

ASSEMBLY BILL NO. 240—ASSEMBLYMEN TOLLES, WHEELER;  
EDWARDS, ELLISON, HAMBRICK, KRAMER, MARCHANT,  
OSCARSON, PICKARD AND TITUS

FEBRUARY 24, 2017

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JOINT SPONSORS: SENATORS HAMMOND, GUSTAVSON, PARKS;  
FARLEY, GANSERT, HARDY, ROBERSON AND SETTELMAYER

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Referred to Committee on Transportation

SUMMARY—Makes various changes relating to transportation.  
(BDR 58-742)

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

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

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AN ACT relating to transportation; revising the declaration of legislative purpose and policy governing the regulation of certain motor carriers; removing the requirement for certain motor carriers of passengers to file with the Nevada Transportation Authority certain schedules, tariffs, rates, fares and charges; removing restrictions on the provision of free or reduced rates by certain motor carriers of passengers; revising the criteria for granting or modifying certificates of public convenience and necessity for certain motor carriers; revising provisions governing the holding of, and participation as an intervenor in, a hearing on an application for such a certificate; revising provisions governing the filing of an application for a certificate of public convenience and necessity by a person whose previous application has been denied; and providing other matters properly relating thereto.



**Legislative Counsel's Digest:**

1 Existing law provides for the regulation of certain motor carriers in this State  
2 by the Nevada Transportation Authority. (NRS 706.011-706.791) The Authority is  
3 required to carry out its duties in accordance with certain purposes and policies  
4 declared by the Legislature, which include, without limitation: (1) providing fair  
5 and impartial regulation; (2) promoting safe, adequate, economical and efficient  
6 service; (3) fostering sound economic conditions in the motor carrier industry; and  
7 (4) discouraging practices which would tend to increase or create detrimental  
8 competition in motor transportation. (NRS 706.151) **Section 1** of this bill revises  
9 these purposes and policies to state that the Legislature intends to provide for fair  
10 and impartial regulation and to promote safe service in motor transportation.

11 Existing law requires every common or contract motor carrier to file with the  
12 Authority schedules and tariffs that must include all rates, fares and charges which  
13 the carrier has established. No changes may be made to those schedules without  
14 notice to the Authority, and the Authority may investigate any of the rates, fares  
15 and charges filed by a carrier. After a hearing, the Authority may order changes as  
16 may be just and reasonable. (NRS 706.321) **Section 2** of this bill removes from the  
17 requirement to file schedules and tariffs all common motor carriers of passengers,  
18 except taxicab motor carriers, and all contract carriers of passengers.

19 Existing law makes it unlawful for a fully regulated carrier to furnish free or  
20 reduced rates for transportation of persons or property, with certain enumerated  
21 exceptions, including, without limitation, for charitable organizations or purposes.  
22 (NRS 706.351) **Section 3** of this bill: (1) removes all restrictions on furnishing free  
23 or reduced rates for transportation of persons; and (2) retains the existing  
24 restrictions on furnishing free or reduced rates for transportation of property, along  
25 with the existing exceptions to those restrictions.

26 Existing law provides that it is unlawful for certain motor carriers to conduct  
27 operations unless the motor carrier has obtained a certificate of public convenience  
28 and necessity from the Authority. (NRS 706.386) The Authority is required to: (1)  
29 fix a time and place for a hearing on an application for a certificate of public  
30 convenience and necessity; and (2) grant the application if the Authority finds that  
31 the applicant and its proposed operations satisfy certain criteria. (NRS 706.391)  
32 **Section 4** of this bill makes the fixing of a time and place for a hearing  
33 discretionary and revises those criteria by eliminating requirements that the  
34 Authority find that the market which the applicant intends to serve will support the  
35 operations proposed by the applicant and that granting the application: (1) will  
36 foster sound economic conditions in the applicable industry; (2) will not  
37 unreasonably and adversely affect other motor carriers operating in the same  
38 territory as the applicant; and (3) will benefit the motor carrier business in this  
39 State. **Section 4** also requires the Authority to allow a person to intervene regarding  
40 such an application if the person has actual or constructive knowledge that the  
41 applicant poses a threat to the physical safety of the traveling public.

