 706A.140) Existing regulations set forth the annual regulatory assessment for a transportation network company in each of several ranges of gross operating revenue. (NAC 706A.190) This regulation revises the amount of the annual regulatory assessment due from a transportation network company and revises the limits of gross revenue for each of those ranges.

## **Section 1.** NAC 706A.190 is hereby amended to read as follows:

706A.190 1. One year after the date of issuance of a permit to a transportation network company, the company shall, within 10 days and annually thereafter on or before July 10, submit to the Authority a statement of the category described in subsection 2 which includes the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company for that year of operation. Upon receipt of the statement, the Authority will, within 10 days, issue to the transportation network company a notice of its annual regulatory assessment determined pursuant to subsection 2.

The annual regulatory assessment described in subsection 1 must be calculated on the basis of the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company as described in the following schedule: (a) For a company with an annual gross operating revenue of (b) For a company with an annual gross operating revenue of more than  $\frac{\$250,000}{\$390,625}$  but not more than  $\frac{\$500,000}{\$500,000}$ (c) For a company with an annual gross operating revenue of more than  $\frac{\$500,000}{\$781,250}$  but not more than  $\frac{\$1,000,000}{\$1,000,000}$ \$1,562,000 [\$50,000] \$21,875 (d) For a company with an annual gross operating revenue of more than [\$1,000,000] \$1,562,000 but not more than [\$2,000,000]\$3,125,000 [\$100,000] \$43,750 (e) For a company with an annual gross operating revenue of more than [\$2,000,000] \$3,125,000 but not more than [\$4,000,000]\$6,250,000 [\$200,000] \$87,500 (f) For a company with an annual gross operating revenue of more than  $\frac{\$4,000,000}{\$6,250,000}$  but not more than  $\frac{\$6,000,000}{\$6,000,000}$ \$12,500,000 [\$350,000] \$175,000 (g) For a company with an annual gross operating revenue of

\$25,000,000 [\$425,000] \$350,000

more than [\$6,000,000] \$12,500,000 but not more than [\$10,000,000]

- (h) For a company with an annual gross operating revenue of more than [\$10,000,000] \$25,000,000 but not more than [\$16,000,000] \$50,000,000 [\$515,000] \$700,000
- (i) For a company with an annual gross operating revenue of more

than [\$16,000,000] \$50,000,000 [\$1,200,000] \$1,400,000

- → The Authority will annually reevaluate the schedule described in this subsection based upon the total revenues generated from the fees set forth in NAC 706A.150 and the expenses of the Authority for the regulation of transportation network companies.
- 3. Except as otherwise provided in subsection 4, payment of an annual regulatory assessment is due:
- (a) Within 11 days after the Authority issues to a transportation network company the notice of its first annual regulatory assessment; and
  - (b) On or before July 31 of each subsequent year.
- 4. A transportation network company, upon written notice to the Authority, may make quarterly payments, each in the amount of one quarter of the annual regulatory assessment due. Such payments must be made on or before July 31 and on or before October 31 of the year the Authority issues the annual regulatory assessment and on or before January 31 and on or before April 30 of the subsequent year.

- 5. On or before May 15 of each year, each transportation network company shall, pursuant to NRS 706A.240, submit an annual report to the Authority, on a form prescribed by the Authority, which must include, for the preceding calendar year:
- (a) A description of the services performed in this State by the transportation network company;
- (b) The number of trips arranged in this State using the digital network or software application service of the transportation network company;
- (c) The total number of drivers for which the transportation network company provided notice to the Authority pursuant to subsection 2 of NAC 706A.180, reported separately for each month;
- (d) The category described in subsection 2 which includes the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company for that year of operation; and
- (e) A description of any new products launched in this State by the transportation network company.
- 6. Each annual report submitted by a transportation network company pursuant to subsection 5 is confidential and must not be disclosed to any person other than an employee of the Authority.
- 7. As used in this section, the term "gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company" does not include any revenue that is paid or in any other manner transferred to a driver.