

LCB File No. R078-98
TSA Docket No. 97-11006

**NOTICE OF INTENT TO ACT UPON A REGULATION,
REQUEST FOR COMMENTS, AND
NOTICE OF HEARING**

On November 21, 1997, the Transportation Services Authority of Nevada (“Authority”) opened Docket No. 97-11006 to investigate and possibly amend Chapter 706 of the Nevada Administrative Code with respect to the Authority’s substantive regulation of motor carriers under its jurisdiction. At a regular scheduled and noticed Agenda Meeting held on September 29, 1998, the Authority voted to move forward with rulemaking procedures under NRS Chapter 233B in order to adopt the regulations drafted in connection with Docket No. 97-11006.

The need for and purpose of the proposed language is to adopt regulations to implement the legislative purposes of Nevada’s passenger transportation statutes, as articulated in NRS Chapter 706, in light of the evolutionary changes which have occurred in the various industry segments jurisdictional to the Authority.

The proposed regulations are not expected to have adverse economic effect, either immediate or long-term, upon the regulated community or the public. The Authority does not envision any increased costs associated with enforcement of the proposed procedural regulations. The proposed regulations do not overlap or duplicate any other state or local government regulations. The proposed regulations do not establish a new fee or increase an existing fee.

Along with the existing draft of the proposed regulations, the Authority will seek comments on and discuss at hearing two proposals for possible adoption by way of inclusion into the proposed regulations. The two proposals are as follows:

A. The amendment of NAC 706.353(3) as follows:

3. A charter service may be operated over the same routes or to the same points in the form of a shuttle service for **[not more than 14 consecutive days]** *members of the charter affinity group only.*

B. The addition of the following vehicle standard to NAC 706.379:

No vehicle categorized as limousine-traditional shall have a seating capacity of more than 9 persons, including the driver.

NOTICE IS HEREBY GIVEN that hearings have been scheduled as follows:

MONDAY, NOVEMBER 9, 1998

10:00 A.M.

Offices of the Transportation Services Authority
75 Bank Street, Suite 1
Sparks, Nevada 89431

and

TUESDAY, NOVEMBER 10, 1998

9:30 a.m.

Grant Sawyer State Office Building
555 E. Washington Avenue, Room 4412E
Las Vegas, Nevada 89101

for the purpose of receiving comments from all interested persons regarding the proposed regulations. Persons wishing to comment upon the proposed action of the Authority may appear at one or both of the scheduled public hearings or may address their comments, data, views or arguments, in written form, to the Authority at its Las Vegas office, 555 E. Washington Avenue, Suite 4600, Las Vegas, Nevada 89101, on or before Tuesday, November 2,

1998. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Authority may proceed immediately to act upon any written submissions.

A Copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson city, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulations to be adopted will be available at the Las Vegas and Sparks offices of the Authority, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This and the text of the proposed regulation are also available in the state of Nevada Register of Administrative Regulations which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.stte.nv.us>. Copies of this notice and the proposed procedural regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice as been posted at the county courthouses in Carson City, Reno and Las Vegas, Nevada.

By the Authority,

Sandra Lee Avants /s/_____
SANDRA LEE AVANTS, Deputy Commissioner

Dated: Las Vegas, Nevada

October 7, 1998
(SEAL)

LCB File No. R078-98

**PROPOSED REGULATION OF THE
TRANSPORTATION SERVICES AUTHORITY**

Section 1. NAC 706.190 and 706.3755 are hereby deleted.

Sec. 2. Chapter 706 of NAC is hereby amended by adding thereto the provisions set forth as sections 3 to 16 , inclusive, of this regulation.

Sec. 3. “Independent contractor” defined. *“Independent contractor” means a person operating a taxicab under the authority of a certificate holder as a lessee pursuant to NAC 706.375.*

Sec. 4. **Leasing of taxicab to independent contractor: Security deposits.** *A holder of a certificate may require, as a condition of leasing a vehicle to an independent contractor, a deposit to secure the condition of the vehicle to be operated by the independent contractor, if:*

1. The funds collected pursuant to a security deposit are maintained in an account separate from that of the operating capital of the certificate holder; and

2. When a deduction is made from an independent contractor’s security deposit, the deduction is evidenced by a receipt for any repairs made pursuant to that deduction.

Sec. 5. **Leasing of taxicab to independent contractor: Copy of lease agreement.** *A certificate holder authorized to operate taxicabs will furnish to an independent contractor a copy of any lease agreement entered into and a copy of that lease agreement shall be kept in the vehicle at all times that the vehicle is operated by the independent contractor.*

Sec. 6. **Leasing of taxicab to independent contractor: Percentage of fleet.** *A holder of a certificate authorized to operate taxicabs between points and places within a county whose population is more than 200,000, but less than 400,000, shall not lease to independent contractors more than 75 percent of its fleet at any given time.*

Sec. 7. **Driver Qualifications.** *In addition to any requirement imposed by NAC 706.247(1)(f)(2)(c), a certificate holder shall not allow an individual to operate a taxicab or limousine unless that individual:*

(1) Possesses a valid Nevada driver's license which has been effective for a period of more than 30 days and shows the driver to be at least 21 years of age.

(2) Provides to the certificate holder at the commencement of the driver's employment or lease term with a medical certificate pursuant to Federal Motor Carrier Safety Regulations 49 C.F.R. 391.41, et. seq., and

(3) Provides to the certificate holder at the commencement of the driver's employment or lease term with a driving record produced by the Nevada Department of Motor Vehicles and Public Safety that indicates:

(a) That the driver has not been convicted of driving under the influence or reckless driving in the past 3 years; and

(b) That the driver has not failed to keep a written promise to appear in court in the past 3 years.

(4) A certificate holder shall require the driver to update the documents required in subsection (2) and (3) every 12 months and shall retain copies of the documents for the 3 years after the termination of the driver's employment or lease term.

Sec. 8. Taxicabs: TX plates.

1. A certificate holder shall not permit a taxicab be put into operation unless the TX plate issued to that taxi by the authority is prominently displayed on the right rear of the taxi.

(a) A taxicab found in operation without the appropriate identification and TX plate shall be immediately placed out of service.

2. A TX plate that has been lost or stolen must be reported to the authority and a fee for a new TX plate paid.

Sec. 9. Taxicabs: Violent crime against driver on duty; Notification of certificate holders; dissemination of information concerning crime.

1. If a driver is the victim of a violent crime while on duty, the certificate holder will notify all certificate holders authorized to operate taxicabs in the county where the crime was committed 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.

3. Within 24 hours or the first business day after the commission of the violent crime, whichever is sooner, the certificate holder shall notify the authority concerning the commission of the crime, including all relevant details pertaining thereto.

Sec. 10. Taxicabs: Accidents. *Whenever a taxicab is involved in an accident, the authority must be notified within 24 hours or the first business day after the accident, whichever is sooner, and the taxicab must be made available for inspection by the authority or its designee within 3 business days after the vehicle is put into service.*

Sec. 11. Taxicabs: Color scheme, insignia, cruising lights and unit designation numbers.

Effective March 1, 1999:

1. A certificate holder authorized to operate taxicabs shall equip each taxicab with a cruising light approved by the authority attached to the top of the taxicab which must be illuminated during the hours of darkness. These lights are not to be confused with the emergency signal lights.

2. Certificate holders shall display in bold block letters not less than 6 inches in height, the unit number of each taxicab, on the sides of both front fenders and on the left of the rear trunk lid of the taxicab in plain view, in a color contrasting with the color of the taxicab.

3. Certificate holders shall display their telephone number and the unit number of the taxicab within each taxicab in a location plainly visible to all passengers.

4. Certificate holders must display their CPC N number on the rear fenders midpoint between the top and bottom and to that portion that is the closest to the rear of the taxicab.

5. Certificate holders must secure approval from the Chairman or the Chairman's designee for their color scheme, insignia, cruising light design and assignment of unit designation numbers to ensure that they do not conflict with those of another certificate holder.

6. Any taxicab found in violation of this section by the authority will be placed out of service and not placed back in service until inspection by the authority.

Sec. 12. Taxicabs: Two-way radios; requests by telephone for service.

1. Effective September 1, 1998, a certificate holder authorized to operate taxicabs shall equip each taxicab with a two-way mobile radio or computer communication device, and shall maintain a central dispatch facility for dispatching taxicabs at all times.

