

LCB File No. R040-02

**PROPOSED REGULATION OF THE
TRANSPORTATION SERVICES AUTHORITY**

PROPOSED REVISIONS TO CHAPTER 706 OF THE
NEVADA ADMINISTRATIVE CODE SUBMITTED BY THE
TRANSPORTATIONS SERVICES AUTHORITY TO THE LEGISLATIVE
COUNSEL BUREAU FOR INITIAL REVIEW PURSUANT TO NRS 233B.

Chapter 706 of NAC is hereby amended by adding thereto the provisions thereto set forth as Sections 1 to 130, inclusive, of this regulation.

Section 1. *“Authority” defined. (NRS 706.171) “Authority” means the transportation services authority created pursuant to NRS 706.1511.*

Sec. 2. *“Business hours” defined. (NRS 706.171) “Business hours” means Monday through Friday, excluding any legal holiday, from eight o’clock AM through five o’clock PM.*

Sec. 3. *“On call” defined. (NRS 706.171) “On call” means available to schedule prearranged transportation.*

Sec. 4. *“On hire for taxicab service” defined. (NRS 706.171) “On hire for taxicab service” means when the taxicab passenger is seated in the taxicab.*

Sec. 5. *“Permit” defined. (NRS 706.171) “Permit” means a permit to operate a van pool, warehouse, or as a contract carrier issued by the transportation services authority.*

Sec. 6. *“Prearranged” defined. (NRS 706.171) “Prearranged” means transportation that is scheduled through or reported to the carrier’s central dispatch before the provision of service.*

Sec. 7. *“Shuttle service” defined. (NRS 706.171) “Shuttle service” means the transportation of passengers between definite points of origin and definite points of destination which have been approved by the Authority. Such service may be provided at either at a per capita or hourly rate. Shuttle service does not include special services, scenic tours or airport transfer service.*

Sec. 8. *“Staging” defined. (NRS 706.171) “Staging” means when a motor vehicle is parked, standing or stopped for the purpose of providing walk-up transportation service.*

Sec. 9. {Editor’s Note: Suggested numbering as NAC 706.1376} *Application for Certificate to Provide Tow Car Service. (NAC 706.171)*

1. An application for:

(a) The initial issuance, expansion or modification of a certificate of public convenience and necessity made pursuant to NRS 706.386 to 706.411, inclusive;

(b) The sale and transfer of an interest in:

(1) A certificate;

(2) Fifteen percent or more of the stock of a corporation that holds a certificate; ~~or~~

(3) A partnership that holds a certificate; or

(4) A corporate entity that would result in a change in the corporate control of that carrier

must, in addition to complying with the provisions of NAC 706.010 to 706.4019, inclusive, that are applicable to pleadings, contain the data set forth in subsection 2.

2. An application for a Certificate to provide Tow Car service must contain the following data, either in the application or as exhibits attached thereto:

(a) The type of service proposed, a general description of the service and a reference to the authority pursuant to which the service is to be performed.

(b) The specific authority requested and the statutory provision pursuant to which the certificate is requested.

(c) A copy of a sample invoice that will be used with complaint procedures imprinted on the invoice.

(d) For non-consent tows, a statement of the rates proposed to be charged and the rules governing service in the form of a tariff prepared pursuant to NAC 706.138 to 706.139, inclusive. For carriers providing consent tows only, the tariff title page prepared in the format described within NAC 706.1385.

(e) The type and approximate number of units of equipment to be used in the proposed service and a statement as to which units of equipment are owned by the applicant, including photographs of the equipment to be used and copies of the registration and titles of those vehicles already owned by the applicant.

(f) A statement of the qualifications and experience of the personnel who will manage and operate the proposed service and the proposed operating procedures related to service, safety, maintenance, training of drivers, billing, relations with customers and the keeping of records.

(g) A statement describing the facilities that will be used to provide the proposed service, such as offices, terminals and impound yards.

(h) If the applicant is a corporation or a limited liability company (LLC), a copy of its articles of incorporation or articles of agreement, certified by the secretary of state, and all effective amendments. If the corporation or LLC was incorporated or established in another state, a corporate qualification to conduct business in the State of Nevada.

(i) For all types of legal entities, a listing of all owners, including associated stock certificates, membership certificates or associated documents, along with the percentage of ownership interest of each partner, member or owner. (In the case of a publicly traded corporation, a copy of the Form 10K filed with the Securities Exchange Commission showing the controlling ownership, officers and directors will satisfy this requirement.)

(j) If the applicant is operating under a fictitious name, provide a copy of the fictitious firm name filing.

(k) Provide a sample of the tow service dispatch log.

(l) Evidence that the applicant can secure the insurance required by NAC 706.191.

(m) If the applicant is a partnership, a copy of the partnership agreement and any amendments made thereto.

(n) Additional information as is necessary for a full understanding of the application.

3. If any item required pursuant to this section or by statute is omitted or otherwise deficient after acceptance of the application or filing, the transportation services authority will notify the applicant of the omission or deficiency, in writing, at the address of the applicant listed on the application or filing. If the applicant does not cure the omission or deficiency within 15 working days after the issuance of that notification, the deputy commissioner shall, at the next regular meeting of the transportation services authority, move that the application or filing be dismissed.

Sec. 10. {Editor's Note: Suggested numbering as NAC 706.1377} *Application for Certificate to Provide Charter Bus Service.*

1. An application for:

(a) The initial issuance of a certificate of public convenience and necessity made pursuant to NRS 706.386 to 706.411, inclusive;

(b) The sale and transfer of an interest in:

(1) A certificate;

(2) Fifteen percent or more of the stock of a corporation that holds a certificate; ~~for~~

(3) A partnership that holds a certificate; or

(4) A corporate entity that would result in a change in the corporate control of that carrier

must, in addition to complying with the provisions of NAC 706.010 to 706.4019, inclusive, that are applicable to pleadings, contain the data set forth in subsection 2.

2. An application for a Certificate to provide Charter Bus Service must contain the following data, either in the application or as exhibits attached thereto:

(a) The type of service proposed, a general description of the service and a reference to the authority pursuant to which the service is to be performed.

(b) The specific authority requested and the statutory provision pursuant to which the certificate is requested.

(c) The terminal and other points to be served, the number and location of points where equipment will be located.

(d) A copy of the charter order to be used in the proposed Nevada charter bus operation.

(e) A statement of the rates or fares proposed to be charged and the rules governing service in intrastate charter bus operations pursuant to NRS 706.321, and in the form of a tariff prepared pursuant to NAC 706.138 to 706.139, inclusive.

(f) The type and approximate number of units of equipment to be used in the proposed service (provide a list of all vehicles: year, make, model, passenger capacity and vehicle identification number (VIN)) to be utilized to provide the Nevada charter bus operations) and a statement as to which units of equipment are owned by the applicant, including photographs of the equipment to be used and copies of the registration and titles of those vehicles already owned by the applicant.

(g) A statement of the qualifications and experience of the personnel who will manage and operate the proposed service and the proposed operating procedures related to service, safety, maintenance, training of drivers, billing, relations with customers and the keeping of records.

(h) A statement describing the facilities that will be used to provide the proposed service. Include the company domicile address and/or location where business office and records are

maintained. Also identify the address and or location of your terminal and equipment location.

(i) If the applicant is a corporation or a limited liability company (LLC), a copy of its articles of incorporation or articles of agreement, certified by the secretary of state, and all effective amendments. If the corporation or LLC was incorporated or established in another state, a corporate qualification to conduct business in the State of Nevada.

(j) If the applicant is a partnership, a copy of the partnership agreement and any amendments made thereto.

(k) For all types of legal entities, a listing of all owners, including associated stock certificates, membership certificates or associated documents, along with the percentage of ownership interest of each partner, member or owner. (In the case of a publicly traded corporation, a copy of the Form 10K filed with the Securities Exchange Commission showing the controlling ownership, officers and directors will satisfy this requirement.)

(l) If the applicant is operating under a fictitious name, provide a copy of the fictitious firm name filing.

(m) Provide name, address and copy of authority of all transportation entities owned or controlled by the Applicant.

(n) Provide a copy of the complaint procedures that will be used.

(o) Provide copies of each city/county business license

(p) Evidence that the applicant can secure the insurance required by NAC 706.191.

(q) Additional information as is necessary for a full understanding of the application.

3. If any item required pursuant to this section or by statute is omitted or otherwise deficient after acceptance of the application or filing, the transportation services authority will notify the applicant of the omission or deficiency, in writing, at the address of the applicant listed on the application or filing. If the applicant does not cure the omission or deficiency within 15 working days after the issuance of that notification, the deputy commissioner shall, at the next regular meeting of the transportation services authority, move that the application or filing be dismissed.

Sec. 11. {Editor's Note: Suggested numbering as NAC 706.210} *Lease of vehicle for use as a traditional limousine or livery limousine. (NRS 706.171)*

1. A common motor carrier authorized to operate a traditional limousine or livery limousine shall not lease any vehicle which it uses as a traditional limousine or livery limousine without prior approval by the chairman or a person designated by the chairman.

2. The lease will be approved by the chairman or a person designated by the chairman 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;

(d) Including the vehicles leased by the carrier under this provision, the total number of vehicles operated by the carrier may never exceed that number of vehicles granted under its operating authority.

(e) The request for lease approval must be submitted to the authority at least 10 days prior to the execution of the lease.

(f) The driver of the leased vehicle is an employee of the motor carrier and has no interest as an owner in the vehicle; and

(g) The carrier is able to demonstrate to the satisfaction of the chairman or the person designated by the chairman that the carrier needs to increase the size of its fleet on a temporary basis, including, without limitation, facts which indicate that the carrier expects to experience:

(1) An increase in customer demand; or

(2) A decrease in the size of the permanent fleet of the carrier.

The chairman or the person designated by the chairman shall approve or disapprove the lease within 10 working days after receiving a ~~copy of the~~ lease request from the motor carrier.

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

4. A copy of the authority's lease request approval must be carried in the vehicle during the period of the lease.

5. Copies of the lease and the authority's lease approval must be maintained by the carrier for a minimum of three years.

6. A copy of the lease must be submitted to the authority prior to or at the inception of the lease period.

7. The carrier shall not lease vehicles for more than 45 days in any calendar year.

8. If the chairman or a person designated by the chairman grants to a common motor carrier approval to lease a traditional limousine or livery limousine pursuant to this section, such approval does not relieve the carrier of the obligation to comply with any other laws that otherwise apply with respect to the operation of a traditional limousine or livery limousine.

Sec. 12. {Editor's Note: Suggested numbering as NAC 706.211} Lease of vehicle for use in conjunction with Off-Road Scenic Tour authority. (NRS 706.171)

1. A common motor carrier authorized to provide off-road scenic tours shall not lease any vehicle without prior approval by the chairman or a person designated by the chairman.

2. The lease will be approved by the chairman or a person designated by the chairman 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) The request for lease approval must be submitted to the authority at least 10 days prior to the execution of the lease.

(d) The driver of the leased vehicle is an employee of the motor carrier and has no interest as an owner in the vehicle; and

(e) The carrier is able to demonstrate to the satisfaction of the chairman or the person designated by the chairman that the carrier needs to increase the size of its fleet on a temporary basis, including, without limitation, facts which indicate that the carrier expects to experience:

(1) An increase in customer demand; or

(2) A decrease in the size of the permanent fleet of the carrier.

The chairman or the person designated by the chairman shall approve or disapprove the lease within 10 working days after receiving a lease request from the motor carrier.

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

4. A copy of the authority's lease request approval must be carried in the vehicle during the period of the lease.

5. Copies of the lease and the authority's lease approval must be maintained by the carrier for a minimum of three years.

6. *A copy of the lease must be submitted to the authority prior to or at the inception of the lease period.*

7. *The carrier shall not lease vehicles for more than 45 days in any calendar year.*

8. *If the chairman or a person designated by the chairman grants to a common motor carrier approval to lease additional vehicles pursuant to this section, such approval does not relieve the carrier of the obligation to comply with any other laws that otherwise apply.*

Sec. 13. {Editor's Note: Suggested numbering as NAC 706.229} *Requirements for an employee who drives a traditional limousine or livery limousine. (NRS 706.171)*

1. *In addition to the applicable requirements set forth in 49 C.F.R. §§ 392.2, 392.3, 392.4, 392.5, 392.9, 396.3(b)(2) and 49 C.F.R. Parts 40, 382, 390, 391, 393 and 397, a certificate holder shall not allow an employee of the certificate holder to drive a traditional limousine or livery limousine that the certificate holder is authorized to operate unless the driver:*

(a) *Has a valid Nevada driver's license and is at least 21 years of age; and*

(b) *Provides to the certificate holder, on or before the date on which the employee becomes employed by the certificate holder as the driver of a traditional limousine or livery limousine:*

(1) *A certificate from a licensed physician which is dated not more than 90 days before the date on which the employee becomes employed by the certificate holder as the driver of a traditional limousine or livery limousine from the certificate holder, which demonstrates that the employee is physically qualified to operate a commercial motor vehicle in accordance with 49 C.F.R. § 391.43; and*

(2) *A copy of the driving record of the employee is obtained from the department of motor vehicles and which demonstrates that the employee has not, within the 3 years immediately preceding the date on which the employee becomes employed by the certificate holder as the driver of a traditional limousine or livery limousine:*

(I) *Been convicted of driving under the influence of an intoxicating liquor or a controlled substance;*

(II) *Been convicted of reckless driving;*

(III) *Been convicted of failing to stop and remain at the scene of an accident; or*

(IV) *Failed to keep a written promise to appear in court for any offense.*

2. *Each employee shall update annually the documents required pursuant to paragraph (b) of subsection 1 and submit the updated documents to the certificate holder.*

3. *A certificate holder shall retain a copy of each document that the employee submitted to the certificate holder pursuant to this section until 3 years after the employee's employment has terminated*

Sec. 14. {Editor's Note: Suggested numbering as NAC 706.279} *List of supervisory employees. (NRS 706.171) All certificated carriers must provide to the authority and must maintain with the authority a current list of supervisory or responsible persons in their employ. The persons on this list must be authorized to act for the certificate holder in dealing with the authority.*

Sec. 15. {Editor's Note: Suggested numbering as NAC 706.2791} *Commencement of operations. (NRS 706.171) A certificated carrier must begin operations within 30 days after the certificate is issued.*

Sec. 16. {Editor's Note: Please insert the following heading prior to the suggested new group of provision beginning at suggested NAC 706.280}

Regulation of Authorized Brokers of Passenger Transportation

Sec. 17. {Editor's Note: Suggested numbering as NAC 706.280} *Application for Transportation Broker Certificate. (NRS 706.171)*

1. An application for:

(a) The initial issuance of a Transportation Broker Certificate;

(b) The sale and transfer of an interest in:

(1) A certificate;

(2) Fifteen percent or more of the stock of a corporation that holds a certificate; ~~or~~

(3) A partnership that holds a certificate; or

(4) A corporate entity that would result in a change in the corporate control of that broker

must, in addition to complying with the provisions of NAC 706.010 to 706.4019, inclusive, that are applicable to pleadings, contain the data set forth in subsection 2.

2. An application for a Transportation Broker Certificate must contain the following data, either in the application or as exhibits attached thereto:

(a) The type of service proposed, a general description of the service and a reference to the authority pursuant to which the service is to be performed and the statutory provision pursuant to which the certificate is requested.

(b) A statement of the rules governing the sales of the service.

(c) A statement describing the office, location(s), and methods of contact that will be used to provide the proposed service.

(d) If the applicant is a corporation or a limited liability company (LLC), a copy of its articles of incorporation or articles of agreement, certified by the secretary of state, and all effective amendments. If the corporation or LLC was incorporated or established in another state, a corporate qualification to conduct business in the State of Nevada.

(e) If the applicant is a partnership, a copy of the partnership agreement and any amendments made thereto.

(f) For all types of legal entities, a listing of all owners, including associated stock certificates, membership certificates or associated documents, along with the percentage of ownership interest of each partner, member or owner. (In the case of a publicly traded corporation, a copy of the Form 10K filed with the Securities Exchange Commission showing the controlling ownership, officers and directors will satisfy this requirement.)

(h) If the applicant is operating under a fictitious name, a copy of the certificate filed pursuant to chapter 602 of NRS.

(i) Additional information as is necessary for a full understanding of the application.

3. If any item required pursuant to this section or by statute is omitted or otherwise deficient after acceptance of the application or filing, the transportation services authority will notify the applicant of the omission or deficiency, in writing, at the address of the applicant listed on the application or filing. If the applicant does not cure the omission or deficiency within 15 working days after the issuance of that notification, the deputy commissioner shall, at the next regular meeting of the transportation services authority, move that the application or filing be dismissed.

Sec. 18. {Editor's Note: Suggested numbering as NAC 706.281} *Transportation Brokers required to obtain certificate and comply with statutes and codes. (NRS 706.171, NRS 706.226)*

1. It is unlawful for any broker of intrastate transportation to operate their business within this state without first obtaining a Transportation Broker Certificate (TBC) from the authority.

2. Every transportation broker shall comply with the provisions of NAC Chapter 706 and NRS 706.011 thru NRS 706.885 inclusive, and shall instruct his employees and agents concerned with the transportation of persons or property by motor vehicle with respect thereto.