42 **Section 5** of this bill eliminates the requirement that a person whose application  
43 for a certificate of public convenience and necessity to operate as a motor carrier  
44 has been denied must wait 180 days before submitting a similar application.

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

1 **Section 1.** NRS 706.151 is hereby amended to read as follows:  
2 706.151 1. It is hereby declared to be the purpose and policy  
3 of the Legislature in enacting this chapter:



1 (a) Except to the extent otherwise provided in NRS 706.881 to  
2 706.885, inclusive, to confer upon the Authority the power and to  
3 make it the duty of the Authority to regulate fully regulated carriers,  
4 operators of tow cars and brokers of regulated services to the extent  
5 provided in this chapter and to confer upon the Department of Motor  
6 Vehicles the power to license all motor carriers and to make it the  
7 duty of the Department of Motor Vehicles and the Department of  
8 Public Safety to enforce the provisions of this chapter and the  
9 regulations adopted by the Authority pursuant to it, to relieve the  
10 undue burdens on the highways arising by reason of the use of  
11 the highways by vehicles in a gainful occupation thereon.

12 (b) To provide for reasonable compensation for the use of the  
13 highways in gainful occupations, and enable the State of Nevada, by  
14 using license fees, to provide for the proper construction,  
15 maintenance and repair thereof, and thereby protect the safety and  
16 welfare of the traveling and shipping public in their use of the  
17 highways.

18 (c) To provide for fair and impartial regulation ~~and~~ **and** to  
19 promote safe ~~adequate, economical and efficient~~ service ~~and to~~  
20 ~~foster sound economic conditions~~ in motor transportation.

21 (d) To encourage the establishment and maintenance of  
22 reasonable charges for:

23 (1) Intrastate transportation by fully regulated carriers; and

24 (2) Towing services performed without the prior consent of  
25 the owner of the vehicle or the person authorized by the owner to  
26 operate the vehicle,

27 **↳** without unjust discriminations against or undue preferences or  
28 advantages being given to any motor carrier or applicant for a  
29 certificate of public convenience and necessity.

30 ~~[(e) To discourage any practices which would tend to increase or~~  
31 ~~create competition that may be detrimental to the traveling and~~  
32 ~~shipping public or the motor carrier business within this State.]~~

33 2. All of the provisions of this chapter must be administered  
34 and enforced with a view to carrying out the declaration of policy  
35 contained in this section.

36 **Sec. 2.** NRS 706.321 is hereby amended to read as follows:

37 706.321 1. Except as otherwise provided in subsection 2,  
38 every **taxicab motor carrier**, common **motor carrier of property** or  
39 contract motor carrier **of household goods** shall file with the  
40 Authority:

41 (a) Within a time to be fixed by the Authority, schedules and  
42 tariffs that must:

43 (1) Be open to public inspection; and

44 (2) Include all rates, fares and charges which the carrier has  
45 established and which are in force at the time of filing for any



1 service performed in connection therewith by any carrier controlled  
2 and operated by it.

3 (b) As a part of that schedule, all regulations of the carrier that  
4 in any manner affect the rates or fares charged or to be charged for  
5 any service and all regulations of the carrier that the carrier has  
6 adopted to comply with the provisions of NRS 706.011 to 706.791,  
7 inclusive.

8 2. Every operator of a tow car shall file with the Authority:

9 (a) Within a time to be fixed by the Authority, schedules and  
10 tariffs that must:

11 (1) Be open to public inspection; and

12 (2) Include all rates and charges for towing services  
13 performed without the prior consent of the owner of the vehicle or  
14 the person authorized by the owner to operate the vehicle which the  
15 operator has established and which are in force at the time of filing.