2. The two-way radio or computer communication device in each taxicab must be turned on and audible at all times.

3. A certificate holder shall provide reasonable service to persons who make telephone request for service within the limits of the holders certificate.

4. Any taxicab found in violation of this section by the authority will be placed out of service and not placed back in service until inspection by the authority and the certificate holder shall be subject to a fine.

Sec. 13. Taxicabs: Taximeter design; lights. *Effective September 1, 1998, every certificate holder authorized to operate taxicabs shall;*

1. Equip its taxicabs with electronic taximeters, where applicable, with all phases of the "L.E.D." or "L.C.D." digits working properly.

2. The face of the taximeter must be of sufficient transparency and location that the fare recording device can be read by all passengers and must be free of any obstruction. All meters, must have the numerals displayed in a color which can be read from outside the taxicab.

3. Equip its taxicabs with one or more amber lights on top of the taxicab which are plainly visible. 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.

5. Any taxicab found in violation of this section by the authority will be placed out of service and not placed back in service until inspection by the authority, and the certificate holder shall be subject to a fine of no less than \$2,500 per violation.

Sec. 14. Taxicabs; Trip sheets.

1. A certificate holder authorized to operate taxicabs shall require a driver to keep daily trip sheets in a form prescribed by the authority.

(a) A certificate holder may submit a form which differs from that prescribed by the authority for approval by the authority.

2. At the beginning of each tour of duty a driver shall record on the trip sheet:

(a) The driver's name, and the number and TX plate number of the taxicab;

(b) The time the tour of duty began; and

(c) The odometer reading of the taxicab.

3. During the tour of duty the driver shall record on the trip sheet:

(a) The time, place of origin and destination of each trip;

(b) The number of passengers and the amount of fare for each trip; and

(c) The dismissal location of each trip if different than the original destination.

4. At the end of each tour of duty the driver shall record on the trip sheet:

(a) The time the tour of duty ended; and

(b) The odometer reading of the taxicab.

5. A certificate holder shall furnish a trip sheet form for each taxicab operated by a driver during the drivers tour of duty and shall require the driver to return the trip sheets:

(a) If a commissioned or employee driver, at the end of each tour of duty.

(b) If a leased driver, at the end of a week.

6. A certificate holder shall retain all trip sheets of all drivers for a period of 3 years and shall make such manifests available for inspection by the authority upon demand.

7. Any vehicle operated as a taxicab found by the authority to not contain a trip sheet as prescribed in this section, shall be immediately placed out of service for a period of 24 hours and shall not be placed back into service unless a trip sheet is provided.

Sec. 15. Taxicabs: Emergency switch and light.

1. Effective March 1, 1999, certificate holders authorized to operate taxicabs shall equip each taxicab with at least one trouble or emergency switch, to be located out of view of the passenger, which activates a green "help" light on top of the taxicab.

2. Any taxicab found in violation of this section by the authority will be placed out of service and not placed back in service until inspection by the authority and the certificate holder shall be subject to a fine.

Sec. 16 Taxicabs: Vehicle standards in counties over 200,000, but less than 400,000. *In addition to the requirements of NAC 706.379, any vehicle placed into service by a holder of a certificate authorized to operate taxicabs between points and places within a county whose population is more than 200,000, but less than 400,000, must conform to the following standards:*

1. All vehicles placed into service after July 1, 1998 must:

(a) Be new; or

(b) Register no more than 50,000 miles on the odometer.

2. A vehicle placed into service under subsection (1)(a) may not be used as a taxicab, once acquired, for more than 60 months.

3. A vehicle placed into service under subsection (1)(b) may not be used as a taxicab, once acquired, for more than 48 months.

4. A holder of a certificate may petition the authority to allow up to 10 percent of his fleet to be exempt from the requirements of this section and NAC 706.379(2)(m) if the non-conforming vehicles are:

(a) Restored antique or classic vehicles; or

(b) Vehicles of foreign manufacture that are not commonly seen or used in passenger transportation for hire in the United States.

5. A certificate holder who has placed a vehicle into service as a taxicab under the exemption provided in this section must, after acquiring 150,000 consecutive miles:

(a) Either rebuild or replace the engine.

(b) Check and replace as necessary all brake drums.

(c) Check the frame for cracks or bending.

6. A vehicle that qualifies for the exemption provided in this section must comply with all other requirements of the authority.

7. Any taxicab found in violation of this section by the authority will be placed out of service and the certificate holder shall be subject to a fine.

Sec. 17. NAC 706.019 is hereby amended as follows: “Authorized carrier” means a person authorized by the [commission] authority to engage in the intrastate transportation of property or passengers as a common or contract motor carrier.

Sec. 18. NAC 706.030 is hereby amended as follows: “Certificate” means a certificate of public convenience and necessity issued by the [commission] authority.

Sec. 19. NAC 706.105 is hereby amended as follows: “Regular route” means a fixed route between specific points served according to a schedule authorized by the [commission] authority.

Sec. 20. NAC 706.143 is hereby amended as follows: Every private carrier who is engaged in the transportation by motor vehicle of property sold, or to be sold, or used in furtherance of a private commercial enterprise, and who does not haul any property for hire, applying for the [commission] authority’s approval for licensing must provide the [commission] authority with an affidavit of private carriage before a license will be approved by the [commission] authority.

Sec. 21. NAC 706.145 is hereby amended as follows: In determining whether a person is a private motor carrier, the [commission] authority will consider the following:

1. The ownership or bailment of the property transported.
2. A preexisting order of the customer or shipper.
3. The extent of the intermediate use of a warehouse.

4. The difference between the price charged the carrier and the carrier's charge to the customer, and whether it appears that this difference is roughly equivalent to a charge for transportation.
5. The extent of the carrier's transportation for other persons.
6. The nature of any advertising used.
7. The extent of the carrier's investment in facilities and equipment for transportation.
8. The control exerted by the shipper over the transportation.
9. The burden assumed by the shipper for the costs of the transportation.
10. The status of the transportation as incidental to a business or as a secondary business.
11. The nature and extent to which the carrier uses the highways of the state.

Sec. 22. NAC 706.147 is hereby amended as follows:

1. The [commission] *authority* will consider a provider of free shuttle service to passengers who may or may not have baggage to be a common motor carrier unless all of the following conditions are met:

(a) The provider's business is not the transportation of property or passengers and any transportation furnished is incidental to its business.

(b) The provider indicates in any advertisement including information on free transportation that the transportation will only be furnished to its customers. Such information must be incidental to an advertisement of the business.

(c) The provider effectively limits the provision of transportation to its customers.

(d) Transportation is furnished only if the provider's place of business is the point of origin or the point of destination of the customer's trip.

(e) Each [customer's] trip is between a place of business owned by the provider and one other point.

(f) The driver is prohibited from soliciting gratuities, either directly or indirectly, or from placing a container for gratuities in the vehicle. The driver may accept unsolicited gratuities.

(g) The driver is not compensated based upon the number of persons transported in a given period.

(h) The vehicle is registered to the place of business or to a certificated carrier.

(i) The driver of the vehicle must be an employee of the place of business or the certificated carrier to whom the vehicle is registered.

2. The [commission] authority will not consider the placement of the name of the business on the side of the vehicle as an advertisement for transportation.

Sec. 23. NAC 706.149 is hereby amended as follows:

1. After receiving a certificate or permit, every common or contract motor carrier shall maintain an investment of not less than 20 percent equity capital in his operations and include proof that he meets this requirement in his annual report filed with the [commission] authority.

2. A carrier who does not meet the requirement of subsection 1 shall, within 3 months after receiving notice from the [commission] authority of that failure, file a plan proposing the specific steps he will take to meet that requirement within the next 12 months.

3. Within 15 months after receiving notice from the [commission] authority that he does not maintain adequate equity capital, a carrier must have an investment of not less than 20 percent equity capital in his operations.

4. The certificate or permit of a motor carrier who does not comply with this section may be revoked by the [commission] authority.

Sec. 24. NAC 706.152 is hereby amended as follows:

1. The burden of proof lies with the applicant to satisfy the [commission] authority of its financial ability to perpetuate a continuous service, as applied for, consistent with the public interest. The background of an applicant may be considered by the [commission] authority before granting any privilege. In determining an applicant's financial ability, the [commission] authority may consider:

(a) Equity capital sufficient to acquire the necessary property and equipment, but not less than that required by NAC 706.149;

(b) The reasonableness of rates to be charged;

(c) The applicant's current ratio of assets to liability;

(d) The financial condition of the principals if the applicant is a partnership;

(e) The requirements for capital for the first 12 months of operations;

(f) The reasonableness of any estimates for the operation; and

(g) Any other evidence the [commission] authority deems relevant.