Sec. 19. {Editor's Note: Suggested numbering as NAC 706.282} *Recordkeeping by Brokers. (NRS 706.171)*

1. Transportation brokers are required to maintain records of any transactions between themselves and certificated carriers. These records will include:

(a) The name of the carrier;

(b) The carrier's CPCN number;

(c) A description of transportation service provided;

(d) The amount paid for the service;

(e) The amount charged by the broker for the service; and,

(f) Any agreement and or contract between the broker and motor carrier.

2. All applicable records will be maintained for a three-year period.

3. Any employee of the authority may examine, during the regular business hours, the books accounts, records, minutes, or papers of any person which is regulated by the authority and who does business in this state, whether or not the books, accounts, records, minutes or documents are located within this state.

Sec. 20. {Editor's Note: Suggested numbering as NAC 706.2821} *Maintenance of records. (NRS 706.171)*

1. Brokers must maintain a centralized accounting system and the records required by the transportation services authority in a designated headquarters.

2. All records required to be maintained by the transportation services authority must be maintained by the authorized broker for at least 3 years and are subject to inspection or audit by the transportation services authority or its designated agent at any time during the business hours of the day.

Sec. 21. {Editor's Note: Suggested numbering as NAC 706.2822} *Notification of corporate changes; approval of sale of corporate control. (NRS 706.171)*

1. All authorized brokers must notify the transportation services authority of any changes in address, officers of the corporation, or an intended sale, transfer, lease or discontinuance of operations under the authority granted them in their certificate.

2. Any broker, before the purchase or sale of the corporate control, must have the prior approval of the transportation services authority.

Sec. 22. {Editor's Note: Suggested numbering as NAC 706.283} *Allowable rates and charges. (NRS 706.171)*

1. An authorized broker shall not:

(a) Submit a bid to provide services in any form or manner that is not in conformance with the motor carrier's certificate.

(b) Use any artifice or subterfuge, or billing or accounting practice in lieu of an authorized commission.

(c) In selling the transportation service, deviate from the approved tariff rate of the certificated carrier by more than 25%.

2. All brokers must pay the approved tariff rate for any services purchased from a motor carrier.

Sec. 23. {Editor's Note: Suggested numbering as NAC 706.284} ***Use of certificated carriers. (NRS 706.171) It shall be unlawful for any regulated broker to sell, advertise or offer for sale any intrastate transportation services within the State of Nevada for or with any motor carrier not certificated by the transportation services authority.***

Sec. 24. {Editor's Note: Suggested numbering as NAC 706.285} ***Interference with inspections. (NRS 706.171) No broker or representative of a broker may interfere with, refuse, deny or hinder the transportation services authority or its appointed representatives from making any inspection, investigation or examination of any broker's records or documents.***

Sec. 25. {Editor's Note: Suggested numbering as NAC 706.286} ***Advertising must include Transportation Broker Certificate number. (NRS 706.171) All advertising by a transportation broker must include the certificate number as issued by the authority and identify themselves as a broker of transportation services.***

{Editor's Note: The following sections, Sec. 26 through Sec. 120, involve some very extensive accounting requirements limousine companies must follow. The provision are modeled after the existing NAC 706s found at 706.558 through 706.678.}

Sec. 26. {Please insert the following heading prior to the suggested new group of provision beginning at suggested NAC 706.29800}

UNIFORM SYSTEM OF ACCOUNTS FOR LIMOUSINE COMPANIES

General Provisions

Sec. 27. {Editor's Note: Suggested numbering as NAC 706.29800} ***Definitions. (NRS 706.171; NRS 706.167) As used in Section 28 to 120 inclusive, unless the context otherwise requires, the words and terms defined in Section 28 to 55, inclusive, have the meanings ascribed to them in those sections.***

Sec. 28. {Editor's Note: Suggested numbering as NAC 706.29802 } ***"Actually issued" defined. (NRS 706.171; NRS 706.167) "Actually issued," as applied to securities issued or assumed by the company, means those sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock and those issued in accordance with contractual requirements direct to trustees of sinking funds.***

Sec. 29. {Editor's Note: Suggested numbering as NAC 706.29803} *“Actually outstanding” defined. (NRS 706.171; NRS 706.167) “Actually outstanding,” as applied to securities issued or assumed by the company, means those which have been actually issued and are neither retired nor held by or for the company. Securities held by trustees must be considered as actually outstanding.*

Sec. 30. {Editor's Note: Suggested numbering as NAC 706.29804} *“Amortization” defined. (NRS 706.171; NRS 706.167) “Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which the benefit is anticipated to be realized.*

Sec. 31. {Editor's Note: Suggested numbering as NAC 706.29805} *“Associated companies” defined. (NRS 706.171; NRS 706.167)*

1. *“Associated companies” means companies or persons that directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with the accounting company.*

2. *For the purposes of this section, “control,” “controlling,” “controlled by” and “under common control with” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether that power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether that power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.*

Sec. 32. {Editor's Note: Suggested numbering as NAC 706.29806} *“Book cost” defined. (NRS 706.171; NRS 706.167) “Book cost” means the amount at which property is recorded in accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.*

Sec. 33. {Editor's Note: Suggested numbering as NAC 706.29807} *“Company” defined. (NRS 706.171; NRS 706.167)*

1. *“Company” means any sole proprietorship, firm, limited liability company, co-partnership, corporation, association, or joint-stock association.*

2. *The term includes any trustee, receiver, assignee or personal representative operating a limousine service under the jurisdiction of the authority.*

Sec. 34. {Editor's Note: Suggested numbering as NAC 706.29808} *“Contingent assets” defined. (NRS 706.171; NRS 706.167) “Contingent assets” means a possible source of value to the company dependent upon the fulfillment of conditions regarded as uncertain.*

Sec. 35. {Editor's Note: Suggested numbering as NAC 706.29809} *“Contingent liabilities” defined. (NRS 706.171; NRS 706.167) “Contingent liabilities” means items which may, under certain conditions, become obligations of the company but which are neither direct nor assumed liabilities at the date of the balance sheet.*

Sec. 36. {Editor's Note: Suggested numbering as NAC 706.29810} *“Cost” defined. (NRS 706.171; NRS 706.167) “Cost” means the amount of money actually paid for property or services, or the value of any consideration other than cash, determined on a cash basis.*

Sec. 37. {Editor's Note: Suggested numbering as NAC 706.29811} *“Cost of disposition” defined. (NRS 706.171; NRS 706.167) “Cost of disposition” means the cost of demolishing, dismantling, tearing down or otherwise removing company property, including the cost of transportation and incidental handling.*

Sec. 38. {Editor's Note: Suggested numbering as NAC 706.29812} *“Current assets” defined. (NRS 706.171; NRS 706.167) “Current assets” means:*

- 1. Cash;*
- 2. Those assets which are readily convertible into cash or are held for current use in operations;*
- 3. Current claims against others, payment of which is reasonably assured; and*
- 4. Amounts accruing to the company which are subject to current settlement, except such items for which accounts other than those designated as current assets are provided.*

Sec. 39. {Editor's Note: Suggested numbering as NAC 706.29813} *“Date of disposal” defined. (NRS 706.171; NRS 706.167) “Date of disposal,” as applied to property, means the date when property is disposed of.*

Sec. 40. {Editor's Note: Suggested numbering as NAC 706.29814} *“Debt expense” defined. (NRS 706.171; NRS 706.167) “Debt expense” means all expenses in connection with the issuance and initial sale of evidence of debt, such as fees for drafting mortgages and trust deeds, fees and taxes for issuing or recording evidences of debt, cost of engraving and printing bonds and certificates of indebtedness, fees paid trustees, specific costs of obtaining governmental authority, fees for legal service, fees and commissions paid underwriters, brokers, and salesmen for marketing evidences of debt, fees and expenses of listing on exchanges, and other similar costs.*

Sec. 41. {Editor's Note: Suggested numbering as NAC 706.29815} *“Depreciation” defined. (NRS 706.171; NRS 706.167) “Depreciation,” as applied to operating property, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of property in the course of service from the causes which are known to be in current operation and against which the company is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and the requirements of public authorities.*

Sec. 42. {Editor's Note: Suggested numbering as NAC 706.29816} *“Discount” defined. (NRS 706.171; NRS 706.167) “Discount,” as applied to the securities issued or assumed by the company, means the excess of the par (the stated value of no-par stocks) or the face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.*

Sec. 43. {Editor's Note: Suggested numbering as NAC 706.29817} *“Functional division” defined. (NRS 706.171; NRS 706.167) “Functional division” means the division of overall activities engaged in by an operating company into identifiable and separable supporting activities, such as dispatching activities, shop and garage activities, limousine operating activities, general and administrative activities and other activities.*

Sec. 44. {Editor's Note: Suggested numbering as NAC 706.29818} *“Net book cost” defined. (NRS 706.171; NRS 706.167) “Net book cost,” when applied to property, means the book cost less related depreciation or amortization reserves.*

Sec. 45. {Editor's Note: Suggested numbering as NAC 706.29819} *“Nominally issued” defined. (NRS 706.171; NRS 706.167) “Nominally issued,” as applied to securities issued or assumed by the company, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the company, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.*

Sec. 46. {Editor's Note: Suggested numbering as NAC 706.29820} *“Nominally outstanding” defined. (NRS 706.171; NRS 706.167) “Nominally outstanding,” as applied to securities issued or assumed by the company, means those which, after being actually issued, have been reacquired by or for the company under circumstances which require them to be considered as held alive and not retired. Securities held by trustees must be considered as actually outstanding.*

Sec. 47. {Editor's Note: Suggested numbering as NAC 706.29821} *“Original cost” defined. (NRS 706.171; NRS 706.167) “Original cost,” as applied to company property, means the cost of property at the time of acquisition.*

Sec. 48. {Editor's Note: Suggested numbering as NAC 706.29822} *“Outside labor” defined. (NRS 706.171; NRS 706.167) “Outside labor” means labor services performed for the company by any person who is not an employee, partner or owner of the company.*

Sec. 49. {Editor's Note: Suggested numbering as NAC 706.29823} *“Premium” defined. (NRS 706.171; NRS 706.167) “Premium,” as applied to the securities issued or assumed by the company, means the excess of the cash value of the consideration received from their sale over the sum of their par (the stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.*

Sec. 50. {Editor's Note: Suggested numbering as NAC 706.29824} *“Property disposed” and “property retired” defined. (NRS 706.171; NRS 706.167) “Property disposed” or “property retired,” as to company property, means property which has been removed, sold, abandoned, destroyed or which for any cause has been withdrawn from service.*

Sec. 51. {Editor's Note: Suggested numbering as NAC 706.29825} *“Replacement asset” and “replacement property” defined. (NRS 706.171; NRS 706.167) “Replacement asset” or*

“replacement property” means an asset or property which will perform substantially the same functions or serve a purpose similar in nature to the asset or property disposed of.

Sec. 52. {Editor’s Note: Suggested numbering as NAC 706.29826} *“Salvage value” defined. (NRS 706.171; NRS 706.167) “Salvage value” means:*

- 1. The amount received for property retired or disposed of, less the cost of disposition.*
- 2. An arbitrary value set up for accounting purposes on resalable, usable or depreciable property.*

Sec. 53. {Editor’s Note: Suggested numbering as NAC 706.29827} *“Service life” defined. (NRS 706.171; NRS 706.167) “Service life” means the period of time between the date when property is placed in service and the date of its retirement from service.*

Sec. 54. {Editor’s Note: Suggested numbering as NAC 706.29828} *“Service value” defined. (NRS 706.171; NRS 706.167) “Service value” means the difference between the book cost and the salvage value of property owned by the company.*

Sec. 55. {Editor’s Note: Suggested numbering as NAC 706.29829} *“Straight-line method” defined. (NRS 706.171; NRS 706.167) “Straight-line method,” as applied to depreciation accounting, means the plan under which the service value of property is charged to depreciation expense and credited to depreciation reserves through equal periodic charges as nearly as may be during its service life.*

Sec. 56. {Editor’s Note: Suggested numbering as NAC 706.29830} *Records required. (NRS 706.171; NRS 706.167)*

1. Each company must keep its books of account and all other books, records and memoranda which support the entries in its books of account and be able to furnish readily full information as to any item included in any account. Each entry must be supported by such detailed information as will permit ready identification, analysis and verification of all relevant facts.

2. The books and records must include not only accounting records in a limited technical sense, but all other records, such as trip sheets, minute books, stock books, reports, correspondence, memoranda and other records which may be useful in developing the history of or facts regarding any transaction.

3. Trip sheets, invoices, cancelled checks, ledgers, inventory records, minute books, reports, correspondence, memoranda and other documents, not currently in use, must be stored in such orderly and systematic manner as will permit ready review or reference to any particular dated trip sheet or other record for at least 3 years.

4. In addition to prescribed accounts, clearing accounts, temporary, or experimental accounts and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

5. The authority may at any time call for additional detailed information from the company to be obtained from the books and records required to be maintained by the company under Sections 26 to 120, inclusive, when in the judgment of the authority such additional information is necessary for regulatory purposes.

6. The arrangement or sequence of the accounts prescribed is not controlling for the arrangement or sequence in report forms which may be prescribed by the authority.

Sec. 57. {Editor's Note: Suggested numbering as NAC 706.29831} *Accounting method and period. (NRS 706.171; NRS 706.167)*

1. Each entry in the uniform system of accounts for limousine operations must be made by the "double-entry" method of bookkeeping and each account must be maintained on an "accrual basis." If bills covering such transactions have not been received or rendered, the amounts must be estimated and accruals based on these estimates or orders must be recorded. Appropriate adjustments must be made when phone bills, utility bills or other bills are received.

2. Each company shall keep its books on a monthly basis so that for each month all applicable transactions are entered in the books of the company.

3. Each company shall close its books for regulatory purposes at the end of each calendar year unless permission has been granted to report on a fiscal year basis.

Sec. 58. {Editor's Note: Suggested numbering as NAC 706.29832} *Accounting method: Interpretation. (NRS 706.171; NRS 706.167) To maintain uniformity of accounting, companies shall submit questions of doubtful interpretation to the authority for consideration and decision.*

Sec. 59. {Editor's Note: Suggested numbering as NAC 706.29833} *Item lists. (NRS 706.171; NRS 706.167) Lists of "items" appearing in the texts of the accounts or in Sections 26 to 120, inclusive, are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive.*

Sec. 60. {Editor's Note: Suggested numbering as NAC 706.29834} *Functional divisions of accounts. (NRS 706.171; NRS 706.167) Functional divisions of accounts have been set up in Sections 26 to 120 inclusive, and all such accounts must be used if applicable to the company's operations.*

Sec. 61. {Editor's Note: Suggested numbering as NAC 706.29835} *Inventory requirements. (NRS 706.171; NRS 706.167)*

1. Physical inventories must be taken on the last day of each calendar or fiscal year, or in lieu thereof, during the last week of the calendar or fiscal year, of all materials and supplies which affect the operational, repair or maintenance activities of the company, such as fuel, oil, tires, batteries, radio tubes, shop parts and small tools. An adjustment to the proper expense account must be made for the difference between the inventories taken at the end of the calendar or fiscal year and the inventories recorded for the beginning of the calendar or fiscal year. If any bills have not been received or recorded for items considered in the year-end inventory, proper accrual entries must be made at a realistic estimated cost value. The adjustments must reflect proper expenses for the ending of the current year.

2. Inventories of all materials and supplies must be segregated in accordance with the functional divisions so that expenses may be allocated properly.

Sec. 62. {Editor’s Note: Suggested numbering as NAC 706.29836} *Fixed assets. (NRS 706.171; NRS 706.167) The accounts must include the original cost of all property which:*

- 1. Is owned by the company and devoted to the company’s limousine operations;*
- 2. Has an estimated service life of more than 1 year; and*
- 3. Had an original cost of over \$100.*

Sec. 63. {Editor’s Note: Suggested numbering as NAC 706.29837} *Depreciable assets. (NRS 706.171; NRS 706.167)*

1. To insure that all records for preparing financial reports forwarded to the Transportation Services Authority are maintained on a comparable basis, the requirements regarding depreciation for reporting and regulatory purposes are shown in the following table:

(a) Method: The straight-line method is the only allowable method of computing annual depreciation charges to operations.

(b) Service Lives and Salvage Values:

(1) Operating Depreciable Assets:

<i>Category</i>	<i>Service Life</i>	<i>Salvage Value</i>
<i>Limousines</i>	<i>60 months</i>	<i>none</i>

(2) Dispatching Depreciable Assets:

<i>Category</i>	<i>Service Life</i>	<i>Salvage Value</i>
<i>New: Radios</i>	<i>60 months</i>	<i>none</i>
<i>Telephonic equipment</i>	<i>60 months</i>	<i>none</i>
<i>Transmitters</i>	<i>60 months</i>	<i>none</i>
<i>New: Radio & telephonic test equipment</i>	<i>60 months</i>	<i>none</i>
<i>Used: Radios</i>	<i>36 months</i>	<i>none</i>
<i>Telephonic equipment</i>	<i>36 months</i>	<i>none</i>
<i>Transmitters</i>	<i>36 months</i>	<i>none</i>
<i>Radio or telephonic test equipment</i>	<i>36 months</i>	<i>none</i>

(3) Shop and Garage Depreciable Assets:

<i>Category</i>	<i>Service Life</i>	<i>Salvage Value</i>
<i>Automotive equipment—new</i>	<i>48 months</i>	<i>none</i>
<i>Automotive equipment—used</i>	<i>36 months</i>	<i>none</i>
<i>Shop equipment—new</i>	<i>84 months</i>	<i>none</i>
<i>Shop equipment—used</i>	<i>36 months</i>	<i>none</i>
<i>Body shop equipment—new</i>	<i>84 months</i>	<i>none</i>
<i>Body shop equipment—used</i>	<i>36 months</i>	<i>none</i>

(4) General and Administrative Depreciable Assets:

<i>Category</i>	<i>Service Life</i>	<i>Salvage Value</i>
<i>Office equipment—new</i>	<i>84 months</i>	<i>none</i>
<i>Office equipment—used</i>	<i>36 months</i>	<i>none</i>
<i>Furniture and fixtures—new</i>	<i>120 months</i>	<i>none</i>
<i>Furniture and fixtures—used</i>	<i>60 months</i>	<i>none</i>
<i>Office and buildings—original</i>	<i>360 months</i>	<i>none</i>
<i>Office and buildings—additions</i>	<i>360 months</i>	<i>none</i>
<i>Office and buildings—air conditioning</i>	<i>84 months</i>	<i>none</i>
<i>Leasehold improvements</i>	<i>Length of lease— unless life of asset warrants a shorter amortization period</i>	<i>none</i>

2. The requirements for depreciable assets as shown in the table do not preclude the company from using longer or shorter service lives, higher or lower salvage values, or another method of calculating depreciation for any purposes other than recording amounts and reporting under the uniform system of accounts.

