

SENATE BILL NO. 424—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 27, 2023

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to the Nevada Transportation Authority. (BDR 58-860)

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.

AN ACT relating to motor carriers; prohibiting the Nevada Transportation Authority from authorizing certain persons to intervene in proceedings relating to the granting or modification of certain certificates or permits; authorizing the Authority to hold a hearing concerning the granting or modification of certain certificates or permits relating to motor carriers under certain circumstances; requiring the Authority to approve or deny applications for certain certificates or permits within a certain period of time; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes the Nevada Transportation Authority to dispense with a
2 hearing on the application for a certificate of public convenience and necessity or a
3 permit as a contract motor carrier, or a modification thereof, granted by the
4 Authority if no petition to intervene has been filed on behalf of any person who has
5 filed a protest against the granting of the certificate, permit or modification upon
6 the expiration of the time fixed in the notice of hearing. (NRS 706.391, 706.431,
7 706.4463) **Section 1** of this bill prohibits the Authority from accepting any petition
8 to intervene on behalf of any person who has filed a protest against the granting of
9 a certificate or permit issued by the Authority, or a modification thereof. Instead,
10 **sections 3-6** of this bill authorize the Authority to hold a hearing concerning an
11 application for a certificate or permit, or modification thereof, if the Authority finds
12 that, after reviewing the information provided by the applicant and inspecting the
13 operations of the applicant, the Authority cannot make a determination as to
14 whether the applicant has complied with the requirements for the certificate or
15 permit, or modification thereof. **Sections 3-6** further require the Authority to
16 approve or deny an application for such a certificate or permit within 9 months after
17 the date on which a completed application is received by the Authority. Any such
18 application which is not approved or denied within 9 months shall be deemed to be



19 approved and the Authority is required to issue the certificate or permit, as
20 applicable.

21 **Section 2** of this bill makes a conforming change to indicate the proper
22 placement of **section 1** in the Nevada Revised Statutes.

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

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

3 *The Authority shall not accept any petition to intervene on*
4 *behalf of any person who has filed a protest against the granting*
5 *of a certificate of public convenience and necessity or permit as a*
6 *contract motor carrier by the Authority, or a modification thereof,*
7 *pursuant to the provisions of NRS 706.011 to 706.791, inclusive.*

8 **Sec. 2.** NRS 706.011 is hereby amended to read as follows:

9 706.011 As used in NRS 706.011 to 706.791, inclusive, *and*
10 *section 1 of this act*, unless the context otherwise requires, the
11 words and terms defined in NRS 706.013 to 706.146, inclusive,
12 have the meanings ascribed to them in those sections.

13 **Sec. 3.** NRS 706.391 is hereby amended to read as follows:

14 706.391 1. Upon the filing of an application for a certificate
15 of public convenience and necessity to operate as a common motor
16 carrier, other than an operator of a tow car, or an application for
17 modification of such a certificate, the Authority *may hold a hearing*
18 *to determine whether an applicant is entitled to a certificate if the*
19 *Authority finds that, after reviewing the information provided by*
20 *the applicant and inspecting the operations of the applicant, the*
21 *Authority cannot make a determination as to whether the*
22 *applicant has complied with the requirements of subsection 2. If*
23 *the Authority proceeds with a hearing on the application for a*
24 *certificate, the Authority* shall fix a time and place for a hearing on
25 the application.

26 2. Except as otherwise provided in subsection 6, the Authority
27 shall grant the certificate or modification if it finds that:

28 (a) The applicant is financially and operationally fit, willing and
29 able to perform the services of a common motor carrier and that the
30 operation of, and the provision of such services by, the applicant as
31 a common motor carrier will foster sound economic conditions
32 within the applicable industry;

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

35 (c) The granting of the certificate or modification will not
36 unreasonably and adversely affect other carriers operating in the
37 territory for which the certificate or modification is sought;



1 (d) The proposed operation or the proposed modification will
2 benefit and protect the safety and convenience of the traveling and
3 shipping public and the motor carrier business in this State;

4 (e) The proposed operation, or service under the proposed
5 modification, will be provided on a continuous basis;

6 (f) The market identified by the applicant as the market which
7 the applicant intends to serve will support the proposed operation or
8 proposed modification; and

9 (g) The applicant has paid all fees and costs related to the
10 application.