2. The [commission] authority will make an investigation before the issuance of a certificate or permit.

3. An application that does not comply with NAC 703.165 may be dismissed by the [commission] authority without prejudice on the motion of a party to the proceeding. Such a motion must be in writing and filed before the commencement of any hearing on the application.

Sec. 25. NAC 706.155 is hereby amended as follows:

1. If an application for a certificate or permit is filed with the [commission] authority, notice will be given to the public in order that any affected person will have an opportunity to state his position before the issuance of the certificate or permit.
2. If the [commission] authority receives a valid petition for leave to intervene *and said petition for leave to intervene is granted*, a hearing will be held unless all petitioners withdraw before the time set for hearing, and the [commission] authority has sufficient information on which to establish that the applicant is financially fit and otherwise capable of providing safe transportation.

Sec. 26. NAC 706.164 is hereby amended as follows:

1. Unless otherwise authorized by the [commission] authority, each applicant for a certificate or a permit, or the transfer of a certificate or permit, whose application has been granted, shall commence operations within 30 days from the date on which the certificate or permit was issued, or forfeits the rights granted.
2. No applicant may start operating until he has complied with all requirements of the law and the regulations of the [commission] authority, unless otherwise ordered by the [commission] authority.

Sec. 27. NAC 706.167 is hereby amended as follows: No carrier may use any trade name or any fictitious name unless the name is authorized for the carrier's use by order of the [commission] authority.

Sec. 28. NAC 706.170 is hereby amended as follows:

1. Common or contract motor carriers operating in intrastate commerce, when traversing the highways of this state, shall have the name of the person operating the vehicle firmly attached to each side of the unit having motive power in letters not less than 2 inches high in sharply contrasting colors which are legible from a distance of at least 50 feet.
2. Private carriers operating in intrastate commerce, when traversing the highways of this state, shall have the name of the person operating the vehicle firmly attached to each side of the unit having motive power in the manner, size and style prescribed in subsection 1, except single unit motor vehicles with an unladen weight of 10,000 pounds or less.
3. Except as otherwise provided in subsections 4, 5 and 6, every common or contract motor carrier operating under the authority of the [commission] authority shall have the symbols [*CPC A*] *CPC N* and the number of his certificate, or the symbols "MV" and the number of his permit if he is operating under a permit for a contract motor carrier, painted or affixed upon each side of the unit having motive power, in the manner, size and style prescribed in subsection 1.

4. If the name of the operator of a limousine is exhibited on the vehicle by means of a symbol, printed sign or any other manner that is readily visible, the name is not required to be displayed as prescribed in subsection 1. The number of his certificate and symbols "CPC A" must be not less than 2 inches high and must be placed on either the rear bumper or at the rear of the vehicle.

5. After [July 1, 1990]March 1, 1999, all authorized carriers shall use the symbols ["PSC #"] "CPC N#" and the number of his certificate or permit on any vehicle in service.

6. A lessee operating a unit having motive power pursuant to a short-term or long-term lease shall have his name and number painted or affixed on the vehicle.

7. Any removable sign or placard must be made of a durable material such as wood, plastic or metal. Each device must bear a serial number in the carrier's own series and the carrier must keep a proper record of each number.

Sec. 28. NAC 706.192 is hereby amended as follows:

1. A common or contract motor carrier may apply to operate under a program of self-insurance in lieu of or in addition to the insurance required by NAC 706.191.

2. The application must include the following:

(a) A certificate of self-insurance issued by the department of motor vehicles and public safety pursuant to NRS 485.380.

(b) A letter requesting approval of the program of self-insurance and stating that the applicant understands the provisions of this section.

(c) A proposal setting forth the proposed surety and an explanation of how it corresponds to the requirements of NAC 706.191.

(d) A copy of the carrier's application to the department of motor vehicles and public safety for the certificate of self-insurance and a copy of all attachments accompanying the application.

(e) A letter from an adjusting company stating that it has agreed to handle any claims against the carrier if the program of self-insurance is approved by the [commission] authority.

(f) Any other information that the applicant considers relevant to the application or the [commission] authority may request.

3. A common or contract motor carrier may apply for self-insurance at the time of its application for a certificate, permit or license or at any time after the granting of a certificate, permit or license. If a carrier applies after the initial issuance of a certificate, permit or license, that carrier shall maintain the insurance effective for that certificate, permit or license until its program of self-insurance is approved.

4. A common or contract motor carrier may combine a contract of insurance and another surety in proposing its guarantee. The carrier must arrange for an adjusting company to handle any claims that may arise under the surety.

5. Before the [commission] authority grants approval of a program of self-insurance, the common or contract motor carrier must satisfy the [commission] authority that the total surety proposed meets the minimum required pursuant to NAC 706.191

6. The common or contract motor carrier shall, at all times, ensure that any change in its financial position or other circumstances does not jeopardize the surety or the protection of the public.

7. Exemption from the coverage of the insurance of materials and commodities having a low value may, upon specific application by a carrier, be authorized by the [commission] authority. An authorized carrier may apply for this exemption whether it is self-insured or otherwise meets the requirements of NAC 706.191.

Sec. 29. NAC 706.193 is hereby amended as follows:

1. Before a certificate or permit will be issued, the applicant shall:

(a) File with the [commission] authority evidence of the necessary insurance for each vehicle to be operated by the applicant on the form entitled "Bodily Injury and Property Damage (BI/PD) Form E," and on the form entitled "Cargo Form H" when applicable;

(b) Satisfy the requirements of NAC 706.192 for self-insurance; or

(c) File with the [commission] authority a certificate of self-insurance obtained from the department of motor vehicles and public safety pursuant to NRS 706.3054 or 706.3056.

2. The forms required pursuant to paragraph (a) of subsection 1 are available from an insurance agent or from Uniform Printing and Supply Company, P.O. Box 820, Kingston, New York 12401, or Kohnke Printing Company, 375 Fremont Street, San Francisco, California 94105.

3. After a certificate or permit is issued, forms required by subsection 1 are to be maintained continuously by the certificate or permit holder with the authority."

Sec. 30. NAC 706.194 is hereby amended as follows: No driver, agent, or representative of a carrier may interfere with, refuse, deny or hinder the [commission] authority or its appointed representatives from making any inspection, investigation or examination of any carrier's vehicle, record or documents.

Sec. 31. NAC 706.197 is hereby amended as follows: Any bid to provide service as a contract motor carrier must state that the person submitting the bid is authorized by the [commission] authority to provide that service or, if he is not so authorized, that the submission of the bid is conditioned upon the granting of that authority by the [commission] authority.

Sec. 32. NAC 706.200 is hereby amended as follows:

1. Every common or contract motor carrier shall submit a bill of charges for his services to a customer within 30 days after the rendition of services.
2. A carrier shall require all accounts to be paid in full within 45 days after the rendition of services unless another period is approved by the [commission] authority in the carrier's tariff.
3. A carrier shall not submit more than one bill of charges to a customer for the same services without making a reference to the first bill on any subsequent bill.

Sec. 33. NAC 706.203 is hereby amended as follows:

1. An authorized carrier operating motor vehicles within this state shall maintain a centralized accounting system and the records required by the [commission] authority in a designated headquarters.
2. All records required to be maintained by the [commission] authority must be maintained by the authorized carrier for at least 3 years and are subject to inspection or audit by the [commission] authority or its designated agent at any time during the business hours of the day.

Sec. 34. NAC 706.206 is hereby amended as follows:

1. All common and contract carriers operating within this state under the jurisdiction of the [commission] authority shall notify the [commission] authority of any changes in address, officers of the corporation, or an intended sale, transfer, lease or discontinuance of operations under authority granted them in their certificate or permit.
2. Any carrier, before the purchase or sale of the corporate control, must have the prior approval of the [commission] authority.

Sec. 35. NAC 706.208 is hereby amended as follows:

1. Except as otherwise provided in subsection 2 and NAC 706.375, an authorized carrier may lease equipment for his own use, with or without a driver, on the basis of a long-term lease.
2. An authorized carrier may lease for his own use, with or without a driver, on the basis of a short-term lease:
 - (a) A dump truck for use in a construction project, on an hourly or daily basis, for not more than 48 hours.
 - (b) A bus from an authorized carrier, on an hourly basis, for not more than 48 hours.