Sec. 64. {Editor's Note: Suggested numbering as NAC 706.29838} *Gain or loss on dispositions. (NRS 706.171; NRS 706.167)*

1. Gain or Loss on Disposal of All Automotive Equipment, must include all gains or losses as appropriate on the disposition of limousines of the company devoted to its limousine operations.

2. This account must be maintained with sufficient detail and description, supported by appropriate records, of each item included so as to permit ready identification, analysis and verification of all facts relative to each asset disposed of.

Sec. 65. {Editor's Note: Suggested numbering as NAC 706.29839} *Payroll and payroll costs. (NRS 706.171; NRS 706.167)*

1. Salaries, wages, or other compensation, including reasonable salaries paid to officers and proprietors, and payroll costs applicable to such compensation, must be maintained on a functional division basis and charged as applicable to the payroll and payroll cost accounts set up under the functional divisions in this uniform system of accounts.

2. When an employee, including the officer or proprietor, who normally performs services in one functional division, performs services during his working period in other functional divisions, his compensation and payroll costs for that period must be allocated on a time basis and charged to the applicable and appropriate division accounts. Subsections 1 to 5, inclusive, of Section 109 describe the method applicable to payroll and payroll costs of shop and garage employees for maintenance and repairs only.

3. Salaries, wages or other compensation, including reasonable salaries paid to officers and proprietors and payroll costs charged to operating revenue deductions must be supported

by a quarterly “Payroll and Payroll Cost Distribution Summary” detailing all particulars including FICA, FUTA, NUC and workers compensation insurance costs charged to each functional account.

Sec. 66. {Please insert the following subheading prior to the suggested new group of provision beginning at Section 67}

Accounts

Sec. 67. {Editor’s Note: Suggested numbering as NAC 706.29840} *Current assets: Items not to be included. (NRS 706.171; NRS 706.167) Any item, the amount or collectibility of which is not reasonably assured, must not be included in the group of accounts designated as current assets, unless an adequate provision for possible loss has been made.*

Sec. 68. {Editor’s Note: Suggested numbering as NAC 706.29841} *Current assets: Account for cash on hand. (NRS 706.171; NRS 706.167) The account for cash on hand includes all undeposited money, in cash or checks, as of the close of business at the year’s end. Proper credit must be made to the accounts for which this money was received, such as limousine fares, accounts receivable—trade, advertising revenue, and payments on loans or accounts other than trade.*

Sec. 69. {Editor’s Note: Suggested numbering as NAC 706.29842} *Current assets: Account for cash in banks. (NRS 706.171; NRS 706.167) The account for cash in banks includes all money on deposit in a banking institution to the credit of the company. Special cash deposits for payment of interest, dividends, payroll taxes or other special purposes must be included in this account in separate subdivisions which specify the purpose for which each special deposit is made.*

Sec. 70. {Editor’s Note: Suggested numbering as NAC 706.29843} *Current assets: Account for petty cash. (NRS 706.171; NRS 706.167)*

1. The account for petty cash includes all money used to facilitate disbursements for small expenditures and to avoid the drawing of many small checks. It also includes any money used for check-cashing accommodations. Responsibility for this account must be assigned to a designated officer or employee or to other designated persons. Proper entries must be kept for complete identification and verification.

2. This account must not include any advances or loans to stockholders, directors, officers, partners, employees or agents. Such advances or loans are to be included in the accounts described in Section 72.

Sec. 71. {Editor’s Note: Suggested numbering as NAC 706.29844} *Current assets: Account for accounts receivable—trade. (NRS 706.171; NRS 706.167)*

1. The account for accounts receivable—trade includes any amounts that may be due the company arising from or attributable to the company’s limousine operations, for which payment has not been received.

2. Records must be maintained, showing the balances due from each person or company. The sum of these individual balances must be in agreement with the total of this account.

Sec. 72. {Editor's Note: Suggested numbering as NAC 706.29845} *Current assets: Accounts for employees' and officers' accounts receivable. (NRS 706.171; NRS 706.167)*

1. *The account for accounts receivable—employees includes any amounts that may be due the company from its employees, exclusive of officers, for which payment has not been received.*

2. *The account for accounts receivable—officers includes any amounts that may be due the company from its officers, proprietors or partners, for which payment has not been received.*

Sec. 73. {Editor's Note: Suggested numbering as NAC 706.29846} *Current assets: Account for notes receivable. (NRS 706.171; NRS 706.167)*

1. *The account for notes receivable includes the book cost, not includable elsewhere, of all collectible obligations in the form of notes, drafts and similar evidences of money due the company.*

2. *Complete information must be maintained in this account for each note, including the maker of the note, payor, payee, date of issuance, date of maturity, interest rate and penalties. This information must clearly indicate the amounts due from each person or company.*

3. *The face amount of notes receivable discounted, sold or transferred without releasing the company as endorser must be credited to a separate subdivision of this account and appropriate disclosure must be made in financial statements of any contingent liability arising from those transactions.*

Sec. 74. {Editor's Note: Suggested numbering as NAC 706.29847} *Current assets: Account for other accounts receivable. (NRS 706.171; NRS 706.167) The account for other accounts receivable includes any amounts that may be due the company that are not attributable to the company's limousine operations, for which payment has not been received. This account must clearly indicate how much is due from each company or person.*

Sec. 75. {Editor's Note: Suggested numbering as NAC 706.29848} *Current assets: Account for bad debts. Provision for any actual or probable losses under the accounts described in Sections 71 to 74, inclusive, must be credited to the account for bad debts with a corresponding charge to the account for bad debts described in subsection 5 of Section 112 or the account for miscellaneous other expenses described in subsection 4 of Section 119.*

Sec. 76. {Editor's Note: Suggested numbering as NAC 706.29849} *Current assets: Account for inventory supplies. (NRS 706.171; NRS 706.167)*

1. *The account for inventory supplies includes the inventories of all gasoline and other fuel in storage tanks at the end of the calendar year, using the lower of cost or market method to compute value.*

2. *This account must also include the inventories at the end of the calendar year of all oil on hand as well as tires, batteries, radio parts, shop parts and small tools, computing value at the lower of cost or market.*

3. *Appropriately entitled subaccounts must be maintained for materials and supplies related to each of the functional divisions maintained by the company, for example, operating, dispatching, shop and garage and general.*

4. *The differences between the opening inventories at the beginning of the calendar year and the year-end inventories must be recorded as adjustments to the following accounts for operating expense described in subsection 6 of Section 107:*

- (a) Account for fuel.*
- (b) Account for oil.*
- (c) Account for tires.*
- (d) Account for repairs and maintenance.*

Sec. 77. {Editor's Note: Suggested numbering as NAC 706.29850} *Current assets: Account for prepaid expenses. (NRS 706.171; NRS 706.167)*

1. *The account for prepaid expenses includes amounts representing prepayments, for example, insurance, rents, taxes and other items, and must be maintained and supported in such manner as to disclose the amount of each class of prepayments. Subaccounts may be maintained for this purpose.*

2. *Where prepayments are made, this account must be charged with the full amount of prepayment and subsequently credited with each portion that will ratably distribute the prepayment to expense over the benefited period. A portion ratably credited to prepaid expense must be charged to the appropriate functional accounts for operating expense.*

Sec. 78. {Editor's Note: Suggested numbering as NAC 706.29851} *Current assets: Account for refundable deposits. (NRS 706.171; NRS 706.167) The account for refundable deposits includes all refundable deposits with federal, state, county or municipal authorities as well as fiscal agents or others for the fulfillment of obligations.*

Sec. 79. {Editor's Note: Suggested numbering as NAC 706.29852} *Current assets: Account for miscellaneous current assets. (NRS 706.171; NRS 706.167) The account for miscellaneous current assets includes the book cost of all other current assets not provided for elsewhere, appropriately described and supported so as to show the nature of each asset included in the account.*

Sec. 80. {Editor's Note: Suggested numbering as NAC 706.29853} *Accounts for fixed assets. (NRS 706.171; NRS 706.167)*

1. *Accounts for fixed assets include the original cost of property owned by the company which is devoted to the company's limousine operations, having an estimated service life of more than 1 year and a cost of \$5000 or more.*

2. *The cost of additions to and improvements of property leased from others, which are also includable in these accounts, must be recorded in subdivisions separate and distinct from those relating to owned property. Such additions or improvements must be included in the account for leasehold improvements described in Section 83.*

3. *When the consideration given for property is other than cash, the value of the consideration must be determined on a cash basis. In the entry recording such a transaction, the actual consideration must be properly described to make it easily identifiable. The company must be prepared to furnish the authority with details regarding the method used by the company to determine the cash value.*

4. *When property is purchased under a plan involving deferred payments, no charge may be made to the asset accounts for interest, insurance or other expenditures occasioned solely by that form of payment.*

5. *Upon a disposition or abandonment of any of these assets, the applicable asset account must be credited in the amount at which the asset was recorded and the amount must be debited as appropriate to the account for gain or loss on disposal of automotive equipment described in subsection 14 of Section 107, or the account for gain on sale of assets, except automotive equipment described in subsection 4 of Section 108.*

Sec. 81. {Editor's Note: Suggested numbering as NAC 706.29854} *Fixed assets: Land account. (NRS 706.171; NRS 706.167)*

1. *The land account includes the cost of all land devoted to the company's limousine operations. In addition to the original price of the land, this account must include all costs incidental to the purchase when acquired, if paid by the purchaser, such as agent's commissions, escrow fees, title fees, liens satisfied to clear title and prorated tax expense.*

2. *Where special assessments for public improvements provide for deferred payments, the full amount of the assessments must be charged to the appropriate land account and the unpaid balance must be carried in an appropriate liability account. Interest on unpaid balances must be charged to the interest account. If any part of the cost of public improvement is included in the general tax levy, that amount must be charged to the appropriate tax account and not to this account.*

Sec. 82. {Editor's Note: Suggested numbering as NAC 706.29855} *Fixed assets: Buildings account. (NRS 706.171; NRS 706.167) The buildings account includes the cost of all buildings devoted to the company's limousine operations. The cost of buildings includes the cost of fixtures attached to and forming a permanent part of the building and which cannot be removed without cutting into the wall, ceilings or floors, or without in some way impairing the buildings, such as plumbing pipes and fixtures, heating and air-conditioning apparatus, electric wiring and fixtures, elevators, cranes and hoists and the machinery for operating them.*

Sec. 83. {Editor's Note: Suggested numbering as NAC 706.29856} *Fixed assets: Account for leasehold improvements. (NRS 706.171; NRS 706.167) The account for leasehold improvements includes the cost of all additions to and improvements of property leased from others. All entries must be made with sufficient detail to permit ready identification.*

Sec. 84. {Editor's Note: Suggested numbering as NAC 706.29857} *Fixed assets: Account for shop and garage equipment. (NRS 706.171; NRS 706.167) The account for shop and garage equipment includes the cost of all hoists, electric motors, lathes, drill presses, air compressor equipment, tire changing equipment, wheel alignment equipment, welding sets, work benches and expensive special purpose tools which cost over \$5000. This account must not include any hand or other portable tools which:*

1. *Are likely to be lost or stolen;*
2. *Have a value of \$5000 or less; or*
3. *Have a short life or period of use.*

Such items must be charged as appropriate to the account for repairs and maintenance described in paragraph (d) of subsection 6 of Section 107 or the account for repairs and maintenance of shop and garage equipment described in subsection 11 of Section 109.

Sec. 85. {Editor's Note: Suggested numbering as NAC 706.29858} *Fixed assets: Account for furniture and office equipment. (NRS 706.171; NRS 706.167) The account for furniture and office equipment includes the cost of all office furniture, business machines and equipment not permanently attached to the building, which are used in the operation of a limousine company.*

Sec. 86. {Editor's Note: Suggested numbering as NAC 706.29859} *Fixed assets: Limousine account. (NRS 706.171; NRS 706.167) The limousine account includes the cost of all limousines devoted to the company's operations, including the cost of painting and the first set of accessory equipment necessary to fit the limousine for service, except that radio and telephonic equipment are included in the account described in Section 88 are not to be included in this account as part of the cost of limousines.*

Sec. 87. {Editor's Note: Suggested numbering as NAC 706.29860} *Fixed assets: Account for other automotive equipment. (NRS 706.171; NRS 706.167) The account for other automotive equipment includes the cost of all motor vehicles, other than limousines, which are used in connection with the operations of a limousine company.*

Sec. 88. {Editor's Note: Suggested numbering as NAC 706.29864} *Fixed assets: Account for radio and telephonic equipment. (NRS 706.171; NRS 706.167) The account for radio and telephonic equipment includes the cost of all radio and telephonic equipment owned by the company and devoted to the company's limousine operations, including the cost of original installation and any necessary accessories. The cost of any repairs and replacement of any parts must not be included in this account but must be recorded as an expense in the account for repairs and maintenance of dispatch equipment described in subsection 9 of Section 108.*

Sec. 89. {Editor's Note: Suggested numbering as NAC 706.29865} *Account for other fixed assets. (NRS 706.171; NRS 706.167) The account for other fixed assets includes the cost of all tangible property and equipment devoted to the company's limousine operations for which a separate account has not been provided. All entries in this account must be made with sufficient detail and description recorded so as to permit ready identification, analysis and verification of all relevant facts.*

Sec. 90. {Editor's Note: Suggested numbering as NAC 706.29866} *Account for total depreciation and amortization allowance. (NRS 706.171; NRS 706.167)*

1. For the purpose of general ledgers, the account for total depreciation and amortization allowance must be treated as a single composite provision for depreciation and amortization. For the purpose of analysis, each company must maintain subaccounts in which this account is segregated according to the same account classification used in the fixed asset accounts.

2. This account must be credited with the amounts charged to the functional accounts for depreciation and amortization expense.