16 (b) As a part of that schedule, all regulations of the operator of  
17 the tow car which in any manner affect the rates charged or to be  
18 charged for towing services performed without the prior consent of  
19 the owner of the vehicle or the person authorized by the owner to  
20 operate the vehicle and all regulations of the operator of the tow car  
21 that the operator has adopted to comply with the provisions of NRS  
22 706.011 to 706.791, inclusive.

23 3. No changes may be made in any schedule, including  
24 schedules of joint rates, or in the regulations affecting any rates or  
25 charges, except upon 30 days' notice to the Authority, and all those  
26 changes must be plainly indicated on any new schedules filed in lieu  
27 thereof 30 days before the time they are to take effect. The  
28 Authority, upon application of any carrier, may prescribe a shorter  
29 time within which changes may be made. The 30 days' notice is not  
30 applicable when the carrier gives written notice to the Authority 10  
31 days before the effective date of its participation in a tariff bureau's  
32 rates and tariffs, provided the rates and tariffs have been previously  
33 filed with and approved by the Authority.

34 4. The Authority may at any time, upon its own motion,  
35 investigate any of the rates, fares, charges, regulations, practices and  
36 services filed pursuant to this section and, after hearing, by order,  
37 make such changes as may be just and reasonable.

38 5. The Authority may dispense with the hearing on any change  
39 requested in rates, fares, charges, regulations, practices or service  
40 filed pursuant to this section.

41 6. All rates, fares, charges, classifications and joint rates,  
42 regulations, practices and services fixed by the Authority are in  
43 force, and are prima facie lawful, from the date of the order until  
44 changed or modified by the Authority.



1 7. All regulations, practices and service prescribed by the  
2 Authority must be enforced and are prima facie reasonable unless  
3 suspended or found otherwise in an action brought for the purpose,  
4 or until changed or modified by the Authority itself upon  
5 satisfactory showing made.

6 **Sec. 3.** NRS 706.351 is hereby amended to read as follows:

7 706.351 1. It is unlawful for:

8 (a) A fully regulated carrier to furnish any pass, frank, free or  
9 reduced rates for transportation *of property* to any state, city,  
10 district, county or municipal officer of this State or to any person  
11 other than those specifically enumerated in this section.

12 (b) Any person other than those specifically enumerated in this  
13 section to receive any pass, frank, free or reduced rates for  
14 transportation ~~H~~ *of property*.

15 2. This section does not prevent the carriage, storage or hauling  
16 free or at reduced rates of ~~passengers or~~ property for charitable  
17 organizations or purposes for the United States, the State of Nevada  
18 or any political subdivision thereof.

19 3. This chapter does not prohibit a fully regulated ~~common~~  
20 carrier from giving free or reduced rates for transportation of  
21 ~~persons to:~~

22 ~~—(a) Its own officers, commission agents or employees, or~~  
23 ~~members of any profession licensed under title 54 of NRS retained~~  
24 ~~by it, and members of their families.~~

25 ~~—(b) Inmates of hospitals or charitable institutions and persons~~  
26 ~~over 60 years of age.~~

27 ~~—(c) Persons with physical or mental disabilities who present a~~  
28 ~~written statement from a physician to that effect.~~

29 ~~—(d) Persons injured in accidents or motor vehicle crashes and~~  
30 ~~physicians and nurses attending such persons.~~

31 ~~—(e) Persons providing relief in cases of common disaster.~~

32 ~~—(f) Attendants of livestock or other property requiring the care of~~  
33 ~~an attendant, who must be given return passage to the place of~~  
34 ~~shipment, if there is no discrimination among shippers of a similar~~  
35 ~~class.~~

36 ~~—(g) Officers, agents, employees or members of any profession~~  
37 ~~licensed under title 54 of NRS, together with members of their~~  
38 ~~families, who are employed by or affiliated with other common~~  
39 ~~carriers, if there is an interchange of free or reduced rates for~~  
40 ~~transportation.~~