(c) Any equipment which is not specified in paragraphs (a) and (b) of this subsection, from an authorized carrier.

3. An authorized carrier who operates a bus pursuant to paragraph (b) of subsection 2:

(a) May use his own insurance or that of the lessor to meet the insurance requirements of NAC 706.191.

(b) Must have a copy of the lease on file at his office within 48 hours after the commencement of the lease.

4. Except for carriers operating pursuant to paragraph (b) of subsection 2, leased equipment may only be used in an operation authorized by the lessee's certificate or permit and must be identified as operated by the lessee. A copy of the lease must be carried with the equipment during the period of the lease.

5. Work may not be performed pursuant to an expired lease.

6. An authorized carrier may lease restored theme or antique vehicles without complying with the requirements of subsection 2 if the [commission] authority approves the lease before its commencement. The [commission] authority will approve the lease if:

(a) The leased vehicle is used only for special occasions; and

(b) Arrangements to lease the vehicle are made at least 7 days before the commencement of the lease.

7. Every lease of equipment by an authorized carrier must be in writing, dated and signed by the parties thereto or an authorized agent or employee of the parties.

8. The leased equipment must be under the control and direction of the authorized carrier.

9. The leased equipment must be operated within the scope of the authorized carrier's authority and in conformance with the authorized carrier's tariff.

10. The driver of a leased vehicle must be under the complete control and direction of the authorized carrier. The authorized carrier must be free to enforce rules regarding working and driving.

11. The authorized carrier may not avoid liability for any damages arising out of the negligent operation of the equipment through the terms of the lease.

12. The terms of any lease of equipment pursuant to this section must include a provision that the equipment must be insured in accordance with the provisions of NAC 706.191. A lessee may use his insurance or the lessor's insurance to satisfy the requirements of NAC 706.191.

13. The compensation to be paid for any leased equipment must be fixed at the inception of the lease and may:

(a) Include a specific sum or formula for calculating the compensation for the duration of the lease; or

(b) Be based on a division or percentage of the applicable rate for the transportation of a commodity in the equipment during the period of the lease.

14. A vehicle leased pursuant to this section must be identified in accordance with NAC 706.170 as operated by the lessee.

Sec. 36. NAC 706.209 is hereby amended as follows:

1. An authorized carrier of property or passengers may lease equipment on a one-for-one basis to supplement its fleet up to the entire amount of similar equipment owned and currently operated by the carrier under its certificate or permit. Equipment that is owned by the carrier and used in the services of intrastate transportation in this state must be used to determine what constitutes similar equipment.

2. An authorized carrier shall not lease any kind of equipment to provide transportation if the carrier does not currently own similar equipment.

3. The [commission] authority may approve the lease of equipment in a manner that does not comply with the requirements of subsections 1 and 2 if:

(a) The authorized carrier files a petition for waiver of those requirements; and

(b) The lease is found to be in the public interest.

The [commission] authority will issue a public notice of the receipt of such a petition.

4. For the purposes of this section, equipment leased pursuant to a bona fide capital lease, as defined by generally accepted accounting principles, shall be deemed equipment owned by the authorized carrier. The provisions of this section do not apply to such leases.

5. As used in this section, "similar equipment" means equipment designed and used to transport:

(a) Cargo of the same specific class of commodities; or

(b) Passengers in the same type of motor vehicle.

Sec. 37. NAC 706.212 is hereby amended as follows:

1. Common and contract carriers authorized by the [commission] authority shall not rent or lease vehicles to a shipper or consignee, with or without drivers.

2. An authorized carrier shall not lease or rent to any person its authority to engage in the intrastate transportation of property or passengers. An authorized carrier is responsible for and shall monitor its daily operation.

3. An authorized carrier shall not authorize any person to sell its transportation services other than:

(a) Its employees; or

(b) A person who manages its business under an agreement entered into pursuant to NAC 706.250.

Sec. 38. NAC 706.218 is hereby amended as follows:

1. Every common or contract motor carrier shall keep an accurate record his *of* revenues from operations in this state, operating and other expenses and other required information and include such information in its annual report covering the yearly period fixed by the [commission] *authority*, unless otherwise provided by law. The [commission] *authority* will prescribe the character of the information to be embodied in the annual report and furnish a blank form for the report.

2. Every common or contract motor carrier shall keep and render to the [commission] *authority*, in the manner, form and detail prescribed by the [commission] *authority*, uniform and detailed accounts of all business transacted.

3. The accounts of every common or contract motor carrier must be closed annually on the basis of either a calendar or fiscal year and the annual report must be filed not later than April 15 for reports based on a calendar year or not later than 105 days after the end of the fiscal year for reports based on a fiscal year.

4. The [commission] *authority* will call for information omitted from reports or not provided for therein, when in its judgment additional information is necessary.

Sec. 39. NAC 706.221 is hereby amended as follows: Each bus operated over a regular route or between fixed destinations must have attached to the front of the bus a sign with letters or figures not less than 3 inches in height designating the destination of the vehicle or service provided by the vehicle, unless otherwise ordered by the [commission] *authority*. The sign may not be attached to the windshield of the bus.

Sec. 40. NAC 706.224 is hereby amended as follows: No vehicle to which the provisions of this section are applicable may be operated on any time schedule other than that approved by the [commission] *authority*. Nothing contained in this section may be construed to prohibit the operation, in addition to the service described in the schedule in effect at the time, of special or extra trips over the route, or any part thereof, during rush hours or other extraordinary circumstances to care for additional business occasioned by an unusual condition.

Sec. 41. NAC 706.227 is hereby amended as follows: The [commission] *authority* reserves the right after investigation and hearing to arrange or rearrange schedules so as to prevent congestion and competition which is injurious to public welfare or to make connections with other transportation agencies. The schedule changes will be made by first giving 10 days' notice to the carrier affected.

Sec. 42. NAC 706.232 is hereby amended as follows: A contract motor carrier shall not:

1. Operate between fixed terminals, provide service over a regular route or operate over the same route or to the same points so frequently as to constitute a regularly scheduled route or service, unless approved by the [commission] authority;
2. Operate in such a manner that would interfere with the operation of a common motor carrier;
3. Conduct any operation as a common motor carrier; or
4. Except as otherwise provided in NAC 706.274, provide transportation pursuant to more than five contracts or for more than five shippers. Neither the total number of contracts nor the total number of shippers may exceed five.

Sec. 43. NAC 706.239 is hereby amended as follows:

1. Special services may be provided only by a common motor carrier authorized to provide such service, in connection with a special event, occasion or other purpose for which the carrier or a person on his behalf intends to provide transportation on the basis of individual fares. The rate for special services may include charges for items in addition to transportation, such as fees for admission, but the portion attributable to transportation must be specifically designated as such in the filed tariff.

2. A common motor carrier authorized to provide special services shall file with the [commission] authority a tariff showing the per capita fares, minimum number of persons required for special services and the particular geographical points of origin and destination.

3. A common motor carrier offering special services shall not render the service until a report has been prepared by the carrier, stating:

- (a) The point of origin;
- (b) The destination;
- (c) The route or routes to be traversed;
- (d) The approximate mileage to be traveled;
- (e) The name of the person, group or organization to be served on the trip; and
- (f) The dates when the service is proposed to be rendered.

One copy of the report must be carried in the vehicle making the trip, and one copy must be retained in the carrier's files for 3 years. The carrier's forms for reporting must be sequentially numbered.

4. A carrier may not operate over the same route or to the same points so frequently as to constitute a regular or scheduled service, unless otherwise specified by the [commission] authority.

5. A common motor carrier authorized to provide special services shall not charter equipment to provide those services. He shall ensure that the use of his vehicles complies with the provisions of this chapter.

Sec. 44. NAC 706.245 is hereby amended as follows:

1. A vehicle operated under a certificate for the transportation of passengers or property over a regular route or between fixed terminals may not be operated for hire over any route other than that specifically authorized under the certificate. If any portion of a route is temporarily closed for construction, repair or other reason, the vehicle may operate over the most direct and practicable detour, and the operation must be conducted under the same regulations as the original route. If the detour or deviation extends or is expected to extend for more than 10 days, the carrier shall notify the [commission] authority either in writing or by telegram indicating the probable duration and the cause of the detour.