3. *At the time of retirement or disposal of a depreciable or amortizable fixed asset, this account must be charged in the amount of the total accumulated provision related to the asset up to the date of retirement or disposal, and the accounts described in subsection 14 of Section 107, subsection 4 of Section 118 and subsection 2 of Section 119 must be credited or charged as appropriate. These entries must be recorded with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.*

Sec. 91. {Editor's Note: Suggested numbering as NAC 706.29867} *Accounts for organizational expense, deferred charges. (NRS 706.171; NRS 706.167)*

1. *The account for organizational expense includes the original cost of organizing the company.*

2. *The account for deferred charges includes all debits not provided for elsewhere, such as unamortized debt discount and expense, unusual or extraordinary expenses, not included in other accounts, which are in process of amortization and items, the proper final disposition of which, is uncertain. The records supporting the entries to this account must contain sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.*

Sec. 92. {Editor's Note: Suggested numbering as NAC 706.29868} *Accounts for other assets. (NRS 706.171; NRS 706.167)*

1. *The investment account includes the book cost of investments made for a period or periods to exceed 1 year in duration in securities, notes, mortgages and other items, of both associated and nonassociated companies. This account must also include the offsetting entry to the recording of amortization of discount or premium on interest-bearing investments when such interest-bearing investments were purchased for less or more than face value. Information to be included for each note or security must include the type of note or security, maker, payee, payor, date of issuance, certificate number, date of maturity, interest or dividend rate, face value and other identifying information. Securities owned and pledged must be included in this account and a complete record of securities pledged must be maintained. The company's records must bear sufficient detail and description, including the use of subaccounts where necessary, to permit ready identification, analysis and verification of all relevant facts for each class of investment, for example, associated or nonassociated company, note mortgage, bonds, stocks or security pledged.*

2. *If a company is acquired at a cost in excess of its book value, the excess must be charged to the goodwill account.*

3. *An account for payroll clearing may be used by companies desiring such an account. If used, the account must be cleared monthly.*

Sec. 93. {Editor's Note: Suggested numbering as NAC 706.29869} *Current liabilities. (NRS 706.171; NRS 706.167) Current and accrued liabilities are obligations which have matured or become due within 1 year after the date thereof. Items such as bonds or receivers' certificates must not be entered in a current and accrued liabilities account and must be classified as long-term liabilities until the date of maturity.*

Sec. 94. {Editor's Note: Suggested numbering as NAC 706.29870} *Accounts for notes payable. (NRS 706.171; NRS 706.167)*

1. *The account for short-term notes payable includes amounts owing on notes, drafts, acceptances or other similar evidences of indebtedness which are payable on demand or within 1 year from the date of issuance or acceptance, including interest. This account must also include, under appropriate subaccounts, notes, drafts, acceptances or other similar evidences of indebtedness which are payable to associated companies on demand or within 1 year from the date of issuance or acceptance, including interest. The information to be contained in this account must include the face value of the note, date made, date due, interest rate, payee and other identifying information.*

2. *For reporting purposes, the current portion of the account for long-term notes payable represents the portion of a long-term note and the interest on it which is due within 1 year after the reporting date.*

Sec. 95. {Editor's Note: Suggested numbering as NAC 706.29871} *Accounts for accounts payable, open accident liabilities, contracts payable. (NRS 706.171; NRS 706.167)*

1. *The account for accounts payable includes all amounts for goods and services received by the company, payable within 1 year from the date thereof and which have not been paid.*

2. *The account for open accident liabilities includes a provision for the amounts set aside by self-insured companies for the actual or estimated liabilities from accidents not totally covered by insurance policies.*

3. *For reporting purposes, that portion of any contract payable that becomes due within 1 year from the date thereof and which has not been paid must be included in the account for contracts payable.*

Sec. 96. {Editor's Note: Suggested numbering as NAC 706.29872} *Accounts for accrued salary, wages and vacation pay. (NRS 706.171; NRS 706.167)*

1. *The account for accrued salaries and wages includes the gross amount of salaries or wages earned but not paid at the end of the month.*

2. *The account for accrued vacation pay includes the amount of accrued vacation pay owed at the end of the month.*

Sec. 97. {Editor's Note: Suggested numbering as NAC 706.29873} *Accounts for payroll taxes withheld and accrued and accrued payroll benefits. (NRS 706.171; NRS 706.167)*

1. *The account for payroll taxes withheld and accrued includes all amounts withheld from employees' wages or salaries that are payable to a governmental agency and any accrued liabilities of the company owing to a governmental agency, the liability for which was determined on the basis of a percentage of payroll. This account must be maintained so as to permit ready identification of the company's liability to each governmental agency.*

2. *The account for accrued payroll benefits:*

(a) *Includes all amounts withheld from employee wages or salaries that are payable to other than a governmental agency at the end of each month.*

(b) *Includes all liabilities incurred by the company that are payable to other than a governmental agency, the liability for which arises as a result of having employees.*

(c) *Must be maintained to permit ready identification for such liability as between the employees and the company and the class of liability accrued, for example, welfare, pension contributions and other contributions.*

Sec. 98. {Editor's Note: Suggested numbering as NAC 706.29874} *Account for accrued taxes and licenses. (NRS 706.171; NRS 706.167)*

1. *The account for accrued taxes and licenses must be credited with the amount of taxes accrued during the accounting period, except for payroll taxes and federal income taxes. See subsection 1 of Section 97 and Section 102, respectively. Corresponding debits must be made to the appropriate accounts for the charges. See subsection 11 of Section 97 and Section 111. Such credits may be based on estimates, but from time to time during the year as the facts become known, the amount of the periodic credits must be adjusted to include as nearly as can be determined in each year the applicable taxes.*

2. *If accruals for taxes are found to be insufficient or excessive, corrections must be made through current tax accruals. Accruals for taxes must be based upon the net amounts payable after credit for any discounts and must not include any amounts for interest on the deficiencies or refunds. Interest received on refunds must be credited to the account for interest earned described in subsection 1 of Section 118 and interest paid on deficiencies must be charged to the account for interest expense described in subsection 1 of Section 119. Penalties must be charged to the account for miscellaneous other expenses described in subsection 4 of Section 119.*

3. *The records supporting the entries to this account must be kept to show for each class of taxes included, the amount accrued, the basis for the accrual, the accounts charged and the amount of tax paid.*

Sec. 99. {Editor's Note: Suggested numbering as NAC 706.29875} *Account for accrued interest. (NRS 706.171; NRS 706.167) The account for accrued interest includes the amount of interest accrued but not due on all liabilities of the company except interest added to the principal of the debt on which incurred, for example, contracts payable. Supporting records must be maintained to show the amount of interest accrued on each obligation.*

Sec. 100. {Editor's Note: Suggested numbering as NAC 706.29876} *Account for other current liabilities. (NRS 706.171; NRS 706.167) The account for other current liabilities includes the balances in all open accounts representing current liabilities not specifically provided for in the accounts described in Sections 94 to 99, inclusive, and covers items such as unpaid matured interest and interest on unpaid, matured long-term debts. The records supporting the entries to this account must be recorded with sufficient description and detail to permit ready identification, analysis and verification of all relevant facts.*

Sec. 101. {Editor's Note: Suggested numbering as NAC 706.29877} *Accounts for deferred credits, dividends payable and mortgage payable. (NRS 706.171; NRS 706.167)*

1. *The account for deferred credits includes advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received. The records supporting the entries to this account must be recorded with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.*

2. *The account for dividends payable includes the amount of dividends which have been declared but not paid. Dividends must be credited to this account when they become a liability.*

3. *The current portion of the account for mortgage payable includes the portion of any mortgage payments including interest that becomes due and is unpaid within 1 year after the reporting date.*

Sec. 102. {Editor's Note: Suggested numbering as NAC 706.29878} *Account for accrued federal income taxes. (NRS 706.171; NRS 706.167)*

1. *The account for accrued federal income taxes includes the amount of federal income taxes accrued during the accounting period. Concurrent charges for tax accruals must be made to the account for federal income taxes on earnings described in subsection 2 of Section 120. As the exact amount of taxes becomes known, the current tax accruals must be adjusted accordingly. Payments of income taxes must be charged to this account so that it may reflect as accurately as possible the actual taxes payable.*

2. *“Actual taxes payable” is the amount of tax calculated for income tax purposes including those expenses or deductions not allowable as operating revenue deductions for regulatory purposes, but allowed or allowable as deductions for federal income tax purposes taken by the company, as elected by the company or as required by law, in computing its income tax, that is, by accelerated depreciation, additional first-year depreciation, interest expense, donations, nonrecurring or extraordinary charges, investment credit and other such items.*

3. *Accruals for federal income taxes must not include any amounts for interest or penalties on tax deficiencies, payments or refunds. Interest received on refunds must be credited to the account for interest earned described in subsection 1 of Section 118 and interest paid on deficiencies must be charged to the account for interest expense described in subsection 1 of § 119. Penalties must be charged to the account for miscellaneous other expenses described in subsection 4 of NAC Section 119.*

4. *Each entry credited to this account must be supported by work papers or records showing in detail how the income tax liability was determined and the necessary accrual.*

Sec. 103. {Editor's Note: Suggested numbering as NAC 706.29879} *Accounts for long-term liabilities. (NRS 706.171; NRS 706.167)*

1. *The account for total long-term notes payable includes the face value of all notes which, by the terms of its creation, matures more than 1 year after the date of issue or assumption. This account also includes the face value of notes payable to associated companies which are not subject to current settlement.*

2. *The account for total long-term contracts payable includes the face value of all installment contracts which, by the terms of its creation, matures more than 1 year from the date of issue or assumption.*

3. *The account for total mortgages payable includes the face value of all bonds and mortgages which, by the terms of their creation, mature more than 1 year from date of issue.*

4. *The account for partner loans includes loans or advances made to the company by its partners.*

5. *The stockholder's loan account includes loans or advances made to the company from its officers, stockholders or directors.*

6. *The account for other long-term liabilities includes the balance of all long-term liabilities of over 1 year, not specifically provided for in the accounts described in subsections 1 to 5, inclusive. The records supporting the entries to this account must be recorded with*

sufficient description and detail as to permit ready identification, analysis and verification of all relevant facts.

Sec. 104. {Editor's Note: Suggested numbering as NAC 706.29880} *Incorporated companies: Net worth. (NRS 706.171; NRS 706.167) Incorporated companies must keep the following accounts as a record of their net worth:*

1. An account for common stock.

2. Accounts for preferred stock must include the par value or the stated value of stock without par value, if such stock has a stated value and if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of such capital stock in the account for reacquired, treasury, capital stock described in subsection 6. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference must be credited or debited, as the case may be, to the premium or discount account for the particular class and series of stock. When capital stock is retired, these accounts must be charged with the amount at which such stock is carried. A separate ledger account, with a descriptive title must be maintained for each class and series of stock. The supporting records must show the shares nominally issued, actually issued, and nominally outstanding.

3. The account for other paid-in capital includes the balance of all other credits for paid-in capital not included in the capital stock accounts and must be kept so as to show the source of the credits included for each class and series of stock issued. The items in the account must indicate:

(a) Premium received on original issues of capital stock.

(b) Donations received from stockholders consisting of capital stocks or reduction of debt of the company and the cash value of other assets received as a donation.

(c) Reduction in par or stated value of capital stock.

(d) Gain on resale or cancellation of reacquired capital stock.

(e) Miscellaneous paid-in capital.

Premium on capital stock must not be set off against expenses. A premium received on an issue of a certain class or series of stock must not be set off against expense of another issue of the same class or series.

4. The account for installments received on capital stock must include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or installment payment plan for subscribers who are not bound by legally enforceable subscription contracts. As subscriptions are paid in full and certificates issued, this account must be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue must be included in the appropriate discount or premium account.

5. The account for discount on capital stock must include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired must be written off to the account, for other paid-in capital described in subsection 3, but the amount must be charged to the account for sundry

adjustments to surplus described in subsection 8 to the extent that it exceeds the balance in the account for other paid-in capital.

6. The account for reacquired, treasury, capital stock must include in a separate subdivision for each class and series of capital stock the cost of capital stock actually issued by the company and reacquired by it, and not retired or canceled, except for stock which is held by trustees in sinking or other funds. When reacquired capital stock is retired or canceled, the difference between its cost, including commission and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount applicable to the shares retired, must be debited or credited, as appropriate to the account for other paid-in capital described in subsection 3, but debits must be charged to the account for sundry adjustments to surplus described in subsection 8 to the extent that it exceeds the balance of gains on resale or cancellation of reacquired stock included in the account for other paid-in capital.

7. The account for retained earnings includes the balance of retained earnings at the beginning of the calendar year. It also includes the current year's net income after federal taxes on earnings (see subsection 3 of Section 120) as well as any dividends paid (see subsection 4 of Section 120) as shown on the income statement.

8. The account for sundry adjustments to surplus includes any adjustments due to discount on capital stock or clearing through the account for other paid-in capital described in subsection 3. This account must also be charged whenever expenses and premium, less discounts, exceed any gains due to resale or cancellation of reacquired stock included in the account for other paid-in capital.

Sec. 105. {Editor's Note: Suggested numbering as NAC 706.29881} *Unincorporated companies: Net worth. (NRS 706.171; NRS 706.167)*

1. To provide flexibility to the required entries recorded in the capital and drawing accounts, which flexibility is required because these accounts encompass the varied terms and provisions of partnership agreements of different companies operating under an unincorporated form of business organization, permissive wording is used for the required entries and the description of the items to be included in both the capital and drawing accounts. Despite the permissive language employed, it is intended that where permissive wording has been used to describe items included in both of these accounts, if an item by the terms or provisions of the particular company's partnership agreement excludes such item from one of the accounts, then such item must be included in the other account both for regulatory purposes and for purposes of this uniform system of accounts. The required information related to a particular item must be recorded in the same account in which the item has been recorded.

2. Once an election has been made as to which of the two accounts must contain the item in question, the company must be consistent in the inclusion of the item in the same account in future years unless a new partnership agreement has been made or the old partnership agreement has been amended making such consistency incompatible with the new or amended partnership agreement provisions.

3. Neither a provision nor a requirement has been expressed for an annual closing of a particular person's drawing account to his capital account. This has been omitted to allow flexibility to these accounts in accordance with the possible terms or provisions of partnership agreements of the various companies. It is to be clearly understood that a person's capital

balance must be the net amount of the combination of his drawing and capital account balances both for financial statement purposes and for purposes of Sections 26 to 120, inclusive.

4. Amounts payable to the proprietor, partners, or other persons maintaining an ownership interest in the company, as fair and reasonable compensation for services performed must be charged to the appropriate administrative, operation or other functional expense accounts.

5. A capital account must be used when the organizational form of business is that of a partnership, sole proprietorship, joint venture, association, or any other form, other than an incorporated company. It must include the capital contributions made or earnings retained in the business by the persons who own the company. Subaccounts must be maintained for each person having an ownership interest in the company and any entries recorded must be so detailed and described to permit ready identification including source, analysis and verification of all relevant facts. This account may be credited or debited as appropriate for additional capital contributions and for the results of annual operations, gain or loss. The basis upon which the distribution of gain or loss affects the various ownership interests may be noted and supporting records must be maintained detailing all facts and factors which such distributions affected.

6. The withdrawal account includes all withdrawals of capital and personal expenses paid by the company on behalf of persons having an ownership interest in the company. Subaccounts must be maintained for each person having an ownership interest in the company and any entries recorded must be so detailed and described as to permit ready identification, including source, analysis and verification of all relevant facts.

Sec. 106. {Editor's Note: Suggested numbering as NAC 706.29882} *Accounts for operating revenue. (NRS 706.171; NRS 706.167)*

1. The account for limousine fares includes all revenues derived from the transportation of passengers, their luggage and packages.

3. The account for sundry operating revenues includes revenues derived from limousine operations not included in any of the revenue accounts in subsection 1. This account also includes all other revenue not provided for elsewhere in Sections 26 to 120, inclusive, if the costs or expenses associated with the earning of such revenues are not or cannot be separately classified or accounted for. This account must be maintained in such detail and description to permit ready identification, analysis and verification of all relevant facts.

Sec. 107. {Editor's Note: Suggested numbering as NAC 706.29883} *Accounts for operating expense. (NRS 706.171; NRS 706.167)*

1. The account for drivers' supervision salaries includes the salaries paid to persons employed in supervising limousine drivers. If only a portion of an employee's time is spent supervising, the appropriate percentage of his salary must be charged to this account.

2. The account for drivers' wages and commissions includes all wages and commissions paid to drivers, including "make-up," but excluding vacation pay.

3. The account for vacation pay includes all vacation pay paid to supervisors and drivers.

4. The account for payroll taxes includes all payroll taxes of supervisors and drivers, including, but not limited to, FICA, FUTA, NUC and workers compensation insurance.

5. *The account for payroll benefits includes the costs incurred by the company for welfare and pension benefits of its supervisors and drivers.*

6. *The account for limousine expenses must contain the following subaccounts:*

(a) *An account for fuel that includes the cost of fuel used by limousines only. Accurate supporting records of cost and gallons used must be maintained and summarized on a monthly basis.*

(b) *An account for oil that includes the cost of oil used by limousines only. Accurate supporting records of cost and quarts used must be maintained on a monthly basis.*

(c) *An account for tires that includes the cost of replacement tires.*

(d) *An account for repairs and maintenance that includes the cost of outside labor, materials and any other expenses incurred in the repair and maintenance of limousines and integral equipment attached to them, including batteries and accessories, excepting radios or telephonic equipment. This account must be charged for all limousine repairs and replacement parts purchased by a company for use in making repairs to limousines and their integral equipment except for items included in the account for tires, described in paragraph (c), and the account for repairs and maintenance of dispatch equipment, described in subsection 9 of § 108.*

(e) *An account for credits for insurance recoveries that must be credited with all insurance recoveries from losses or damages sustained by limousines, whether from insurance companies or other persons. This account must be maintained with sufficient detail and description to permit ready identification, analysis and verification of all facts relevant to each entry.*

7. *A company that obtains any services contemplated in the account for credits for insurance recoveries described in paragraph (e) of subsection 6 through a contract that provides for the payment of a fixed amount must use an account for contract services in lieu of the account described in paragraph (e) of subsection 6. This account must be maintained in such a manner as to permit ready identification, analysis and verification of all facts relevant to each class of expense as stated in the various accounts described in subsection 6. Appropriately entitled subaccounts may be employed for this purpose.*

8. *Depreciation expenses must be accounted for in the limousine account includes the amount of depreciation applicable to limousines.*

9. *The account for injuries and damages includes all costs, exclusive of insurance premiums incurred by the company, or by the insurance company agents, if payable by the company under the terms of its insurance coverage, for the investigation of accidents or claims or the adjustment of claims arising from the operation of limousines. This account also includes all costs incurred by the company in its defense of any legal action arising from the operation of limousines and costs of settlement if payable by the company under the terms of its insurance coverage.*

10. *The account for insurance for limousines includes insurance premium expenses and writeoffs of premiums for the reporting period applicable specifically to the operation of limousines, such as coverage for driver's liability, property damage and bodily injury of passengers. Prepaid insurance premiums must be charged to the account for prepaid expenses described in Section 77.*

11. *The account for licenses and taxes includes licenses and taxes such as registration fees, motor carrier plates, franchise taxes, toll taxes, county airport fees and any other tax*

expenses, which are applicable specifically to the operation of limousines. Appropriate subaccounts must be maintained for each class of license or tax expense.

12. The account for miscellaneous expenses pertaining to limousines includes any costs incurred by the company applicable to the actual operation of limousines which are not provided for in any of the foregoing accounts relative to that operation. This account must be maintained in such manner as to permit ready identification, analysis and verification of all facts relative to each class of items. Appropriately entitled subaccounts may be employed for this purpose.