41 ~~—(h) Indigent, destitute or homeless persons when under the care~~  
42 ~~or responsibility of charitable societies, institutions or hospitals,~~  
43 ~~together with the necessary agents employed in such transportation.~~

44 ~~—(i) Students of institutions of learning, including, without~~  
45 ~~limitation, homeless students, whether the free or reduced rate is~~



~~1 given directly to a student or to the board of trustees of a school  
2 district on behalf of a student.~~

~~3 —(j) Groups of persons participating in a tour for a purpose other  
4 than transportation.] **passengers.**~~

5 4. This section does not prohibit common motor carriers from  
6 giving free or reduced rates for the transportation of property of:

7 (a) Their officers, commission agents or employees, or members  
8 of any profession licensed under title 54 of NRS retained by them,  
9 or pensioned former employees or former employees with  
10 disabilities, together with that of their dependents.

11 (b) Witnesses attending any legal investigations in which such  
12 carriers are interested.

13 (c) Persons providing relief in cases of common disaster.

14 (d) Charitable organizations providing food and items for  
15 personal hygiene to needy persons or to other charitable  
16 organizations within this State.

17 5. This section does not prohibit the Authority from  
18 establishing reduced rates, fares or charges for specified routes or  
19 schedules of any common motor carrier providing transit service if  
20 the reduced rates, fares or charges are determined by the Authority  
21 to be in the public interest.

22 6. Only fully regulated ~~common~~ carriers may provide free or  
23 reduced rates for the transportation of passengers or ~~household  
24 goods,] property~~ pursuant to the provisions of this section.

25 7. As used in this section, “employees” includes:

26 (a) Furloughed, pensioned and superannuated employees.

27 (b) Persons who have become disabled or infirm in the service  
28 of such carriers.

29 (c) Persons who are traveling to enter the service of such a  
30 carrier.

31 **Sec. 4.** NRS 706.391 is hereby amended to read as follows:

32 706.391 1. Upon the filing of an application for a certificate  
33 of public convenience and necessity to operate as a common motor  
34 carrier, other than an operator of a tow car, or an application for  
35 modification of such a certificate, the Authority ~~shall~~ **may** fix a  
36 time and place for a hearing on the application.

37 2. Except as otherwise provided in subsection ~~6,] 5,~~ the  
38 Authority shall grant the certificate or modification if it finds that:

39 (a) The applicant is financially and operationally fit, willing and  
40 able to perform the services of a common motor carrier ~~and that the  
41 operation of, and the provision of such services by, the applicant as  
42 a common motor carrier will foster sound economic conditions]~~  
43 within the applicable industry;

44 (b) The proposed operation or the proposed modification will be  
45 consistent with the legislative policies set forth in NRS 706.151;



1 (c) ~~{The granting of the certificate or modification will not~~  
2 ~~unreasonably and adversely affect other carriers operating in the~~  
3 ~~territory for which the certificate or modification is sought;~~

4 ~~—(d)}~~ The proposed operation or the proposed modification ~~{will~~  
5 ~~benefit and protect}~~ **is not inconsistent with** the safety and  
6 convenience of the traveling and shipping public ~~{and the motor~~  
7 ~~carrier business}~~ in this State;

8 ~~{(e)}~~ (d) The proposed operation, or service under the proposed  
9 modification, will be provided on a continuous basis;

10 ~~{(f)}~~ ~~The market identified by the applicant as the market which~~  
11 ~~the applicant intends to serve will support the proposed operation or~~  
12 ~~proposed modification; and~~

13 ~~—(g)}~~ **and**

14 (e) The applicant has paid all fees and costs related to the  
15 application.

16 3. ~~{The Authority shall not find that the potential creation of~~  
17 ~~competition in a territory which may be caused by the granting of~~  
18 ~~the certificate or modification, by itself, will unreasonably and~~  
19 ~~adversely affect other carriers operating in the territory for the~~  
20 ~~purposes of paragraph (c) of subsection 2.~~

21 ~~—4.}~~ In determining whether the applicant is fit to perform the  
22 services of a common motor carrier pursuant to paragraph (a) of  
23 subsection 2, the Authority shall consider whether the applicant has  
24 violated any provision of this chapter or any regulations adopted  
25 pursuant thereto.