2. Unless otherwise provided in a certificate, authority for a regular route includes service to points or territory 1 mile on either side of the highway designated in the certificate or permit, but will not be construed to mean 1 mile beyond the designated terminals. If the term “city” or “town” is used in a certificate or permit, it means the boundaries of the city or town.

3. Transportation over a regular route must be offered:

- (a) To the general public;
- (b) For a per capita fare only;
- (c) According to a published schedule; and
- (d) Only by a common motor carrier authorized to provide that service

Sec. 45. NAC 706.247 is hereby amended as follows:

1. The department and the [commission] authority hereby adopt by reference the regulations contained in 49 C.F.R. Parts 383, 387, 390 to 393, inclusive, section 394.15, Parts 395 to 397, inclusive, and appendices D, E and G, as those regulations exist on November 1, 1991, with the following exceptions:

(a) References to the Department of Transportation, the Federal Highway Administration and the Office of Motor Carrier Safety are amended to refer to the department and the [commission] authority.

(b) References to the Federal Highway Administrator and to the Director are amended to refer to the director of the department and the chairman of the [commission] authority.

(c) Section 391.11(b)(l) applies only to drivers operating in interstate transportation and drivers of vehicles transporting passengers for hire or transportation of hazardous material of a type or quantity that requires the vehicle to be marked or placarded in accordance with Section 177.823 of Title 49.

(d) References to special agents in appendix B of subchapter B are amended to include personnel of the department and the [commission] authority.

(e) The definition of “motor carrier” in 49 C.F.R. ' 390.5 is amended to read:

“Motor carrier” includes interstate and intrastate common, contract and private carriers of property and passengers, including their agents, officers and representatives.

(f) The definition of “commercial motor vehicle” in 49 C.F.R. ' 390.5 is amended to read:

“Commercial motor vehicle” means any self-propelled or towed vehicle used on public highways in:

1. Interstate commerce to transport passengers or property if the vehicle:

(a) Is designed to transport more than 15 passengers, including the driver;

(b) Is used in the transportation of hazardous materials in a quantity requiring placarding under regulations issued by the Secretary pursuant to the Hazardous Materials Transportation Act (49 U.S.C. App. ' 1801 to 1813, inclusive); or

(c) Has a gross vehicle weight rating or gross combination weight rating of 10,001 or more pounds.

2. Intrastate commerce to transport passengers or property if the vehicle:

(a) Is one described in paragraph (a) or (b) of subsection 1;

(b) Has a gross vehicle weight rating or gross combination weight rating of 26,001 or more pounds; or

(c) Is owned or operated by a motor carrier subject to the jurisdiction of the [commission] authority, except that any vehicle so owned or operated is subject only to the provisions of 49 C.F.R. ' 391.51, 392.2, 392.4, 392.5, 392.9 and 396.3(b)(2) and 49 C.F.R. Parts 390, 393 and 397 if the vehicle is not one described in paragraph (a) or (b) of this subsection.

2. To enforce these regulations, enforcement officers of the department and the [commission] authority may, during regular business hours, enter the property of a carrier to inspect its records, facilities and vehicles, including space for cargo.

3. The volume containing 49 C.F.R. Parts 325 to 399, inclusive, is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 [, at the price of \$21].

Sec. 46. NAC 706.248 is hereby amended as follows:

1. The [commission] authority hereby adopts by reference the regulations contained in 49 C.F.R. Parts 27, 37 and 38, as those regulations existed on September 6, 1991.

2. A common or contract motor carrier of passengers shall comply with the regulations set forth in 49 C.F.R. Parts 27, 37 and 38 if any provision of the regulations applies to the operation of the motor carrier in this state.

3. The volume containing 49 C.F.R. Parts 27, 37 and 38 is available from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402 [, at the price of \$20].

Sec. 47. NAC 706.250 is hereby amended as follows:

1. An authorized carrier may, with the prior approval of the [commission] authority, enter into an agreement with a person who is not his employee to manage his business. The agreement may be for a period of not more than 1 year, but may be renewed.

2. An agreement to manage a carrier's business must:

(a) Be filed with the [commission] authority;

(b) Specify the compensation paid to the manager; and

(c) Specify the term of the agreement.

3. The compensation paid to the manager may include a limited bonus in the form of cash, stock or both, to be paid upon the occurrence of a specified condition.

4. Any agreement which:

(a) Includes a bonus to the manager of more than 10 percent of the carrier's stock; or

(b) Grants to the manager total control of the overall operations of the carrier,

will be considered an attempted transfer of a certificate, permit or license and will not be approved.

5. A background investigation of the manager selected by the carrier may be conducted by the [commission] authority as part of its process in determining whether to grant approval.

Sec. 48. NAC 706.254 is hereby amended as follows: The [commission] authority hereby adopts by reference the regulations contained in 32 C.F.R. Part 177, Emergency Requirements, Allocations, Priorities and Permits for Department of Defense Use of Domestic Civil Transportation, as those regulations exist on June 15, 1962. 32 C.F.R. Part 177 is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 [, at the price of \$13].

Sec. 49. NAC 706.257 is hereby amended as follows:

1. A complete copy of any agreement between or among two or more common carriers relating to rates, fares, classifications, divisions, allowances or charges, including charges between carriers and compensation paid or received for the use of facilities and equipment, or regulations pertaining thereto, including procedures for the joint consideration, initiation or establishment thereof, must be filed with the [commission] authority and must comply with the requirements relating to such agreements set forth in NAC 706.257 to 706.269, inclusive.

2. Failure to comply with the requirements will result in the rejection of the agreement without prejudice. The agreement must then be refiled when compliance with the requirements has been met.

Sec. 50. NAC 706.260 is hereby amended as follows: The [commission] authority will not accept for filing any agreement which establishes a procedure for the determination of any matter through joint consideration unless it finds that under the agreement there is accorded to each party the free and unrestrained right to take independent action either before, during or after any determination arrived at through that procedure.

Sec. 51. NAC 706.263 is hereby amended as follows: Each agreement filed with the [commission] authority must provide:

1. A list of all carriers initially anticipated to participate in the agreement.
2. The name and address of the agency, tariff bureau, rate conference or association that will implement the proposals approved under the agreement, administer the docketing and notification procedures and publish, file and distribute the tariffs issued pursuant to the agreement.
3. That only carriers executing the agreement may participate in an intrastate multicarrier common motor carrier tariff issued by the administering agency.

4. That each participating common carrier will have full and equal privileges under the agreement, including notice of all docket bulletins relating to rate proposals, meetings and dispositions.

5. That each multiple common carrier tariff will be governed by a rate committee consisting of one representative from each participating carrier in the tariff.

6. That each common carrier will have one vote in making determinations under the agreement.

7. That a simple majority (more than 50 percent) of the participating carriers will be required to approve any proposal considered under the agreement.

8. That only participating common carriers in the affected tariff may vote and that noncarriers and personnel of the administering agency may not vote.

9. A designation of those eligible to participate in the agreement.

10. Specific procedures for processing proposals relating to fares, rates, classifications, divisions, allowances and charges, including charges between common carriers and compensation paid or received for the use of facilities and equipment. These procedures must prescribe the method of submitting proposals, provide for notifying all tariff participants of proposals received and of their ultimate disposition, allow a reasonable time for response to the proposals and provide for processing proposals and responses by bulletin through the United States mail where warranted and by meeting, upon request of participating common carriers.

11. A procedure for handling instructions for independent action received from a participating common carrier.

12. A description of any matters which do not require processing through bulletins or meetings of common carrier participants.

13. A procedure for the withdrawal from the agreement by any common carrier desiring to do so, for the cancellation of a common carrier's processing and implementing proposals under the agreement and for the continuation of its participation in the affected tariff.

14. That the agreement may be amended subject to approval by a majority vote of the participating common carriers, but that amendments will not become effective until filed with and approved by the [commission] authority.

15. That each party to the agreement with the tariff bureau and all other carriers to the agreement shall comply fully with the terms and conditions of the agreement.

Sec. 52. NAC 706.269 is hereby amended as follows: Each conference, bureau, committee or other organization established or continued pursuant to any agreement

filed with the [commission] authority under the provisions of NAC 706.257 to 706.269, inclusive, shall, for a period of not less than 3 years, maintain records, files and memoranda pertaining to all proposals considered by it.

Sec. 53. NAC 706.272 is hereby amended as follows:

1. A subsequent contract will be approved for an applicant with an existing permit to act as a contract motor carrier without notice and hearing under the following conditions:

(a) If the approval is granted, the applicant will have no more than the number of contracts authorized pursuant to NAC 706.232 or 706.274.