13. The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to operating expense. Costs transferred to this account must be either actual or on a percentage basis if the percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

14. The account for gain or loss on disposal of automotive equipment includes the gain or loss on the disposition of limousines of the company. This account must be charged with the book cost of the limousine plus any expense of sale. It must be credited with the related accumulated provision for depreciation recorded to the date of disposition of sale, and with the proceeds received on disposition. The account must be maintained with such detail and descriptions as to permit ready identification of each limousine disposed of and verification of all facts relative to each transaction.

Sec. 108. {Editor's Note: Suggested numbering as NAC 706.29884} *Accounts for dispatch expense. (NRS 706.171; NRS 706.167)*

1. The account for dispatchers' wages includes all wages incurred resulting from providing dispatching service.

2. The account for dispatchers' vacation pay includes all vacation pay paid to dispatchers.

3. The account for dispatchers' payroll taxes includes all payroll taxes of dispatchers, including, but not limited to, FICA, FUTA, NUC and workers compensation insurance.

4. The account for dispatchers' payroll benefits includes the costs incurred by the company for welfare and pension benefits of its dispatchers.

5. The account for advertising and promotion includes the cost of labor and materials used and expenses incurred in advertising designed to promote or retain requests for limousines by telephone.

6. A company which elects not to do its own dispatching but contracts with other parties to provide this service must charge the account for dispatching contract services with all costs incurred as a result.

7. The account for depreciation of dispatch equipment includes the amount of depreciation applicable to all dispatching and radio equipment used by the company in the operation of its dispatching service.

8. The account for equipment rental includes costs incurred by the company in the rental or leasing of dispatching and radio equipment useful to the company in the operation of its dispatching services. This account must be maintained in such manner as will permit ready identification, analysis and verification of all relevant facts to each item rented or leased, the costs of which have been included.

9. The account for repairs and maintenance of dispatch equipment includes the costs of outside labor, materials, replacement parts and any other expenses incurred and necessary for

the repair and maintenance of dispatching equipment including radios or telephonic equipment installed in limousines. All costs included in this account must be segregated by class through the use of appropriately entitled subaccounts.

10. The account for miscellaneous dispatch expenses includes all costs incurred directly related to the operation of a dispatching service. This account must be maintained in such manner as to permit ready identification, analysis and verification of all facts relevant to each class of item included. Appropriately entitled subaccounts may be employed for this purpose.

11. The telephone account must include telephone expense applicable or attributable to the rendering of dispatching services by the company to its customers in its limousine operations.

12. The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to dispatch expenses. Costs transferred to this account must be either actual or on a percentage basis provided such percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

Sec. 109. {Editor's Note: Suggested numbering as NAC 706.29885} *Accounts for shop and garage expense. (NRS 706.171; NRS 706.167) The following accounts must be used by each company maintaining a shop or facilities for the repair and maintenance of company limousines:*

1. The account for supervisors' salaries (shop and garage) includes the salaries incurred in the supervision and direction of shop and garage activities.

2. The account for wages (shop and garage) includes the salaries and wages of shop and garage employees for the repair of company limousines and facilities, except for the salaries and wages of shop and garage supervisors which are included in the account described in subsection 1.

3. The account for vacation pay (shop and garage) includes all vacation pay paid to shop and garage personnel, both supervisors and nonsupervisors.

4. The account for payroll taxes (shop and garage) includes all payroll taxes of shop employees, both supervisors and nonsupervisors, including, but not limited to, FICA, FUTA, NUC and workers compensation insurance.

5. The account for payroll benefits (shop and garage) includes the costs incurred by the company for welfare and pension benefits of all its shop and garage employees.

6. The account for contract services (shop and garage) includes all costs incurred as a result of utilizing outside labor.

7. The account for depreciation (shop and garage equipment) includes the amount of depreciation applicable to all shop and garage equipment included in the account for shop and garage equipment described in Section 84. This account also includes depreciation applicable to the account for other automotive equipment described in Section 87, when such cars are used exclusively in connection with shop work.

8. The account for equipment rental (shop and garage) includes costs incurred by the company in the rental or leasing of shop and garage equipment used and useful to the company. This account must be maintained in such manner as will permit ready identification, analysis and verification of all facts relevant to each item rented or leased, the costs of which have been included.

9. *The insurance account for shop and garage includes the cost of insurance specifically for the coverage of shop and garage facilities.*

10. *The account for repairs and maintenance of shop and garage equipment includes all costs incurred in the maintenance and repair of shop and garage equipment and tools, other than internal labor costs included in the accounts described in subsections 1 and 2. This account also includes the costs incurred in the maintenance and repair of automotive equipment, other than limousines when that equipment is used exclusively in connection with shop work. This account also includes the cost of hand or portable tools which are easily lost or stolen, which have a value of \$5000 or less, or have a short life.*

11. *The account for miscellaneous shop and garage expenses includes shop and garage costs not provided for in any of the foregoing accounts such as uniform charges, laundry, cleaning rags and solvent for washing parts. This account must be maintained in such manner as will permit ready identification, analysis and verification of all facts relevant to each class of items included. Appropriate subaccounts may be employed for this purpose.*

12. *The telephone account includes telephone expense applicable or attributable to maintaining shop and garage facilities.*

13. *The account for transferred internal costs (shop and garage) includes the internal costs transferred from the various other functional divisions to shop and garage expense. Costs transferred to this account must be either actual or on a percentage basis provided such percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.*

Sec. 110. {Editor's Note: Suggested numbering as NAC 706.29886} *Accounts for general, administrative expense: Salaries; vacation pay; payroll taxes; benefits. (NRS 706.171; NRS 706.167)*

1. *The account for management salaries includes all compensation, salaries, bonuses and other considerations, paid or payable to officers, managers, partners or proprietors except that compensation properly included in an account of any other functional division.*

2. *The account for office salaries includes all salaries and payroll costs of office personnel incurred not properly chargeable to any other operating functional division.*

3. *The account for vacation pay (general and administrative) includes all vacation pay paid to persons whose salaries are charged to the accounts described in subsections 1 and 2.*

4. *The account for payroll taxes (general and administrative) includes all payroll taxes of persons whose salaries are charged to the accounts described in subsections 1, 2 and 3, including, but not limited to, FICA, FUTA, NUC and workers compensation insurance.*

5. *The account for payroll benefits (general and administrative) includes the costs incurred by the company for welfare and pension benefits of employees whose salaries are charged to this functional division.*

Sec. 111. {Editor's Note: Suggested numbering as NAC 706.29887} *Accounts for general, administrative expense: General taxes. (NRS 706.171; NRS 706.167)*

1. *The account for general taxes includes the costs of all taxes, permits or licenses, incurred on or for property owned by the company, devoted to the company's limousine operations, except payroll taxes, federal income taxes and those taxes included in the account for licenses and taxes described in subsection 11 of Section 107.*

2. *Taxes incurred on leased property under the terms of the lease, must not be included in this account, but must be included in the appropriate subaccount under the account for rent described in subsection 1 of Section 113.*

3. *This account must be maintained in such detail and description as to permit ready identification, analysis and verification of all relative facts. Subaccounts with appropriately descriptive titles may be used for these purposes.*

Sec. 112. {Editor's Note: Suggested numbering as NAC 706.29888} *Accounts for general, administrative expense: Amortization; depreciation; insurance; bad debts. (NRS 706.171; NRS 706.167)*

1. *The account for amortization of leasehold improvements includes the amount of amortization applicable to all assets included in the account for leasehold improvements described in Section 83.*

2. *The account for furniture and office equipment depreciation includes all depreciation expense applicable to the account for furniture and office equipment described in Section 85.*

3. *The account for buildings and office depreciation includes all depreciation applicable to the buildings account described in Section 82, not previously charged to any other functional division.*

4. *The general account for insurance includes the cost incurred on all insurance, other than that included in the account for insurance for limousines described in subsection 10 of Section 107 and the insurance account for shop and garage described in subsection 9 of Section 109.*

5. *The account for bad debts must be charged with amounts sufficient to provide for losses from uncollected operating revenues recorded in the account for accounts receivable—trade described in Section 71.*

Sec. 113. {Editor's Note: Suggested numbering as NAC 706.29889} *Accounts for general, administrative expense: Rentals; repairs and maintenance. (NRS 706.171; NRS 706.167)*

1. *The account for rent includes:*

(a) *All costs incurred by the company in the rental or leasing of buildings, offices and other property devoted to the company's limousine operations.*

(b) *Taxes on leased property where the lessee is liable for the taxes according to the terms of the lease. Such taxes must not be included in the account for general taxes described in Section 111.*

2. *The account for equipment rental includes costs incurred by the company in the rental or leasing of equipment not specifically provided for in other functional divisions.*

3. *The account for repairs and maintenance includes all costs incurred for outside labor, materials or replacement parts, in the maintenance of and repairs made to the building, office and office furniture and equipment. This would include costs of maintenance contracts on office equipment. Subaccounts must be maintained for each class, such as building, office, office furniture and equipment, of maintenance and repair costs incurred and entries in these subaccounts must be made in sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.*

Sec. 114. {Editor's Note: Suggested numbering as NAC 706.29890} *Accounts for general, administrative expense: Advertising; contract services. (NRS 706.171; NRS 706.167)*

1. *The advertising account includes the cost of labor, materials used and expenses incurred in any advertising not included in the account for advertising and promotion described in subsection 5 of Section 108.*

2. *The account for outside services includes the fees and other costs of professional consultants and others incurred by the company for general services in its limousine operations that are not applicable to a particular operating function or to any other account provided in this section. This account also includes the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not an employee of the company. This account must not include costs of such services as may be employed by the company in connection with formal cases before the regulatory authority. These costs have been provided for in the account for regulatory expenses described in Section 115. Subaccounts must be maintained for each class of costs included, for example, accounting and legal, containing sufficient detail and description as to permit ready identification, analysis and verification of entries made in each subaccount.*

3. *The account for contract services includes all costs of contract services not provided for elsewhere.*

Sec. 115. {Editor's Note: Suggested numbering as NAC 706.29891} *Accounts for general, administrative expense: Regulatory expenses. (NRS 706.171; NRS 706.167)*

1. *The account for regulatory expenses includes all expenses, except pay of regular employees engaged in such work, properly included in company operating expenses, incurred by the company in connection with formal cases before the authority, or other regulatory bodies or cases in which any regulatory body is a party.*

2. *This account also includes the amortized portion of such expenses as have been approved or directed by the authority as being applicable for more than 1 year, originally charged to the account for deferred charges described in subsection 2 of Section 91.*

Sec. 116. {Editor's Note: Suggested numbering as NAC 706.29892} *Accounts for general, administrative expense: Transferred internal costs. (NRS 706.171; NRS 706.167) The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to general and administrative expenses. Costs transferred to this account must be either actual, or on a percentage basis if the percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.*

Sec. 117. {Editor's Note: Suggested numbering as NAC 706.29893} *Accounts for general, administrative expense: Office, telephone, travel, utility, miscellaneous expenses. (NRS 706.171; NRS 706.167)*

1. *The account for office expenses must include all costs for office supplies and miscellaneous office expenses incurred in connection with the company's limousine operations such as:*

(a) *Bank service charges.*

(b) *Cash shortages.*

(c) *Books, periodicals, bulletins and subscriptions to newspapers, newsletters and tax services.*

(d) *Membership fees and dues in trade, technical and professional associations.*

(e) Office supplies and expenses, postage, printing and stationery.

(f) Cost of individual items of office equipment used by general departments which have a short useful life or a value of \$5000 or less.

Appropriately entitled subaccounts must be maintained for each class of expense included in this account with sufficient detail and description contained so as to permit ready identification.

2. The telephone account includes all telephone expenses not charged to any other functional division.

3. The account for travel expenses includes all fuel and oil, operating maintenance, replacement parts and repair costs incurred, applicable to vehicles other than limousines, or cars connected with shop work, or supervisors' cars. This account also includes other travel expenses necessary to the operation of a limousine company.

4. The utilities account includes items such as power, electricity, gas, water, garbage disposal and sewage rental. It does not include telephone rental or tolls.

5. The account for miscellaneous general and administrative expenses includes any cost of outside labor, materials or other cost incurred by the company in connection with its general management if the cost is not provided for elsewhere in these regulations. This account must be maintained with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

Sec. 118. {Editor's Note: Suggested numbering as NAC 706.29894} *Accounts for other nonoperating income. (NRS 706.171; NRS 706.167)*

1. The account for interest earned includes any money earned from savings accounts, interest-bearing loans or notes receivable.

2. The account for discounts earned includes any discounts earned as a result of timely, early or advance payments of bills. This account does not include discounts, obtained by quantity purchases or from a reduction of the manufacturer's list price. Such discounts are considered "trade discounts," and used as a reduction of original costs.

3. The account for rental income includes remuneration received for leasing or renting out space primarily owned or leased by the operating limousine company.

4. The account for gain on sale of assets, except automotive equipment, includes any earnings from the sale of equipment or improvements other than automobiles, at a price above book value. (See subsection 14 of NAC 706.29883.)

5. The account for gain on investments reflects earnings from the sale of an investment carried on the books of the taxicab company as an asset.

6. The account for miscellaneous other income includes any income not provided for elsewhere in these accounts.

Sec. 119. {Editor's Note: Suggested numbering as NAC 706.29895} *Accounts for other nonoperating expenses. (NRS 706.171; NRS 706.167)*

1. The account for interest expense includes all expenses for interest paid or accrued on loans or notes payable, whether short or long term.

2. The account for loss on sale of assets, except automotive equipment, reflects any losses incurred from the sale of any equipment or improvements other than automobiles at a price below book value. (See subsection 14 of Section 107.)

3. *The account for loss on investments reflects any income from the sale or other disposition of an investment carried on the books of the limousine company as an asset.*

4. *The account for miscellaneous other expenses includes any expenses not provided for elsewhere in these accounts.*

Sec. 120. {Editor's Note: Suggested numbering as NAC 706.29896} *Income statement accounts. (NRS 706.171; NRS 706.167)*

1. *The account for net income before federal taxes is an income statement account reflecting the difference between the total of all income accounts and the total of all expenses, before arriving at a figure for the federal income tax.*

2. *The account for federal income taxes on earnings includes the amount of federal income tax expense incurred by the limousine company during the accounting period. Concurrent credits for tax accruals must be made to the account for accrued federal income taxes described in Section 102. As the exact amount of taxes becomes known, the current tax expense must be adjusted accordingly, so that this account includes, in each year, the applicable taxes.*

3. *The account for net income after federal taxes is an income account reflecting net earnings after giving effect to federal taxes.*

4. *The dividends account includes the amount of dividends paid or declared by the company during the calendar year. The account for dividends payable described in subsection 2 of Section 101 must be set up as a liability whenever such dividends are declared.*

Sec. 121. {Editor's Note: Suggested numbering as NAC 706.334} *Notification of liability coverage for household goods. (NRS 706.171; NRS 706.443) Prior to providing any authorized service, a carrier of household goods must notify the customer in writing of the scope of the standard liability coverage and the availability of additional coverage.*

Sec. 122. {Editor's Note: Suggested numbering as NAC 706.3611} *Drivers: Prohibited and required acts. (NRS 706.171) A limousine driver shall:*

1. *Not divert or attempt to divert a prospective customer from any commercial establishment.*

2. *Except as authorized by his employer or the authority, not permit any person other than himself within his limousine unless that person is a passenger who is actually being transported and is paying a fare.*

Sec. 123. {Editor's Note: Suggested numbering as NAC 706.3612} *Drivers: Hours of Service. (NRS 706.171)*

1. *A driver of a limousine shall not work a shift longer than 12 consecutive hours except when under a charter or a trip, the charter or trip having commenced within a reasonable period before the end of the driver's shift.*

2. *Under no circumstances may a driver work longer than 16 hours within a 24-consecutive hour period.*

3. *A driver who has completed a shift of 8 hours or more must not be knowingly permitted or required to resume driving unless the driver has been off duty for at least 8 consecutive hours.*

4. *A certificate holder shall not knowingly require or permit any driver of a limousine to work longer than 12 consecutive hours, except as provided in subsection 1.*

5. *Each certificate holder shall provide an appropriate and accurate method for tracking the hours a driver works and such method must be approved by the authority before its use.*

Sec. 124. {Editor's Note: Suggested numbering as NAC 706.3762} *Taxicabs: Two-way radios; requests by telephone for service. (NRS 706.171)*

1. *The two-way radio in each taxicab of a certificate holder must be turned on and audible at all times.*

2. *A certificate holder shall provide reasonable service to persons who make telephone requests for service if that service is within the limits of the holder's certificate.*

Sec. 125. {Editor's Note: Suggested numbering as NAC 706.3763} *Taximeters: Inspection and seal. (NRS 706.171)*

1. *A certificate holder shall not place a taxicab in passenger service at any time unless the taximeter has been inspected and sealed by the authority.*

2. *If a certificate holder removes a seal affixed by the authority, he will return the broken seal to the authority upon inspection.*

3. *Any taxicab found by the authority to have:*

(a) *A defective or inaccurate taximeter;*

(b) *A taximeter that shows signs of having been tampered with; or*

(c) *A taximeter with either seal removed, must be placed out of service and will not be put back into service until inspected and approved by the authority.*

Sec. 126. {Editor's Note: Suggested numbering as NAC 706.3764} *Drivers: Standards of conduct. (NRS 706.171) During a driver's shift, he shall:*

1. *Not engage in verbal arguments or acts of physical violence.*

2. *Refrain from backing into position in any taxicab stand.*

3. *Refrain from loading passengers at any establishment where a taxicab stand has been established unless he has been through the rotation of the stand. This provision does not apply when there are no cabs on the stand.*

4. *Not permit more than two passengers in the front seat of his taxicab and not permit more than five passengers in his taxicab at any one time.*

5. *Not knowingly operate a taxicab equipped with a faulty or inaccurate taximeter, or that shows signs of having been tampered with.*

6. *Not operate a taxicab in which the taximeter is not sufficiently illuminated or the face obscured to the extent that the entire fare recording device cannot be easily seen by the passenger.*

7. *Not operate a taxicab in which the taximeter does not have a properly attached seal as affixed by the authority.*

8. *Not operate a taxicab that does not have properly affixed a valid "TX" plate as issued by the authority.*

9. *Not operate a taxicab when any illness or physical or mental disorder may impair his safe operation of a taxicab.*

10. *Not operate a taxicab while taking drugs that may impair his ability safely to operate a taxicab.*

11. *Keep a complete and accurate trip sheet as prescribed in NAC 706.3747.*

12. Not display or distribute any advertising within or on his taxicab which has not been authorized by his employer.

Sec. 127. {Editor's Note: Suggested numbering as NAC 706.3765} *Drivers: Hours of service. (NRS 706.171)*

1. A driver of a taxicab shall not work a shift longer than 12 consecutive hours except when under a charter or a trip, the charter or trip having commenced within a reasonable period before the end of the driver's shift.