11 3. The Authority shall not find that the potential creation of
12 competition in a territory which may be caused by the granting of
13 the certificate or modification, by itself, will unreasonably and
14 adversely affect other carriers operating in the territory for the
15 purposes of paragraph (c) of subsection 2.

16 4. In determining whether the applicant is fit to perform the
17 services of a common motor carrier pursuant to paragraph (a) of
18 subsection 2, the Authority shall consider whether the applicant has
19 violated any provision of this chapter or any regulations adopted
20 pursuant thereto.

21 5. The applicant for the certificate or modification:

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

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

31 (c) Must pay the amounts billed to the applicant by the
32 Authority for the costs incurred by the Authority in conducting any
33 investigation regarding the applicant and the application.

34 6. The provisions of subsections 2 to 5, inclusive, do not apply
35 to an owner or operator of a charter bus. The Authority shall grant
36 the certificate or modification to an owner or operator of a charter
37 bus that is not a fully regulated carrier if the Authority finds that the
38 owner or operator of the charter bus has complied with the
39 provisions of subsection 1 of NRS 706.463 and any applicable
40 regulations of the Authority.

41 7. The Authority may issue or modify a certificate of public
42 convenience and necessity to operate as a common motor carrier, or
43 issue or modify it for:

44 (a) The exercise of the privilege sought.

45 (b) The partial exercise of the privilege sought.



1 8. The Authority may attach to the certificate such terms and
2 conditions as, in its judgment, the public interest may require.

3 9. The Authority ~~[may dispense with the hearing on the~~
4 ~~application if, upon the expiration of the time fixed in the notice~~
5 ~~thereof, no petition to intervene has been filed on behalf of any~~
6 ~~person who has filed a protest against the granting of the certificate~~
7 ~~or modification.] shall approve or deny an application filed~~
8 ~~pursuant to this section within 9 months after the date on which~~
9 ~~the Authority receives the completed application. Any application~~
10 ~~which is not approved or denied within 9 months shall be deemed~~
11 ~~to be approved and the Authority shall issue the certificate of~~
12 ~~public convenience and necessity.~~

13 **Sec. 4.** NRS 706.431 is hereby amended to read as follows:

14 706.431 1. A permit may be issued to any applicant therefor,
15 authorizing in whole or in part the operation covered by the
16 application, if it appears from the application or from any hearing
17 held thereon that:

18 (a) The applicant is fit, willing and able properly to perform the
19 service of a contract motor carrier and to conform to all provisions
20 of NRS 706.011 to 706.791, inclusive, *and section 1 of this act* and
21 the regulations adopted thereunder; and

22 (b) The proposed operation will be consistent with the public
23 interest and will not operate to defeat the legislative policy set forth
24 in NRS 706.151.

25 2. *The Authority may hold a hearing to determine whether an*
26 *applicant is entitled to a permit if the Authority finds that, after*
27 *reviewing the information provided by the applicant and*
28 *inspecting the operations of the applicant, the Authority cannot*
29 *make a determination as to whether the applicant has complied*
30 *with the requirements of subsection 1.* If the Authority proceeds
31 with a hearing on an application for a permit, the Authority shall fix
32 a time and place for the hearing.

33 3. ~~[The Authority may dispense with the hearing, if any, on the~~
34 ~~application if, upon the expiration of the time fixed in the notice~~
35 ~~thereof, no petition to intervene has been filed on behalf of any~~
36 ~~person who has filed a protest against the granting of the permit.~~

37 ~~—4.]~~ An application must be denied if the provisions of
38 subsection 1 are not met.