(b) Each contract to be approved must take the place of an existing previously approved contract.

(c) Each contract to be approved must state the duration of the contract and must be for no less than 3 months.

(d) Each contract to be approved must be identical to the previously approved contract in the following ways:

(1) The type of service to be provided;

(2) The geographical description of the service territory;

(3) The rates, fares or charges; and

(4) The type of equipment and the method by which the equipment will be dedicated to the contract.

(e) The contract must provide that the service will be rendered directly by the carrier to the shipper.

(f) The shipper is not a broker of transportation services.

2. For contracts approved pursuant to subsection 1:

(a) The name of the shipper for whom the services are being performed must be displayed on the unit having motor power. The name of the shipper must be in letters not less than 2 inches in height and readable from a distance of at least 50 feet. A removable sign or placard may be used if made of durable material such as wood, plastic or metal. The carrier displaying the name of the shipper must also display the name of the operator as required by NAC 706.170.

(b) The rights, duties and obligations of the shipper must not be assigned to any other shipper without the approval of the [commission] authority pursuant to subsection 1. An assignment made or an assignment attempted without the approval of the [commission] authority will be treated as a new contract requiring a permit.

Sec. 54. NAC 706.274 is hereby amended as follows:

1. A carrier who obtains a contract permit on or after January 1, 1988:

(a) May have a contract containing not more than three shippers or not more than three contracts, but neither the total number of contracts nor the total number of shippers may exceed three; and

(b) Must present sufficient evidence to the [commission] authority that either the number of contracts held by the contract carrier does not exceed the number of vehicles owned by the contract carrier and that at least one vehicle is dedicated to each individual shipper, or, when the number of vehicles owned by the carrier is less than the number of shippers in a single contract, the contract carrier must explain in the contract how the exclusive use will be provided to the shipper for a continuing period.

2. The provisions of paragraph (a) of subsection 1 also apply to a carrier who obtained a contract permit before January 1, 1988, if:

(a) The carrier was not authorized to provide transportation pursuant to four or five contracts or with four or five shippers; or

(b) The carrier has subsequently ceased operations pursuant to four or five contracts or with four or five shippers.

Sec. 55. NAC 706.278 is hereby amended as follows:

1. The [commission] authority hereby adopts by reference the regulations contained in 49 C.F.R. Part 27, Subparts A, C and E, as those regulations existed on October 1, 1989.

2. A common motor carrier that receives money from the Urban Mass Transportation Administration shall comply with the regulations set forth in 49 C.F.R. Part 27, Subparts A, C and E if any provision of the regulations applies to the operation of the motor carrier in Nevada.

3. A copy of 49 C.F.R. Part 27, Subparts A, C and E may be obtained from the *Las Vegas* office of the [public service commission of Nevada] authority [at the price of \$7.75]. The volume containing Subparts A, C and E is available from the Superintendent of

Documents, U. S. Government Printing Office, Washington, D. C. 20402, (202) 783-3238 [, at the price of \$14].

Sec. 56. NAC 706.302 is hereby amended as follows:

1. A tariff of rates and fares for common motor carriers which are filed with the [commission] authority must be numbered consecutively, beginning with number 1, and show:

- (a) The name and address of the motor carrier.
- (b) The number of the page of the tariff canceled thereby.
- (c) All points to which service is rendered.
- (d) The distance between all points named in the tariff, where applicable.
- (e) The date issued.
- (f) The effective date.

(g) All joint, through or local rates, fares or charges, or rates, fares or charges for a particular commodity or class of passengers or commodities.

- (h) The names of participating carriers if joint rates are named.
- (I) Regulations governing the tariff.
- (j) A full explanation of the marks and technical abbreviations used in the tariff.

2. Contract motor carriers must enter into written bilateral contracts which must be submitted to the [commission] authority for approval before operating and must contain:

- (a) The name and address of the motor carrier.
- (b) The date the contract was issued.
- (c) The effective date.
- (d) All minimum rates, fares or charges.

Sec. 57. NAC 706.305 is hereby amended as follows: The [commission] authority may on its own motion or on the filing of a sufficient protest by any person or persons affected, order a tariff withdrawn, modified or suspended.

Sec. 58. NAC 706.311 is hereby amended as follows:

1. Except as otherwise provided in NRS 706.351, an authorized carrier shall not:

(a) Charge, demand, collect or receive a greater, lesser or different compensation for the transportation of persons or property or for any service in connection therewith than the rates, fares or charges applicable to the transportation as specified in its tariffs filed and in effect at the time.

(b) Refund or remit in any manner or by any device any portion of the rates, fares or charges so specified except upon orders of the courts or [commission] *authority*, nor extend to the shipper or person any privilege or facility in the transportation of passengers or property except as specified in the tariffs.

(c) Submit a bid to provide services in any form or manner which is not in conformance with the certificate he holds.

(d) Use any artifice or subterfuge, or billing or accounting practice in lieu of an authorized commission. The fare or rate charged to the passenger or shipper may not be greater than or different from the fare or rate specified in the tariffs in effect at the time because of the authorized [commission] *authority*.

2. An agent arranging or providing transportation on the vehicles of any certificated motor carrier shall not charge, demand, collect or receive a greater, lesser or different compensation for the transportation of persons or property or any service in connection therewith than the rates, fares or charges specified in the motor carrier's tariffs.

3. All tickets issued by a carrier or its agent must identify the charge to the passenger for the service or transportation purchased. That charge may not be different from the tariff on file with the [commission] *authority*.

Sec. 59. NAC 706.314 is hereby amended as follows:

1. All tariffs submitted must be accompanied by a transmittal letter with an explanation of the purposes and intent of the tariff.

2. If any change is proposed in any rate, the proposed change must be plainly indicated on the new tariff filed with the [commission] *authority* by a mark immediately preceding or following the new tariff.

Sec. 60. NAC 706.323 is hereby amended as follows: Common or contract carriers who are on call must not establish a definite schedule that would indicate a regular route service, or establish any schedules between fixed destinations, except carriers of household goods, operators of dump trucks or as otherwise ordered by the [commission] authority.

Sec. 61. NAC 706.327 is hereby amended as follows:

1. A common or contract motor carrier of commodities shall carry in the unit having motive power a manifest containing:

(a) A description of the shipment, including the number of pieces and the net weight of the shipment.

(b) The names of the consignees.

(c) The names of the consignors.

(d) The points of origin and destination of the shipment.

(e) The route of the shipment.

(f) A statement that the carrier's rates and regulations are subject to approval by the [commission] authority.

2. A copy of the manifest must be kept on file in the principal office of each carrier involved in the transport of the shipment for 3 years after the shipment has been made.

Sec. 62. NAC 706.333 is hereby amended as follows:

1. A claim by a shipper or consignor against a common or contract motor carrier for lost or damaged freight or baggage must be submitted to the carrier within 7 days after the loss or damage is discovered.

2. Within 14 days after receipt of the claim, the carrier shall:

(a) Compensate the shipper or consignor; or

(b) Deliver to the shipper or consignor a written denial of the claim.

3. A denial of a claim may be appealed by the shipper or consignor to the [commission] authority.

Sec. 63. NAC 706.335 is hereby amended as follows:

1. Upon the completion of a shipment of freight, the authorized carrier shall present to the person paying for the shipment the original bill for payment.

2. The bill must show:

(a) The name and address of the carrier.

(b) The names of the consignor and consignee.

(c) The points of origin and destination.

(d) The date and time the shipment was received by the carrier.

(e) The date of arrival of the shipment at its destination.

(f) The date of the bill.

(g) The weight of the shipment, if applicable.

(h) The route over which the freight was transported, the name of the point of transfer and the name of each carrier participating in the transportation.

(I) The numbers of the vehicles which transported the freight.

(j) An adequate description of the property transported, including the number of packages and a listing of the commodities carried.

(k) The rate charged for the service.

(l) Any other charge incident to the transportation.

(m) A statement that the carrier's rates are subject to regulation by the [commission] authority.

(n) Any other information required by the [commission] authority.

Sec. 64. NAC 706.345 is hereby amended as follows:

1. A common motor carrier authorized to conduct scenic tours shall file with the [commission] authority a tariff showing both per capita fares and hourly rates for each tour offered.

2. A common motor carrier authorized to conduct scenic tours who uses limousines is not required to file tariffs showing hourly rates.