2. Under no circumstances may a driver work longer than 16 hours within a 24-consecutive hour period.

3. A driver who has completed a shift of 8 hours or more must not be knowingly permitted or required to resume driving unless the driver has been off duty for at least 8 consecutive hours.

4. A certificate holder shall not knowingly require or permit any driver of a taxicab to work longer than 12 consecutive hours, except as provided in subsection 1.

5. Each certificate holder shall provide an appropriate, accurate and operable time clock. The time clock must be approved by the authority before its use, and the certificate holder shall require its drivers to time stamp their trip sheets at the beginning and end of each of their shifts.

Sec. 128. {Editor's Note: Suggested numbering as NAC 706.3766} *Drivers: Use of taxicab for crime. (NRS 706.171) A taxicab driver must not willfully, knowingly or intentionally use his taxicab, or his employment to facilitate the commission of a crime, or permit the use of his taxicab by another, as a means of facilitating the commission of a crime.*

Sec. 129. {Editor's Note: Suggested numbering as NAC 706.4027} *NAC 706.4027 "Authority" defined. Authority means the transportation services authority created pursuant to NRS 706.1511.*

Sec. 130. {Editor's Note: Suggested numbering as NAC 706.404} *Annual fee for operation of tow car. (NRS 706.171)*

1. The annual fee charged by the transportation services authority pursuant to NRS 706.451 will be \$36 for each tow car operated.

2. A "tow car" (TC) plate will be issued for each tow car in service.

3. The TC plate will be placed next to the Nevada State license plate.

4. The TC plate will be returned to the transportation services authority if the vehicle has been sold or is out-of-service for more than 60 days.

AMENDED SECTIONS

Sec. 131. NAC 706.010 is hereby amended to read as follows:

NAC 706.010 Definitions. (NRS 706.171) As used in NAC 706.010 to 706.4019, inclusive, and in Sections 1 through **XXXX**, inclusive, unless the context otherwise requires, the words and terms defined in NAC 706.012 to 706.129, inclusive, and in Sections 1 through 8 inclusive, have the meanings ascribed to them in those sections.

Sec. 132. NAC 706.015 is hereby amended to read as follows:

NAC 706.015 “Airport transfer service” defined. “Airport transfer service” means the transportation of passengers and their baggage in the same vehicle, except by taxicab, for a per capita charge, ~~on a walk-up basis,~~ between airports or between an airport and points and places in this state. The term does not include charter services, scenic tours or special services.

Sec. 133. NAC 706.018 is hereby amended to read as follows:

NAC 706.018 “Application” defined. (NRS 706.171) “Application” means a request for *operating authority or* relief filed with the transportation services authority as specified in NAC 706.3956.

Sec. 134. NAC 706.022 is hereby amended to read as follows:

NAC 706.022 “Bus” defined. (NRS 706.171) “Bus” means any motor vehicle *originally manufactured* with a capacity of 16 or more persons, including the driver, designed, constructed and used for the transportation of passengers, their baggage and light express.

Sec. 135. NAC 706.032 is hereby amended to read as follows:

NAC 706.032 “Charter order” defined. “Charter order” means a written order prepared by a ~~bus company~~ *motor carrier* authorized to provide charter service, setting out a request from a customer for the services of the company.

Sec. 136. NAC 706.034 is hereby amended to read as follows:

NAC 706.034 “Charter service by bus” defined.

1. “Charter service” means the *prearranged* transportation of persons who have acquired the exclusive use of a bus for a particular itinerary under an hourly rate, *for a minimum of one hour* for the duration of the charter order.

2. Except as otherwise provided in paragraph (d) of subsection 3, charter service includes services sold to a ~~purchaser or~~ broker at an hourly rate only, for resale by the ~~purchaser or~~ broker in combination with other services or facilities not related to transportation at per capita rates or at hourly rates, as necessary.

3. Charter service does not include:

(a) Scenic tours;

(b) Special services;

(c) Airport transfer services;

(d) Service which will be resold by the ~~purchaser or~~ broker for scenic tours or airport transfer services; ~~or~~

(e) The carriage of property or cargo not belonging to the group of passengers being transported.

Sec. 137. NAC 706.036 is hereby amended to read as follows:

NAC 706.036 “Charter service by limousine” defined. (NRS 706.171)

1. “Charter service by limousine” means the exclusive use of a traditional limousine or livery limousine for the *prearranged* transportation of passengers and their baggage under a single ~~contract~~ *charter order* at an hourly rate for a minimum of 1 hour.

2. *Charter service does not include:*

(a) *Scenic tours;*

(b) *Special services;*

- (c) Airport transfer services;*
- (d) Service which will be resold by the broker for scenic tours or airport transfer services;*
- or*
- (e) The carriage of property or cargo not belonging to the group of passengers being transported.*

Sec. 138. NAC 706.067 is hereby amended to read as follows:

NAC 706.067 “Household goods” defined. “Household goods” includes:

1. Property transported as an incident of a move by a householder from one dwelling to another and property transported:
 - (a) From the dwelling of a householder in connection with a gift, sale or the administration of an estate;
 - (b) Between the dwelling of a householder and a repair or storage facility;
 - (c) From the dwelling of a householder to an auction house or other place of sale; and
 - (d) From a factory or store to the dwelling of a householder where:
 - (1) The householder has purchased the goods with the intent to use them in his dwelling;
 - ~~[and]~~
 - (2) The property is transported at the request of the householder~~[;]~~; *and*
 - (3) The transportation charges are paid to the carrier by the householder.*
2. Furniture, fixtures, equipment and the property of stores, offices, museums, institutions, hospitals or other establishments, when it is a part of the stock, equipment or supply of the stores, offices, museums, institutions, hospitals or other establishments.
3. Commodities mentioned in subsections 1 and 2, when transported pursuant to the removal of the establishment, or a portion thereof, from one location to another, and used furniture, fixtures and equipment of stores, offices, museums, institutions, hospitals or other establishments transported:
 - (a) From a location in one branch of an establishment to a location in another branch of that establishment; and
 - (b) From a location in an establishment and a repair or storage facility.
4. Household goods do not include the stock-in-trade of any establishment, except when transported as an incident to the removal of the establishment, or a portion thereof, from one location to another.

Sec. 139. NAC 706.070 is hereby amended to read as follows:

NAC 706.070 “Interchange of equipment” defined. “Interchange of equipment” means the physical exchange of equipment between ~~[motor]~~ common *motor* carriers or the receipt by one carrier of equipment from another carrier, in furtherance of a through movement of traffic, at a point or points which the carriers are authorized to serve.

Sec. 140. NAC 706.080 is hereby amended to read as follows:

NAC 706.080 “Livery limousine” defined. (NRS 706.171) “Livery limousine” means a motor vehicle, *engaged in the general transportation of persons for compensation*, that:

1. Was a light truck, as that term is defined in 49 C.F.R. § 523.5, at the time of its manufacture; *or*
2. ~~[Has]~~ *Was originally manufactured as having* a capacity of 9 or more persons but less than 16 persons, including the driver.~~[; and]~~

~~—3. Is engaged in the general transportation of persons for compensation and not operated on a regular schedule or over regular routes.]~~

Sec. 141. NAC 706.094 is hereby amended to read as follows:

NAC 706.094 “Owner” defined. “Owner” means a person *or legal entity* to whom title to equipment has been issued or who has lawful possession of equipment, and has the equipment registered and licensed in any state or states or the District of Columbia in his name.

Sec. 142. NAC 706.119 is hereby amended to read as follows:

NAC 706.119 “Special services” defined. “Special services” means the transportation of persons who have acquired the ~~[exclusive]~~ use of a vehicle for a ~~[specific itinerary]~~ *special event* between definite points of origin and destination, at a per capita rate. Special services do not include charter services, scenic tours or airport transfer services.

Sec. 143. NAC 706.1315 is hereby amended to read as follows:

NAC 706.1315 Computation and extension of time. (NRS 706.171) Except as otherwise provided by law:

1. In computing any period prescribed or allowed by any regulation of the transportation services authority, the day of the act, event or default from or after which the designated period begins to run is not included. The last day of the period so computed is included, but if it is a Saturday, Sunday or legal holiday, the period runs until the end of the next day which is not a Saturday, Sunday or legal holiday.

2. Whenever an act is required or allowed pursuant to any regulation of the transportation services authority, or any notice given thereunder, to be done within a specified period, the period ~~[will]~~ *may* be extended by the transportation services authority for good cause upon a motion made before the specified period expires.

Sec. 144. NAC 706.132 is hereby amended to read as follows:

NAC 706.132 Fees and remittances. (NRS 706.171) A fee or remittance by money order, bank draft or check to the transportation services authority must be made payable to the “Transportation Services Authority.” A remittance in currency or coin is acceptable but is sent wholly at the risk of the remitter, and the transportation services authority assumes no responsibility for the loss of such a remittance. An application fee or other charge required by law must be paid to the transportation services authority at the time of filing with the transportation services authority. *Administrative fines imposed for the impound of vehicles pursuant to NRS 706.476 must be paid by cash, cashiers check or money order.*

Sec. 145. NAC 706.1325 is hereby amended to read as follows:

NAC 706.1325 Public records. (NRS 706.171)

1. Except as otherwise provided by law, all documents filed with the transportation services authority become matters of public record as of the day and time of their filing. The deputy commissioner, within reasonable limits of time and general expediency, shall allow members of the public to examine these public records.

2. *Subject to the Authority’s evidentiary and discovery provisions, the following items, which must be submitted to the Authority during the application process, shall not be inserted in the master docket file and shall not be considered public record:*

- (a) *Copies of tax returns;*
- (b) *Copies of bank statements, brokerage statements, retirement account statements;*
- (c) *Loan documents;*
- (d) *Credit reports;'*
- (e) *Criminal background reports;*
- (f) *DMV records;*
- (g) *Any other document which has been deemed confidential pursuant to the provisions of NAC 706.3944 through 706.3954.*

3. Upon request, copies of public records will be made and a reasonable fee will be charged for the cost of reproduction. Copies of transcripts must first be requested from the court reporter or transcriber who made the transcript.

Sec. 146. NAC 706.1375 is hereby amended to read as follows:

NAC 706.1375 Application for certificate or permit or sale and transfer of interest in certificates of certain holders: Contents; omission or deficiency. (NRS 706.171)

1. An application for:

(a) The initial issuance, expansion or modification of a certificate of public convenience and necessity made pursuant to NRS 706.386 to 706.411, inclusive;

(b) A permit to act as a contract carrier made pursuant to NRS 706.421 to 706.436, inclusive;

or

(c) The sale and transfer of an interest in:

(1) A certificate;

(2) Fifteen percent or more of the stock of a corporation that holds a certificate; ~~or~~

(3) A partnership that holds a certificate; *or*

(4) A corporate entity that would result in a change in the corporate control of that carrier

must, in addition to complying with the provisions of NAC 706.010 to 706.4019, inclusive, that are applicable to pleadings, contain the data set forth in subsection 2.

2. An application described in subsection 1 must contain the following data, either in the application or as exhibits attached thereto:

(a) The type of service, if any, presently being performed by the applicant, a general description of the service and a reference to the authority pursuant to which the service is being performed.

(b) The type of service proposed, a general description of the service and a reference to the authority pursuant to which the service is to be performed.

(c) The specific authority requested and the statutory provision pursuant to which the certificate is requested.

(d) If the applicant proposes to be a ~~carrier of property~~ *household goods mover*, a description of the specific commodities proposed to be transported~~, and if general commodities with exceptions are proposed to be transported, a statement specifying those exceptions~~.

(e) The geographical area proposed to be served pursuant to the certificate, including, without limitation, the terminal and other points to be served, the number and location of points where equipment will be located, and a concise, narrative description of the proposed route.

(f) A map or sketch of the route and points to be served, drawn to a suitable scale which is indicated on the map or sketch. The map or sketch must show present and proposed operations by distinctive coloring or marking.

(g) ~~[A]~~ *If requesting contract carrier authority, a* copy of each proposed contract.

(h) A statement of the rates or fares proposed to be charged and the rules governing service in the form of a tariff prepared pursuant to NAC 706.138 to 706.139, inclusive.

(i) The type and ~~[approximate]~~ number of units of equipment to be used in the proposed service and a statement as to which units of equipment are owned by the applicant, *including photographs of the equipment to be used and copies of the registration and titles of those vehicles already owned by the applicant. Taxicab applications must include a request for the proposed vehicle color scheme.*

(j) A statement indicating the frequency of the proposed service. If “on-call” service is proposed, the application must set forth the conditions under which the service would be performed.

(k) A statement of the qualifications and experience of the personnel who will manage and operate the proposed service and the proposed operating procedures related to service, safety, maintenance, training of drivers, billing, relations with customers and the keeping of records.

(l) A statement describing the facilities which will be used to provide the proposed service, such as terminals, shops, warehouses or offices.

(m) Facts showing that the proposed operation is or will be ~~[required for public convenience and necessity]~~ *beneficial to the traveling public.*

(n) If the applicant is a corporation *or a limited liability company (LLC)*, a copy of its articles of incorporation, *or articles of agreement*, certified by the secretary of state, and all effective amendments. ~~[If the articles of incorporation have been filed previously with the transportation services authority, the applicant need only make a specific reference to that filing.]~~ *If the corporation or LLC was incorporated or established in another state, a corporate qualification to conduct business in the State of Nevada.*

(o) If the applicant is a partnership, a copy of the partnership agreement and any amendments made thereto.

(p) For all types of legal entities, a listing of all owners, including associated stock certificates, membership certificates or associated documents, along with the percentage of ownership interest of each partner, member or owner. (In the case of a publicly traded corporation, a copy of the Form 10K filed with the Securities Exchange Commission showing the controlling ownership, officers and directors will satisfy this requirement.)

~~[(e)]~~ (q) Evidence that the applicant is financially able to operate the proposed business, including, without limitation:

(1) A statement of income for the 12-month period immediately preceding the application.

(2) A pro forma statement of income for the first 12-month period of the proposed operation using the proposed rates. The transportation services authority may require, as a condition to the granting of the application, that the applicant is prohibited from placing into service more vehicles than the vehicles projected in the pro forma statement for any period that the transportation services authority deems necessary to ensure that the granting of the application will not unreasonably and adversely affect other carriers operating in the territory.

(3) A balance sheet which was prepared not more than 6 months before the date of the application which:

(I) For a sole proprietorship or partnership, must reflect the personal and business operations of the sole proprietor or each general partner.

(II) For a corporation, *LLC* or partnership, must reflect the entire business operations.

(4) A list of the names and addresses of all transportation entities owned by or under the control of the applicant.

All financial statements must be prepared pursuant to generally accepted accounting principles, except that the personal financial statement of a sole proprietor or general partner may be prepared on the basis of estimated values.

~~[(p)]~~ (r) If the applicant is operating under a fictitious name, a copy of the certificate filed pursuant to chapter 602 of NRS. If the applicant has previously filed a copy of the certificate with the transportation services authority, the applicant need only make reference to that filing.

~~[(q)]~~ (s) Evidence that the applicant can secure the insurance required by NAC 706.191.

~~[(r)]~~ (t) If the applicant is proposing to transport *and store* household goods and effects, proof that the applicant has the ability to store such goods and effects in a warehouse operated in accordance with the requirements of chapter 712 OF NRS. As used in this paragraph, “warehouse” includes, without limitation, any structure used for the reception and storage of household goods and effects.

~~[(s)]~~ (u) Additional information as is necessary for a full understanding of the application.

3. If any item required pursuant to this section or by statute is omitted or otherwise deficient after acceptance of the application or filing, the transportation services authority will notify the applicant of the omission or deficiency, in writing, at the address of the applicant listed on the application or filing. If the applicant does not cure the omission or deficiency within 15 working days after the issuance of that notification, the deputy commissioner shall, at the next regular meeting of the transportation services authority, move that the application or filing be dismissed.