39 ~~[5.]~~ 4. *The Authority shall approve or deny an application*
40 *for a permit within 9 months after the date on which the Authority*
41 *receives the completed application. Any application which is not*
42 *approved or denied within 9 months shall be deemed to be*
43 *approved and the Authority shall issue the permit.*

44 5. The Authority shall revoke or suspend pursuant to the
45 provisions of this chapter the permit of a contract motor carrier who



1 has failed to file the annual report required in NRS 706.167 within
2 60 days after the report is due.

3 6. The Authority shall adopt regulations providing for a
4 procedure by which any contract entered into by a contract motor
5 carrier after the contract motor carrier has been issued a permit
6 pursuant to this section may be approved by the Authority without
7 giving notice required by statute or by a regulation of the Authority.

8 **Sec. 5.** NRS 706.4463 is hereby amended to read as follows:

9 706.4463 1. In addition to the other requirements of this
10 chapter, each operator of a tow car shall, to protect the health, safety
11 and welfare of the public:

12 (a) Obtain a certificate of public convenience and necessity from
13 the Authority before the operator provides any services other than
14 those services which the operator provides as a private motor carrier
15 of property pursuant to the provisions of this chapter;

16 (b) Use a tow car of sufficient size and weight which is
17 appropriately equipped to transport safely the vehicle which is being
18 towed; and

19 (c) Comply with the provisions of NRS 706.011 to 706.791,
20 inclusive **[H]**, and *section 1 of this act*.

21 2. A person who wishes to obtain a certificate of public
22 convenience and necessity to operate a tow car must:

23 (a) File an application with the Authority; and

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

31 3. The Authority shall issue a certificate of public convenience
32 and necessity to an operator of a tow car if it determines that the
33 applicant:

34 (a) Complies with the requirements of paragraphs (b) and (c) of
35 subsection 1;

36 (b) Complies with the requirements of the regulations adopted
37 by the Authority pursuant to the provisions of this chapter;

38 (c) Has provided evidence that the applicant has filed with the
39 Authority a liability insurance policy, a certificate of insurance or a
40 bond of a surety and bonding company or other surety required for
41 every operator of a tow car pursuant to the provisions of NRS
42 706.291; and

43 (d) Has provided evidence that the applicant has filed with the
44 Authority schedules and tariffs pursuant to subsection 2 of
45 NRS 706.321.



1 4. An applicant for a certificate has the burden of proving to
2 the Authority that the proposed operation will meet the requirements
3 of subsection 3.

4 5. The Authority may hold a hearing to determine whether an
5 applicant is entitled to a certificate only if ~~f~~:

6 ~~—(a) Upon the expiration of the time fixed in the notice that an~~
7 ~~application for a certificate of public convenience and necessity is~~
8 ~~pending, a petition to intervene has been granted by the Authority;~~
9 ~~or~~

10 ~~—(b) The~~ *the* Authority finds that after reviewing the information
11 provided by the applicant and inspecting the operations of the
12 applicant, it cannot make a determination as to whether the applicant
13 has complied with the requirements of subsection 3.

14 *6. The Authority shall approve or deny an application filed*
15 *pursuant to this section within 9 months after the date on which*
16 *the Authority receives the completed application. Any application*
17 *which is not approved or denied within 9 months shall be deemed*
18 *to be approved and the Authority shall issue the certificate.*

19 **Sec. 6.** NRS 706.736 is hereby amended to read as follows:

20 706.736 1. Except as otherwise provided in subsection 2, the
21 provisions of NRS 706.011 to 706.791, inclusive, *and section 1 of*
22 *this act* do not apply to:

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

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

33 (c) Special mobile equipment.

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

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

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

43 (g) The transportation by a private school of persons or property
44 in connection with the operation of the school or related school
45 activities, so long as the vehicle that is used to transport the persons



1 or property does not have a gross vehicle weight rating of 26,001
2 pounds or more and is not registered pursuant to NRS 706.801 to
3 706.861, inclusive.

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

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

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

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

15 3. The provisions of NRS 706.311 to 706.453, inclusive,
16 706.471, 706.473, 706.475 and 706.6411 which authorize the
17 Authority to issue:

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

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

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

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

37 **Sec. 7.** This act becomes effective upon passage and approval.