3. A common motor carrier authorized to conduct scenic tours shall not render the service until an order has been prepared by the carrier stating:

- (a) The name of the person or group who contracted for the service;
- (b) The date and time when the service is to be rendered;
- (c) The route to be traversed; and
- (d) The points of interest to be visited.

4. A copy of the order must be carried on the bus for inspection during the period of the service and maintained in the files of the carrier for 3 years.

Sec. 65. NAC 706.356 is hereby amended as follows:

1. Except as otherwise provided in subsection 3, a common motor carrier who is subject to the provisions of NAC 706.010 to 706.395, inclusive, shall not interrupt any service established pursuant to the provisions of NRS 706.011 to 706.791, inclusive, for more than 48 hours in any 180-day period without filing a petition and obtaining an order granting the petition from the [commission]authority. The [commission]authority will give public notice and, if a protest is filed, hold a hearing on the petition before granting the petition. The [commission]authority may hold a hearing on the petition if no protests are filed. If the [commission]authority does not act on the petition within 45 days after its filing, the petitioner may temporarily suspend operations until a final order is entered by the [commission]authority.

2. A carrier who interrupts such service for less than 48 hours must provide notice to the [commission]authority if the service being interrupted is the transportation of passengers. A notice required pursuant to this subsection must include the justification for the interruption of service. Financial or economic hardship may not be used to justify such an interruption. An interruption of less than 48 hours may not be renewed or extended unless the carrier files a petition and obtains an order in accordance with the provisions of subsection 1.

3. If an interruption of service for more than 48 hours is caused by an unforeseeable event which is beyond the control of the carrier, the carrier must provide written notice to the [commission]authority within 24 hours after the event. If service is not resumed within 10 days after such an interruption, the carrier must file a petition in accordance with the provisions of subsection 1.

4. An order of the [commission]authority granting the temporary interruption of service expires 180 days after the date the petition was filed. If the carrier has not resumed service on a permanent basis upon the expiration of such an order, the staff of the [commission]authority shall, within 30 days after the expiration of the order, forward a recommendation to the [commission]authority stating whether the [commission]authority

should issue an order to show cause why the contract permit or certificate of public convenience and necessity of the carrier should not be revoked.

Sec. 66. NAC 706.359 is hereby amended as follows:

1. A temporary transfer of operating rights may be approved if the [commission]authority finds it is in the public interest.

2. Applicants who seek approval of a temporary transfer of operating rights for a limited period, whether by lease, operating contract or otherwise, must state in their application the circumstances which makes the transfer necessary, the specified period for which the transfer is sought, the consideration for the transfer, the time and method of payment and that the applicants have agreed in writing that all operating rights involved in the transaction revert to the transferor at the expiration of the term, or upon a discontinuance of operations by the transferee at any time before the expiration of the term. In case of reversion, the transferor shall give immediate notice to the [commission]authority. It must be further stipulated by the applicants that the transferee will be responsible for furnishing all reports required by the [commission]authority.

3. Unless unusual circumstances are involved, an application for the transfer of operating rights for a limited time will not be approved for a period of less than 30 days, nor longer than 2 years, during which time the parties will be expected to consider and determine whether they want to enter into a permanent transaction of sale and purchase of the rights. Nothing in this section may be construed as approving a sale and purchase of operating rights in advance of an application.

Sec. 67. NAC 706.3615 is hereby amended as follows: The annual fee charged by the [commission]authority pursuant to NRS 706.471 will be \$36 for each taxicab operated.

Sec. 68. NAC 706.362 is hereby amended as follows:

1. A person holding a certificate to operate a taxicab shall post in the vehicle a schedule of the rates based on zones or mileage or any other rate approved by the [commission] authority for the operation of the vehicle. The schedule must be clearly readable by all occupants of the taxicab. If the vehicle is operated under a tariff based on zones, there must be posted within that vehicle a map clearly visible to occupants in the rear showing the territory served with the zones outlined and the applicable fares stated.

2. The name or trade name of the carrier and the city or town from which the carrier is authorized to operate under its certificate must be painted on each side of a taxicab. A trade name may not be used unless it is first approved by the [commission]authority.

Sec. 69. NAC 706.365 is hereby amended as follows:

1. A person may not be denied service by a taxicab merely because he desires transportation in a direction other than that in which the driver desires to operate or to a destination different from that desired by the driver.

2. No person other than the driver may be allowed within any taxicab unless that person is a passenger who is actually being transported and is paying a fare.

3. Passengers in a taxicab must have the exclusive use of the vehicle while being transported.

4. A driver may refuse service to any person under the following situations:

(a) The person refuses to state with specificity his intended destination or requests a change of destination to an inexact location; or

(b) The person acts in a disorderly manner, including the use of:

(1) Hostile or offensive gestures; or

(2) Indecent or offensive language; or

(c) The driver has a reasonable suspicion that the person is concealing a weapon or other dangerous object under his clothing.

(d) The person requests a destination that is out of the communication area of the certificate holder's dispatch.

5. A driver shall not take a longer route to the passenger's destination than is necessary, unless requested to do so by the passenger.

Sec. 70. NAC 706.368 is hereby amended as follows: A holder of a certificate to operate a taxicab shall not direct any driver to serve any specific area different from the territory authorized under that certificate and for which a tariff has been filed with and approved by the [commission]authority.

Sec. 71. NAC 706.371 is hereby amended as follows:

1. Except otherwise as provided in NAC 706.208 and 706.375, a taxicab must be registered in the name of the holder of the certificate. The holder may not enter into any

agreement, lease or arrangement for the payment of a commission if he does not have full and complete control of the vehicle at all times.

2. A holder of a certificate for a taxicab shall not:

- (a) Sell, contract to sell or mortgage a taxicab to another person;
- (b) Lease a taxicab to another person unless the lease agreement conforms to the provisions of NRS 706.473 and NAC 706.3753 and 706.3755; or
- (c) Lease a motor vehicle to a driver for use as a taxicab.

3. Every driver of a taxicab must be:

- (a) The holder of a certificate;
- (b) The employee of a holder of a certificate; or
- (c) An independent contractor who has entered into a lease agreement *with the holder of the certificate* pursuant to NRS 706.473.

Sec. 72. NAC 706.375 is hereby amended as follows:

1. A common motor carrier authorized to operate a [taxicab or] limousine shall not lease any vehicle which it uses as a [taxicab or] limousine without prior approval by the [commission] *Manager of Transportation*.

2. The lease will be approved by the [commission] *Chairman or the Chairman's designee* if:

- (a) The vehicle is leased for not more than 14 days;
- (b) The vehicle will be used only in an operation authorized by the lessee's certificate;
- (c) Not more than one-half of the carrier's vehicles are leased vehicles; and
- (d) The driver of the leased vehicle is an employee of the motor carrier and has no interest as an owner in the vehicle.

(e) The motor carrier can show specific circumstances that indicate it will experience an increase in customer demand, a temporary decrease in the motor carrier's permanent fleet or other circumstance that would support a temporary increase in the motor carrier's fleet.

3. A copy of the lease must be carried in the vehicle during the period of the lease.

4. The carrier shall not lease vehicles on more than 45 days in any calendar year.

5. The provisions of this section do not apply to a lease agreement entered into pursuant to NRS 706.473.

6. Any vehicle leased pursuant to this provision shall comply with all standards of the authority.

Sec. 73. NAC 706.3753 is hereby amended as follows:

1. Each lease agreement entered into by a holder of a certificate to operate a taxicab and an independent contractor pursuant to NRS 706.473 must:

(a) Be maintained by the holder of the certificate.

(b) Be in writing and in a form approved by the [commission]authority.

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

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

(e) Specifically state that the independent contractor is subject to all laws and regulations relating to the operation of a taxicab which have been established by the [commission]authority and other regulatory agencies and that a violation of those laws and regulations will breach the agreement.

(f) Specifically state that the holder of the certificate is responsible for maintaining:

(1) All required insurance associated with the taxicab and the service which is the subject of the agreement in accordance with NAC 706.191;

(2) A file which contains the qualifications of the independent contractor to drive the taxicab; and

(3) A file for records concerning the maintenance of the taxicab.

(g) Specifically state that the lease agreement does not relieve the holder of the certificate from any of his duties or responsibilities set forth in this chapter and chapter [703 of NAC and chapters 703 and] 706 of NRS.