Sec. 147. NAC 706.1384 is hereby amended to read as follows:

NAC 706.1384 Applications for changes in rates *or modification of a contract*. (NRS 706.171)

1. In addition to the requirements established for pleadings, an application to change the tariff of any motor carrier, issuing agency or agent, including, without limitation, new rates for services authorized under a certificate, and new rules and regulations under a carrier’s tariff, must include as exhibits attached thereto:

(a) A statement in the form of a tariff showing in full the rates or fares or the regulations proposed to be put into effect.

(b) A statement in the form of a tariff showing the rates or fares or the regulations which will be superseded by the proposed tariff.

(c) A complete and accurate statement of the circumstances and conditions relied on as justification for the proposed change, including, without limitation, the following information:

(1) The change in the total amount of intrastate revenue in the State of Nevada that the proposed rates would have produced if the rates had been in effect during the preceding year.

(2) The applicant’s reasons that the proposed rates would be reasonable.

(d) An operating statement for the full 12-month period immediately preceding the date of application, insofar as is practicable.

(e) A balance sheet for the entire operations of the carrier as of the date of the statement required pursuant to paragraph (d).

(f) In any application for any item that has not been included previously in the applicant’s tariff, cost data, including, without limitation, a 12-month pro forma income statement, that is sufficient to demonstrate that the proposed rate would be fully compensatory and would not involve an excessive charge.

(g) Such information as the transportation services authority or the applicant considers to be necessary or appropriate for a complete understanding of the application.

2. *In addition to the requirements established for pleadings, an application for approval any contract revision or modification submitted by a contract motor carrier for approval by the authority must include as exhibits attached thereto:*

(a) *The proposed modified/revised contract.*

(b) *A complete and accurate statement of the circumstances and conditions relied on as justification for the proposed change, including, without limitation, the following information:*

(1) *The change in the total amount of intrastate revenue in the State of Nevada that the proposed rates would have produced if the contract modifications had been in effect during the preceding year.*

(2) *The applicant's reasons demonstrating that the proposed contract modifications would be reasonable.*

(c) *An operating statement for the full 12-month period immediately preceding the date of application, insofar as is practicable.*

(d) *A balance sheet for the entire operations of the carrier as of the date of the statement required pursuant to paragraph (c).*

(e) *In any application for any item that has not been included previously in the applicant's approved contract, cost data, including, without limitation, a 12-month pro forma income statement, that is sufficient to demonstrate that the proposed revised contract would be fully compensatory and would not involve an excessive charge.*

(f) *Such information as the transportation services authority or the applicant considers to be necessary or appropriate for a complete understanding of the application.*

3. Suggested language for the public notice to be published in accordance with **NAC 706.1355** may be submitted by the applicant.

4. The provisions of this section apply to all applications for rate changes made by common and contract motor carriers under the jurisdiction of the transportation services authority. ~~[(The provisions do not apply to applications or tariff filings made by the National Motor Freight Classification or the ATA Hazardous Materials Tariff.)]~~

Sec. 148. NAC 706.1387 is hereby amended to read as follows: **NAC 706.1387 Table of contents, index and list of certificates required for tariff. (NRS 706.171)**

~~[(1)]~~ Each loose-leaf or bound tariff and any supplement to a bound tariff which exceeds 10 pages, except supplements to rate increases, must have:

~~[(a)]~~ 1. A table of contents, listing in alphabetical order all regulations and rate sections that are included in the filing. The table must state the item number, a brief description of the item and the page number where the item can be found.

~~[(b)]~~ 2. If there is more than one carrier to a tariff filing, an alphabetical index of the participating carriers, listing each item number to which each listed carrier is a party.

~~[(c)]~~ 3. A list of the certificates of public convenience and necessity in the state that are held by each motor carrier participating in the tariff filing. This list must contain a description of the routes or territory that the motor carrier is authorized to serve under each certificate and a list of the commodities that the motor carrier is authorized to transport under each certificate.

~~[(2. The provisions of this section do not apply to the National Motor Freight Classification or the ATA Hazardous Materials Tariff.)]~~

Sec. 149. NAC 706.139 is hereby amended to read as follows:

NAC 706.139 Participation in rates by tariff bureau. (NRS 706.171)

~~[1.]~~ Nothing in NAC 706.138 to 706.139, inclusive, will be construed to preclude a motor carrier, issuing agency or agent from filing a tariff pursuant to NRS 706.321, requesting the approval of the transportation services authority on 10 days' notice of that carrier's participation in a tariff bureau's rates which have previously been filed with and approved by the transportation services authority.

~~[2.—The provisions of this section do not apply to the National Motor Freight Classification or the ATA Hazardous Materials Tariff.]~~

Sec. 150. NAC 706.143 is hereby amended to read as follows:

NAC 706.143 Private *motor carriers of property*: Licenses. (NRS 706.171) A private *motor carrier of property* 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 approval of the transportation services authority for licensing must provide the transportation services authority with an affidavit of private carriage before a license will be approved.

Sec. 151. NAC 706.145 is hereby amended to read as follows:

NAC 706.145 Considerations for determining whether person is private motor carrier *of property*. (NRS 706.171) In determining whether a person is a private motor carrier *of property*, the transportation services 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. 152. NAC 706.147 is hereby amended to read as follows:

NAC 706.147 Provider of free shuttle service: Consideration as common motor carrier. (NRS 706.171)

1. The transportation services 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~~ *must ensure that* ~~the provision of~~ transportation *is provided only* to its customers.

(d) Except as otherwise provided in this paragraph, transportation is furnished only if the provider's place of business is the point of origin or the point of destination of ~~the~~ *each* customer's trip. If the provider is a health insurer licensed to transact insurance in this state, the provider may provide transportation, other than emergency transportation, to an insured between a medical facility where medical services covered by the health insurer have been or will be rendered and another medical facility or the residence of the insured.

~~(e) Except as otherwise provided in this paragraph, each trip is between a place of business owned by the provider and one other point. If the provider is a health insurer licensed to transact insurance in this state, the provider may provide transportation, other than emergency transportation, to an insured between a medical facility where medical services covered by the health insurer have been or will be rendered and another medical facility or the residence of the insured.~~

~~(f)~~ The driver is prohibited from soliciting gratuities, either directly or indirectly, or from placing a container for gratuities in the vehicle used to provide the free shuttle service. The driver may accept unsolicited gratuities.

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

~~(h)~~ (g) The vehicle used to provide the free shuttle service is owned by and registered to:

- (1) The provider, at the place of business of the provider;
- (2) A subsidiary of the provider, at the place of business of the subsidiary;
- (3) An affiliate that controls the provider, at the place of business of the affiliate; or
- (4) A certificate holder, at the place of business of the certificate holder.

~~(i)~~ (h) The driver is employed by the person to whom the vehicle used to provide the free shuttle service is registered, as set forth in paragraph ~~(h)~~ (g), or an affiliate of that person.

2. The transportation services authority will not consider the placement of the name of the business on the side of the vehicle used to provide the free shuttle service as an advertisement for transportation.

3. As used in this section:

- (a) "Affiliate" has the meaning ascribed to it in NRS 692C.030.
- (b) "Subsidiary" has the meaning ascribed to it in NRS 692C.100.

Sec. 153. NAC 706.170 is hereby amended to read as follows:

NAC 706.170 Identification on vehicles. (NRS 706.171)

1. Common or contract motor carriers operating in intrastate commerce, when traversing the highways of this state, shall have the name of the ~~person~~ *carrier* 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~~ *carrier* 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 and 5, every common or contract motor carrier operating under the jurisdiction of the transportation services authority shall, after March 1, 1999, have the symbols ~~["CPC-N"]~~ "CPCN" 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~~ carrier of a ~~traditional limousine or livery~~ limousine is exhibited *and firmly fixed on each side of* the vehicle by means of ~~a~~ *an approved* symbol ~~,~~ *or* printed sign ~~for any other manner~~ that is ~~readily~~ visible *from a distance of at least 50 feet*, the name is not required to be displayed as prescribed in subsection 1. The number of his certificate and symbols ~~["CPC-N"]~~ "CPCN" 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. 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.

6. 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. 154. NAC 706.191 is hereby amended to read as follows:

NAC 706.191 Insurance.

1. All common and contract carriers shall maintain a contract of insurance against liability for injury to persons and damage to property in the following minimum amounts:

(a) Carriers authorized to transport persons only or persons and property:

	Limit for bodily injuries to or death of one person	Limit for bodily injuries to or death of all persons injured or killed in any one accident	Limit for loss or damage in any one accident to property of others, excluding cargo
Horse-drawn vehicles and taxicabs	\$250,000	\$500,000	\$50,000
7 passengers, <i>inclusive</i> or less, other than a taxicab	1,000,000 <i>1,500,000</i>	1,000,000 <i>1,500,000</i>	1,000,000 <i>1,500,000</i>
8- 20 <i>15</i> passengers, inclusive	1,500,000	1,500,000	1,500,000
21 <i>16</i> passengers, <i>inclusive</i> , or more	5,000,000	5,000,000	5,000,000
Freight only	500,000 <i>750,000</i>	500,000 <i>750,000</i>	500,000 <i>750,000</i>

Any of these amounts may be a single combined limit.

(b) Carriers authorized to transport the following commodities:

Limit for bodily injuries to or death	Limit for bodily injuries to or death	Limit for loss or damage in any one
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	of one person	of all persons injured or killed in any one accident, subject to a maximum of \$300,000 for bodily injuries to or death of each person	accident to property of others, excluding cargo
Hazardous substances as defined in 49 C.F.R. § 171.6, as that section existed on January 1, 1987, liquefied compressed gas or compressed gas in cargo tanks, portable tanks or hoppers with capacities of more than 3,500 liquid gallons	\$300,000	\$2,500,000	\$5,000,000
Oil as listed in 49 C.F.R. § 171.101 and hazardous materials and substances as defined in 49 C.F.R. § 171.8 and listed in 49 C.F.R. § 172.101 as those sections existed on January 1, 1987	300,000	2,500,000	1,000,000
Class A or Class B explosives, poisonous gas or radioactive materials as defined in 49 C.F.R. § 172.101 as that section existed on January 1, 1987	300,000	2,500,000	5,000,000

2. Each common or contract motor carrier shall maintain insurance in the following minimum amounts to compensate shippers or consignees for loss of or damage to property belonging to shippers or consignees and coming into the possession of a common or contract motor carrier in connection with his services:

(a) For loss of or damage to property carried on any one motor vehicle, \$15,000.

(b) For loss of or damage to property occurring at any one time and place, or an aggregate of such losses or damages to property, \$30,000.

3. If the minimum amount of insurance required to be maintained pursuant to any provision of NRS 706 or 49 CFR is increased beyond those amounts required by NAC 706, then each common or contract carrier is required to maintain insurance at those increased NRS or CFR mandated amounts.

Sec. 155. NAC 706.206 is hereby amended to read as follows:

NAC 706.206 Notification of corporate changes; approval of sale of corporate control. (NRS 706.171)

1. All common and contract carriers operating within this state under the jurisdiction of the transportation services authority shall notify the transportation services authority of any changes in address *or equipment point*, officers of the corporation, or an intended sale, transfer, lease or discontinuance of operations under the 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 transportation services authority.

Sec. 156. NAC 706.208 is hereby amended to read as follows:

NAC 706.208 Lease of equipment *other than taxicabs and limousines* by authorized carrier: Generally. (NRS 706.171)

1. Except as otherwise provided in subsection 2 and ~~[NAC 706.375]~~ *NAC 706.210*, an authorized carrier may lease equipment for his own use, with or without a driver, on the basis of a long-term lease ~~[.]~~, *meeting the following requirements:*

(a) 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.

(b) Equipment that is used by the carrier and used in the services of intrastate transportation in this state must be used to determine what constitutes similar equipment.

(c) 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.

(d) Including the vehicles leased by the carrier under this provision, the total number of vehicles operated by the carrier may never exceed that number of vehicles granted under its operating authority.

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.

~~[(e)]~~ *(b)* Any equipment which is not specified in ~~[paragraphs]~~ *paragraph (a) [and (b)]*, from an authorized carrier.

3. *The transportation services 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 transportation services authority will issue a public notice of the receipt of such a petition.

4. An authorized carrier who operates a bus pursuant to paragraph ~~[(b)]~~ *(a)* 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]~~ *upon* commencement of the lease.

~~[4.]~~ 5. ~~[Except for carriers operating pursuant to paragraph (b) of subsection 2, leased]~~ *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]~~ *With the exception of subparagraph 2(a), a* copy of the lease must be carried with the equipment during the period of the lease.

~~[5.]~~ 6. Work may not be performed pursuant to an expired lease.

~~[6.]~~ 7. An authorized carrier may lease restored theme or antique vehicles without complying with the requirements of subsection 2 if the transportation services authority approves the lease before its commencement. The transportation services 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.]~~ 8. 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.]~~ 9. The leased equipment must be under the control and direction of the authorized carrier.

~~[9.]~~ 10. 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.]~~ 11. 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.]~~ 12. 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.]~~ 13. The terms of any lease of equipment pursuant to this section must include, without limitation, 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, *and must be available for review by the authority*.

~~[13.]~~ 14. The compensation to be paid for any leased equipment must be fixed at the inception of the lease and may:

~~(a) Include~~ *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.]~~ 15. A vehicle leased pursuant to this section must be identified in accordance with *NAC 706.170* as operated by the lessee.

16. 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.

Sec. 157. NAC 706.209 is hereby amended to read as follows:

NAC 706.209 Lease of *replacement* equipment by authorized carrier: Restrictions; approval of exceptions to restrictions. (NRS 706.171)

1. *When mechanical or body damage causes equipment to be out of service for at least three days, an* ~~[An]~~ authorized carrier of property or passengers may lease equipment on a one-for-one basis to ~~[supplement]~~ *maintain* 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 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 transportation services authority may approve the lease of *replacement* equipment ~~[in a manner that does not comply with the requirements of subsections 1 and 2]~~ if *at the time of the lease, the carrier immediately provides, in writing to the authority, the following:*

(a) ~~[The authorized carrier files a petition for waiver of those requirements; and]~~ *Identification, by make model, license plate and vehicle identification number of the equipment placed out of service;*

(b) ~~[The lease is found to be in the public interest.]~~ *Identification of the mechanical or body damage causing the equipment to be placed out of service;*

(c) *The estimated time the equipment will be out-of-service;*

(d) *A copy of the equipment lease.*

~~[The transportation services 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.]~~ *Leases approved under this section will not be considered leases as described in NAC 706.210 and NAC 706.211.*

~~[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. 158. NAC 706.218 is hereby amended to read as follows:

NAC 706.218 Annual reports by common and contract motor carriers. (NRS 706.171)

1. Every common or contract motor carrier shall keep an accurate record of the revenues from his 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 transportation services authority, unless otherwise provided by law. The transportation services 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 transportation services authority, in the manner, form and detail prescribed by the transportation services 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]~~ *May* 15 for reports based on a calendar year or not later than ~~[105]~~ *135* days after the end of the fiscal year for reports based on a fiscal year.

4. The transportation services authority will call for information omitted from reports or not provided for therein, when in its judgment additional information is necessary.

Sec. 159. NAC 706.228 is hereby amended to read as follows:

NAC 706.228 Solicitation of passengers: Prohibition; authorized activities. (NRS 706.171)

1. A certificate holder or his employee shall not solicit passengers.

2. A certificate holder or his employee may:

(a) Answer questions posed by a potential passenger if the conversation is initiated by the potential passenger;

- (b) Advertise on the side of a vehicle or on permanently located signs;
- (c) Provide brochures in permanently mounted racks or stands;
- (d) Establish booths in airports, hotels or other locations;
- (e) Advertise in the media or through direct mailing;
- (f) Conduct any other marketing activity which has been determined not to be solicitation by the transportation services authority; or
- (g) When engaged in the business of transferring persons from an airport, greet potential passengers using one of the following phrases:

- (1) "May I help you?"
- (2) "Good morning."
- (3) "Good afternoon."
- (4) "Good evening."

(h) With the prior approval of the authority, with regard to dates and locations, drivers may hold signs that are approximately 18 inches by 24 inches in size. Such signs must contain the company name, CPCN number, approved rates and the words "For Hire".

3. A certificate holder, ~~[or his]~~ employee, *or their limousine or bus*, shall not ~~[stop,]~~ stand or park ~~[a traditional limousine or livery limousine]~~ within 50 feet of a designated taxicab stand unless: ~~[the taxicab stand is located at an airport owned by a governmental entity.]~~

- a. *The taxicab stand is located at an airport owned by a governmental entity; or*
- b. *Authorized by the chairman or designee.*

4. As used in this section, "solicit" includes, without limitation, inducing or attempting to induce persons by communication or other action to be transported. The term includes, without limitation:

- (a) Except as otherwise provided in subsection 2, initiating conversation with potential passengers;
- (b) Shouting information;
- (c) Waving signs;
- (d) Waving arms or hands;
- (e) Flashing lights;
- (f) Ringing bells;
- (g) Blowing horns;
- (h) Blocking access to other motor carriers; or

(i) Except as otherwise provided in subsection 2, any other activity designed to attract passengers, unless the passenger has arranged for the transportation by reservation or the driver is seeking a specific passenger who has requested that the driver's vehicle be dispatched to the location.

Sec. 160. NAC 706.230 is hereby amended to read as follows:

NAC 706.230 Designation of a resident agent. All carriers shall file a designation of ~~[an]~~ *a resident* agent residing within this state.