26 ~~{5.}~~ 4. The applicant for the certificate or modification:

27 (a) Must submit a complete set of fingerprints of each natural  
28 person who is identified by the Authority as a significant principal,  
29 partner, officer, manager, member, director or trustee of the  
30 applicant and written permission authorizing the Authority to  
31 forward the fingerprints to the Central Repository for Nevada  
32 Records of Criminal History for submission to the Federal Bureau  
33 of Investigation for its report;

34 (b) Has the burden of proving to the Authority that the proposed  
35 operation will meet the requirements of subsection 2; and

36 (c) Must pay the **reasonable** amounts billed to the applicant by  
37 the Authority for the costs incurred by the Authority in conducting  
38 any investigation regarding the applicant and the application.

39 ~~{6.}~~ 5. The provisions of subsections 2 ~~{to 5, inclusive.}~~, 3 and  
40 4 do not apply to an owner or operator of a charter bus. The  
41 Authority shall grant the certificate or modification to an owner or  
42 operator of a charter bus that is not a fully regulated carrier if the  
43 Authority finds that the owner or operator of the charter bus has  
44 complied with the provisions of subsection 1 of NRS 706.463 and  
45 any applicable regulations of the Authority.



1 ~~[7.]~~ 6. The Authority may issue or modify a certificate of  
2 public convenience and necessity to operate as a common motor  
3 carrier, or issue or modify it for:

- 4 (a) The exercise of the privilege sought.  
5 (b) The partial exercise of the privilege sought.

6 ~~[8.]~~ 7. The Authority may attach to the certificate such terms  
7 and conditions as, in its judgment, the public ~~[interest]~~ *health and*  
8 *safety* may require.

9 ~~[9.]~~ 8. *A person who desires to participate as an intervenor in*  
10 *a hearing on an application for a certificate or modification*  
11 *pursuant to this section may file a petition for leave to intervene*  
12 *with the Authority. The Authority shall grant such a petition if the*  
13 *petitioner demonstrates actual or constructive knowledge of an*  
14 *issue relating to the safe operation by the applicant as a common*  
15 *motor carrier.*

16 9. The Authority may, *if the Authority fixes a time and place*  
17 *for a hearing on the application,* dispense with the hearing ~~[on the~~  
18 ~~application]~~ if, upon the expiration of the time fixed in the notice  
19 thereof, no petition to intervene has been filed ~~[on behalf of any~~  
20 ~~person who has filed a protest against the granting of the certificate~~  
21 ~~or modification.]~~ *pursuant to subsection 8.*

22 10. *As used in this section, "issue relating to the safe*  
23 *operation" means information that has a direct relation to the*  
24 *ability of the applicant to operate safely as a common motor*  
25 *carrier, including, without limitation, information showing that*  
26 *the applicant:*

27 (a) *Operates a vehicle that does not meet the applicable*  
28 *requirements of this chapter or in some other way poses a threat to*  
29 *the physical safety of the traveling public; or*

30 (b) *Employs a driver who does not meet the applicable*  
31 *requirements of this chapter or in some other way poses a threat to*  
32 *the physical safety of the traveling public.*

33 **Sec. 5.** NRS 706.396 is hereby repealed.

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### TEXT OF REPEALED SECTION

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**706.396 Effect of denial of certificate.** Any person who, after hearing, has been denied a certificate of public convenience and necessity to operate as a carrier must not be permitted again to file a similar application with the Authority covering the same type of service and over the same route or routes or in the same territory for which the certificate of public convenience and necessity was



\* A B 2 4 0 \*



denied except after the expiration of 180 days after the date the certificate of public convenience and necessity was denied.

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