(h) Specifically state that the taxicab provided pursuant to the lease agreement:

(1) Will be painted with the name, insignia and certificate number of the holder of the certificate; and

(2) Is in a good mechanical condition that will meet the requirements for operating taxicabs set forth by this state or the county or municipality in which the taxicab will be operated.

(i) Contain any other provision which the [commission]authority may determine to be necessary for the protection of the health and safety of members of the public.

(j) Specifically state that the independent contractor shall not transfer, assign, sub-lease or otherwise enter into any agreement with another driver for the operation of the leased vehicle.

(k) Shall not provide for the operation of a vehicle by the independent contractor for a period of more than 12 hours in any 24 hour period and shall provide for the return of the vehicle to the holder of the certificate in a manner consistent with NAC 706.380;

(l) Shall provide for the collection from the independent contractor of the appropriate workers compensation insurance premium by the certificate holder, who shall then deposit said premiums with the State Industrial Insurance System in a manner consistent with that agency's guidelines

2. The [commission]authority may, for good cause and after a hearing, revoke or suspend the authority of a holder of a certificate to operate a taxicab to enter into a lease agreement pursuant to NRS 706.473.

Sec. 74. NAC 706.3757 is hereby amended as follows: If the [commission]authority has reason to believe that any provision of NAC 706.3753 or 706.3755 is being violated, the [commission]authority may, after a hearing:

1. Impose an administrative fine pursuant to NRS 706.771; or

2. Order the holder of the certificate to operate a taxicab or the independent contractor to cease and desist from any action taken in violation of NAC 706.3753 or 706.3755.

3. Revoke or suspend the authority of a certificate holder to enter into a lease agreement pursuant to NRS 706.473.

Sec. 75. NAC 706.379 is hereby amended as follows:

1. A common or contract motor carrier authorized to operate a taxicab, limousine, bus or other vehicle shall regularly inspect each vehicle operated and keep a record of the inspection as required pursuant to subsection 5 of NAC 706.381.

2. Each vehicle must be maintained in conformance with the following standards:

[(a) The steering mechanism must be in good mechanical condition. If, upon inspection, any loose knuckles, bolts or gear trains are found, the vehicle must be taken out of service until the necessary repairs are completed.

(b) All hinges and latches on doors must be in good mechanical condition and must operate freely and close securely.

(c) Any interior exterior advertising must not obscure the driver's view in any direction.

(d) All windows must be clear and free from cracks or chips in excess of 3 inches in length. Damaged glass must be replaced within 7 days after discovery of the damage.

(e) The brakes must be in good mechanical condition.

(f) The system for exhaust, including gaskets, tailpipes and mufflers must be in good condition and fumes must not penetrate into the interior of the vehicle.

(g) The speedometer must be maintained in good condition and exposed to view.

(h) The interior of the vehicle must be clean and free from torn upholstery, damaged or broken seats and other broken features.

(i) The head lamps, tail lamps, stop lamps and turn signals must be in working condition and the head lamps properly aligned.

(j) The horn and windshield wipers must be in good working condition.

(k) The taximeter, where applicable, must be connected and working properly, have its covers and gears intact and conform to a tolerance of plus or minus two percent on the device for recording fares.]

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

(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.

(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.

(d) The vehicle is equipped with an air filter or adequate flame arrester covering the air intake of the carburetor.

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

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

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

(h) All windows are operable, free of obstruction and the driver's view is not impaired in any direction.

(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 disk. Under normal braking conditions, the vehicle does not pull to the left or right or unusual locking of wheels does not occur.

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

(k) All taxicabs placed in service after July 1, 1998, must be equipped with:

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

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

(3) Straps to tie down the trunk; and

(4) Windows that have not been tinted more than the manufacturer's specifications for the vehicle.

(l) Seat belts must be maintained in a clean and operable condition at all times.

(m) All taxicabs and limousines placed in service after July 1, 1998, must be equipped with:

(1) Automatic locks which control all doors and which are operable at the driver's door; and

(2) A trunk release which is operable from inside the trunk.

[3]4. If an employee of the [commission]authority does not withdraw a vehicle from service pursuant to NAC 706.381, but the carrier knows or should have reason to know the vehicle does not conform to the standards prescribed in subsection 2, the carrier shall withdraw the vehicle from service at the end of the operating day and the vehicle may not be placed back into service until any defective condition has been corrected and the vehicle is in compliance with subsection 2. If the vehicle does not conform to the standards prescribed in subsection 2 and the carrier knows or should have reason to know the vehicle poses an immediate and substantial threat to the safety of the public or passengers of the vehicle, the carrier shall

immediately withdraw the vehicle from service until any defective condition has been corrected and the vehicle is in compliance with subsection 2 and no longer poses an immediate and substantial threat to the safety of the public or passengers. Failure of the carrier to take these actions may result in the suspension or revocation of the carrier's permit or certificate. Notice of repair of the vehicle must be made pursuant to NAC 706.381 before the vehicle may be operated.

Sec. 76. NAC 706.381 is hereby amended as follows:

1. A taxicab, limousine or bus of a common or contract motor carrier may be inspected at any time during business hours by an authorized employee of the [commission] authority.

2. If the authorized employee of the [commission] authority finds that a vehicle is in a condition which violates any provision of subsection 2 of NAC 706.379 and does not pose a threat to the safety of the public or passengers of the vehicle, he shall remove the vehicle from service effective at the end of the operating day and place a sticker on the windshield indicating that the vehicle is so removed from service.

3. If the authorized employee of the [commission] authority finds that a vehicle is in a condition which violates any provision of subsection 2 of NAC 706.379 and poses an immediate and substantial threat to the safety of the public or passengers of the vehicle, he shall immediately remove the vehicle from service by placing a sticker on the windshield indicating the vehicle is immediately removed from service. If passengers are aboard, the passengers must be safely unloaded and provided safe shelter until the driver of the vehicle obtains a substitute vehicle to transport the passengers to the original destination. A substitute vehicle must be provided immediately by the carrier. The driver must also contact the carrier so that the vehicle may be towed to the carrier's facility or another facility for repair. If passengers are not aboard the vehicle, the driver shall remove the vehicle from the road to a safe location and contact the carrier so that the vehicle may be towed to the carrier's facility or another facility for repair.

4. A vehicle removed from service pursuant to subsections 2 and 3 must remain out of service until the defect is repaired and a notice of repair is filed by the carrier with the [commission] authority on a form provided by the [commission's] authority's representative.

5. An authorized carrier shall maintain current records for each driver and of the inspection, maintenance and repairs of each vehicle. Each driver's record must contain all citations and other matters relevant to his performance and his record of training. These records must be maintained and made available for inspection by the [commission] authority pursuant to NAC 706.203.

Sec. 77. NAC 706.386 is hereby amended as follows: The [commission] authority will consider a transfer of operating rights to a person who is the holder of operating

rights which duplicate in part or in whole, those to be transferred, but in no case will a person be permitted to hold duplicate authority over the same routes, in the same territory or for the transportation of identical commodities *unless the authority finds such duplication to be in the public interest.*

Sec. 78. NAC 706.389 is hereby amended as follows:

1. Except as otherwise provided in subsection 2, an application for the transfer of operating rights will not be approved if there has been a cessation of operations by the transferor without appropriate authority of the [commission] *authority* even if the application was submitted before the operations ceased.

2. Approval may be obtained if the cessation of operations was caused by circumstances over which the holder of the operating rights had no control or the transfer would be in the public interest.

Sec. 79. NAC 706.395 is hereby amended as follows:

1. No transfer of any operating right is effective except upon full compliance with these regulations and until after the [commission] *authority* has approved the transfer as provided in this section. The mere execution of a chattel mortgage, deed of trust or other similar document, does not constitute a transfer. A proposed transfer of operating rights by means of the foreclosure of a mortgage or deed of trust or other lien upon such rights, or by an execution in satisfaction of any judgment or claim against the holder is not effective without compliance with these regulations and the prior approval of the [commission] *authority*.

2. A proposed transfer of operating rights will not be approved if the [commission] *authority* finds that the transferee does not intend to, or would not, engage in bona fide motor carrier operations under the operating rights, or if the [commission] *authority* finds that the transferor acquired the operating rights to profit therefrom and has not engaged in bona fide motor carrier operations under the operating rights.

3. An application for the transfer of operating rights by sale and purchase will not be approved if the:

(a) [Commission] *Authority* considers and determines that the purchase price to be paid would be excessive and contrary to the public interest.

(b) Transfer would tend to create an unfair competitive operation and is not consistent with the public interest.