Sec. 161. NAC 706.232 is hereby amended to read as follows:

NAC 706.232 Prohibited operations by contract motor carriers. (NRS 706.171) 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 transportation services 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~~ **Provide** transportation pursuant to more than ~~five~~ **three** contracts ~~for more than five shippers~~. ~~Neither the total number of contracts nor the total number of shippers may exceed five.~~

Sec. 162. NAC 706.239 is hereby amended to read as follows:

NAC 706.239 Special services. (NRS 706.171)

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 transportation services 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~~ **request** has been ~~prepared by the carrier~~ **filed with the authority at least ten (10) days in advance**, stating:

- (a) The point(s) of origin;
- (b) The destination(s);
- (c) The ~~route or routes to be traversed~~ **special event for which the service is being provided; and**
- (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~~ **request** 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 transportation services 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. 163. NAC 706.247 is hereby amended to read as follows:

NAC 706.247 Adoption of federal regulations for motor carrier safety. (NRS 706.171, 706.173)

1. The department *of motor vehicles, the department of public safety* and the transportation services authority hereby adopt by reference the regulations contained in 49 C.F.R. Parts **40**, 382, 383, **385**, 387, 390 to 393, inclusive, 395, 396 and 397, and appendices B and G of 49 C.F.R. Ch. III, Subch. B, as those regulations existed on ~~November 1, 1998~~ **January 2, 2002**, 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 transportation services 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.

(c) Section 391.11(b)(1) applies only to drivers of commercial motor vehicles who:

(1) Operate in interstate transportation;

(2) Transport passengers intrastate; or

(3) Transport hazardous material of a type or quantity that requires the vehicle to be marked or placarded in accordance with 49 C.F.R. §§ 172.300 and 172.500.

(d) References to special agents in appendix B of 49 C.F.R. Ch. III, Subch. B are amended to include personnel of the department and the transportation services authority.

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

“Motor carrier” includes, without limitation, interstate and intrastate common, contract and private carriers of property and passengers, including, without limitation, 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, without limitation, 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. §§ 5101 et seq.; or

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

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, gross combination weight rating or gross vehicle weight of ~~26,001~~ **10,001** or more pounds, whichever is greater; or

(c) Is owned or operated by a motor carrier subject to the jurisdiction of the transportation services authority, except that any vehicle so owned or operated is subject only to the provisions of 49 C.F.R. §§ ~~391.51~~ 392.2, **393.3**, 392.4, 392.5, 392.9 and 396.3(b)(2) and 49 C.F.R. Parts **40**, 382, **383**, **385**, 390, **391**, 393, **395**, **396** and 397 if the vehicle is not one described in paragraph (a) or (b).

2. To enforce these regulations, enforcement officers of the department *of motor vehicles, the department of public safety* and the transportation services authority may, during regular business hours, enter the property of a carrier to inspect its records, facilities and vehicles, including, without limitation, space for cargo and warehouses.

3. The volume containing 49 C.F.R. Parts 325 to 399, inclusive, is available from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, Pennsylvania, 15250-7954~~[, at the price of \$39]~~.

Sec. 164. NAC 706.248 is hereby amended to read as follows:

NAC 706.248 Adoption of federal regulations for transportation of passengers with disabilities. (NRS 706.171, 706.173)

1. The transportation services authority hereby adopts by reference the regulations contained in 49 C.F.R. Parts 27, 37 and 38, as those regulations existed on ~~[September 1, 1996]~~ **January 2, 2002**.

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, P.O. Box 371954, Pittsburgh, Pennsylvania, 15250-7954~~[, at the price of \$32]~~.

Sec. 165. NAC 706.250 is hereby amended to read as follows:

NAC 706.250 Agreement to manage business of authorized carrier. (NRS 706.171)

1. An authorized carrier may, with the prior approval of the transportation services 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 transportation services authority;

(b) Specify the compensation paid to the manager; ~~[and]~~

(c) Specify the term of the agreement;

(d) Specify the scope of the authority; and

(e) Specify any other information required by the authority.

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 transportation services authority as part of its process in determining whether to grant approval.

Sec. 166. NAC 706.254 is hereby amended to read as follows:

NAC 706.254 Adoption of federal regulation for emergency use of motor carriers for defense. (NRS 706.171)

The transportation services authority hereby adopts by reference Department of Defense Directive 3005.7, Emergency Requirements, Allocations, Priorities and Permits for Department of Defense Use of Domestic Civil Transportation. Department of Defense Directive 3005.7 is available from National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161~~[, at the price of \$15]~~.

Sec. 167. NAC 706.274 is hereby amended to read as follows:

NAC 706.274 Limitation on number of contracts and shippers under contract. (NRS 706.171)

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

~~(a)~~ 1. 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)~~ 2. Must present sufficient evidence to the transportation services 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. 168. NAC 706.278 is hereby amended to read as follows:

NAC 706.278 Adoption of federal regulations against discrimination on basis of handicap; compliance with regulations. (NRS 706.171)

1. The transportation services authority hereby adopts by reference the regulations contained in 49 C.F.R. Part 27, Subparts A and C, as those regulations existed on ~~October 1, 1989~~ *January 2, 2002*.

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 and C, if any provision of the regulations applies to the operation of the motor carrier in Nevada.

3. The volume containing Subparts A and C is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, (202) 783-3238 ~~at the price of \$31~~.

Sec. 169. NAC 706.288 is hereby amended to read as follows:

NAC 706.288 Insurance. Each common or contract motor carrier of property, other than a fully regulated carrier, and each private motor carrier shall maintain a contract of insurance against liability for injury to persons and damage to property in the following minimum amounts:

1. If the carrier is authorized to transport only freight:

(a) For bodily injuries to or the death of one person, a limit of ~~[\$500,000]~~ *\$750,000*;

(b) For bodily injuries to or the death of all persons injured or killed in any one accident, a limit of ~~[\$500,000]~~ *\$750,000*; and

(c) For the loss of or damage to the property of others, excluding cargo, in any one accident, a limit of ~~[\$500,000]~~ *\$750,000*.

Any of these amounts may be a single combined limit.

2. If the carrier is authorized to transport the following commodities:

	Limit for bodily injuries to or death of one person	Limit for bodily injuries to or death of all persons injured or killed in any one accident, subject to a maximum of \$300,000 for bodily injuries to or death of each person	Limit for loss or damage in any one accident to property of others, excluding cargo.
Hazardous substances as defined in 49 C.F.R. § 171.6, as that section existed on January 1, 1987, liquefied compressed gas or compressed gas in cargo tanks, portable tanks or hoppers with capacities of more than 3,500 liquid gallons	\$300,000	\$2,500,000	\$5,000,000
Oil as listed in 49 C.F.R. § 171.101 and hazardous materials and substances as defined in 49 C.F.R. § 171.8 and listed in 49 C.F.R. § 172.101 as those sections existed on January 1, 1987	300,000	2,500,000	1,000,000
Class A or Class B explosives, poisonous gas or radioactive materials as defined in 49 C.F.R. § 172.101 as that section existed on January 1, 1987	300,000	2,500,000	5,000,000

Sec. 170. NAC 706.297 is hereby amended to read as follows:

NAC 706.297 Adoption of federal regulations for motor carrier safety.

1. The department *of motor vehicles and the department of public safety* hereby adopts by reference the regulations contained in 49 C.F.R. Parts **40, 382, 383, 385, 387, 390 to 397, inclusive, and appendices D, E and G**, as those regulations existed on ~~September 1, 1995~~ **January 2, 2002**, 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.

(b) References to the Federal Highway Administrator and to the Director are amended to refer to the director of the department.

(c) Section 391.11(b)(1) applies only to drivers operating in interstate transportation and drivers transporting hazardous material of a type or quantity that requires the vehicle to be marked or placarded pursuant to 49 C.F.R. § 177.823.

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

“Motor carrier” includes interstate and intrastate common and contract motor carriers of property, other than fully regulated carriers, and private motor carriers, including their agents, officers and representatives.

(e) 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 property, other than household goods, if the vehicle:

(a) 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. §§ 5101 to 5127, inclusive); or

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

2. Intrastate commerce to transport property, other than household goods, if the vehicle:

(a) Is one described in paragraph (a) 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 department, 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, **391**, 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 *of motor vehicles and the department of public safety* may, during regular business hours, enter the property of a carrier to inspect its records, facilities and vehicles, including space for cargo.

3. A copy of the publication which contains the provisions described in subsection 1 may be obtained from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402 ~~[, for the price of \$30].~~

Sec. 171. NAC 706.311 is hereby amended to read as follows:

NAC 706.311 Uniform rates; authorization of commission or referral fee. (NRS 706.171)

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 transportation services 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.

2. An authorized carrier may pay a commission or referral fee to ~~an~~ *a designated* agent who arranges for the provision of transportation services by the carrier. ~~A~~ *Except as provided in paragraph 5, a* commission or referral fee authorized pursuant to this subsection must not exceed 10 percent of the rate, fare or charge specified in the carrier's tariffs for the type of service that the agent has arranged for the carrier to provide.

3. 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.

4. *Any carrier utilizing or intending to utilize the services of an agent within this state must submit and keep current a complete list of such agents with the authority.*

5. *An authorized carrier providing transportation as a scenic tour operator pursuant to NAC 706.112 may pay a commission or referral fee to a designated agent who arranges for the provision of transportation services by the carrier. A commission or referral fee authorized pursuant to this subsection must not exceed 25 percent of the rate, fare or charge specified in the carrier's tariffs for the type of service that the agent has arranged for the carrier to provide.*

Sec. 172. NAC 706.312 is hereby amended to read as follows:

NAC 706.312 Estimate of charges by common motor carrier of household goods. (NRS 706.171)

1. A common motor carrier of household goods must, if requested by the shipper after a visual inspection of the goods, give to the shipper a written estimate of the charges. The original must be delivered to the shipper and a copy maintained by the carrier in his record of the shipment.

2. The estimate must be based upon the carrier's tariff filed with the transportation services authority. The final charge for transporting the goods may not exceed the estimate ~~by more than 10 percent~~ *unless the customer requested services which were not included in the written estimate and has agreed to pay for the additional services*. If the final charge is less than the estimate, the carrier shall only collect the actual charge for the service.

Sec. 173. NAC 706.323 is hereby amended to read as follows:

NAC 706.323 Common and contract carriers: On-call service. (NRS 706.171) 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 transportation services authority.

Sec. 174. NAC 706.335 is hereby amended to read as follows:

NAC 706.335 Presentation and contents of bills for payment. (NRS 706.171)

1. Upon the completion of a shipment of ~~freight~~ *household goods*, 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 *and time* 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~~ *household goods were* 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~~ *household goods*.
 - (j) An adequate description of the property transported, including the number of ~~packages and a listing of the commodities~~ *items* 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 transportation services authority.
 - (n) Any other information required by the transportation services authority.

Sec. 175. NAC 706.340 is hereby amended to read as follows:

NAC 706.340 Limitation on schedules for carriers operating on call. A common or contract motor carrier authorized to have an on-call operation over an irregular route shall not establish any schedule that would indicate service along a regular route or between fixed terminals *unless otherwise authorized by the transportation services authority*.

Sec. 176. NAC 706.345 is hereby amended to read as follows:

NAC 706.345 Tariffs and orders for scenic tours. (NRS 706.171)

1. A common motor carrier authorized to conduct scenic tours shall file with the transportation services authority a tariff showing ~~both~~ *the* per capita fares and/or *the* hourly rates for each tour offered.

2. ~~[A common motor carrier authorized to conduct scenic tours who uses traditional limousines or livery limousines is not required to file tariffs showing hourly rates.]~~

~~[3.]~~ 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.]~~ 3. A copy of the order must be carried on the ~~bus~~ *motor vehicle* for inspection during the period of the service and maintained in the files of the carrier for 3 years.

Sec. 177. The HEADING preceding NAC 706.3613 is hereby amended to read as follows:

**General Provisions for Operating ~~Taxicabs~~
and Leasing Taxicabs ~~and Limousines~~**

Sec. 178. NAC 706.3615 is hereby amended to read as follows:

NAC 706.3615 Taxicabs: Annual fee for operation. (NRS 706.171) The annual fee charged by the transportation services authority pursuant to NRS 706.471 will be ~~[\$36]~~ \$75 for each taxicab operated.

Sec. 179. NAC 706.3741 is hereby amended to read as follows:

NAC 706.3741 Taxicabs: “TX” plates; withdrawal from service. (NRS 706.171)

1. Upon receipt from a certificate holder of the fee for the commencement of operation of a taxicab required pursuant to NRS 706.471, the transportation services authority will issue to the certificate holder a plate that identifies the taxicab for which the plate is issued. The transportation services authority will ensure that the plate is imprinted with a unique number preceded by the letters “TX.”

2. The certificate holder:

(a) Shall ensure that the plate is affixed to the right side of the trunk lid of the taxicab that the plate identifies; ~~and~~

(b) Shall not allow a taxicab owned by the certificate holder to be operated unless the plate is affixed in the manner described in paragraph (a) ~~and~~; *and*

(c) Shall return to the authority any “TX” plate not in use.

3. If the plate is lost or stolen, the certificate holder shall:

(a) Notify the transportation services authority of that fact; and

(b) Except as otherwise provided in this section, pay to the transportation services authority an amount equal to the annual fee prescribed in NAC 706.3615 for replacement of the plate. The transportation services authority will prorate the fee for a replacement plate if the plate is issued for less than a full calendar year.

4. If the transportation services authority determines that a taxicab is being operated without the plate required pursuant to this section, the transportation services authority will cause the taxicab to be withdrawn from service. The taxicab must not be placed back in service until the plate or a replacement plate has been obtained and affixed as required pursuant to subsection 2.

Sec. 180. NAC 706.3744 is hereby amended to read as follows:

NAC 706.3744 Taxicabs: Equipment to indicate driver requires assistance; penalty for violation of provisions. (NRS 706.171, 706.173)

1. A certificate holder shall ensure that each taxicab which he is authorized to operate is equipped with:

(a) A green light which can be activated to indicate that the driver of the taxicab requires *emergency* assistance and which must be located on the roof of the taxicab; and

(b) A switch which can be used by the driver to activate the light described in paragraph (a) and which must not be visible to passengers riding in the taxicab.

2. *Drivers may activate their green light only during an emergency.*

3. If the transportation services authority determines that a certificate holder has failed to equip a taxicab as required pursuant to this section, the transportation services authority:

(a) Will cause the taxicab in regard to which the violation occurred to be withdrawn from service; and

(b) May impose upon the certificate holder an administrative fine pursuant to NRS 706.771.

A taxicab withdrawn from service pursuant to this subsection must not be placed back in service until the transportation services authority inspects the taxicab and verifies that the violation has been corrected.

Sec. 181. NAC 706.375 is hereby amended to read as follows:

NAC 706.375 Lease of vehicle for use as taxicab ~~for traditional limousine or livery limousine~~. (NRS 706.171)

1. A common motor carrier authorized to operate a taxicab ~~for traditional limousine or livery limousine~~ shall not lease any vehicle which it uses as a taxicab ~~for traditional limousine or livery limousine~~ without prior approval by the chairman or a person designated by the chairman.

2. The lease will be approved by the chairman or a person designated by the chairman 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;

(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) *Including the vehicles leased by the carrier under this provision, the total number of vehicles operated by the carrier does not exceed that number of vehicles granted under its operating authority;*

(f) *The request for lease approval is submitted to the authority at least 10 days prior to the execution of the lease;* and

(g) The carrier is able to demonstrate to the satisfaction of the chairman or the person designated by the chairman that the carrier needs to increase the size of its fleet on a temporary basis, including, without limitation, facts which indicate that the carrier expects to experience:

(1) An increase in customer demand; or

(2) A decrease in the size of the permanent fleet of the carrier.

The chairman or the person designated by the chairman shall approve or disapprove the lease within 10 working days after receiving a ~~copy of the~~ lease *request* from the motor carrier.

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. ~~If the chairman or a person designated by the chairman grants to a common motor carrier approval to lease a traditional limousine or livery limousine pursuant to this section, such approval does not relieve the carrier of the obligation to comply with any other laws that otherwise apply with respect to the operation of a traditional limousine or livery limousine.] A copy of the authority's lease request approval must be carried in the vehicle during the period of the lease.~~

7. *Copies of the lease and the authority's lease approval must be maintained by the carrier for a minimum of three years.*

8. *A copy of the lease must be submitted to the authority prior to or at the inception of the lease period.*

Sec. 182. NAC 706.3751 is hereby amended to read as follows:

NAC 706.3751 Requirements for *any* employee or independent contractor who drives a taxicab~~, traditional limousine or livery limousine~~. (NRS 706.171, 706.173, 706.475)

1. In addition to the applicable requirements set forth in 49 C.F.R. §§ 391.51, 392.2, 392.4, 392.5, 392.9, 396.3(b)(2) and 49 C.F.R. Parts 390, 393 and 397, a certificate holder shall not allow an employee or independent contractor of the certificate holder to drive a taxicab, ~~traditional limousine or livery limousine~~ that the certificate holder is authorized to operate unless the employee or independent contractor:

(a) Has held for at least 30 days a valid Nevada driver's license that shows the employee or independent contractor to be at least 21 years of age; and

(b) Provides to the certificate holder, on or before the date on which the employee becomes employed by the certificate holder as the driver of a taxicab, ~~traditional limousine or livery limousine~~ or the independent contractor begins to lease a taxicab from the certificate holder pursuant to NRS 706.473:

(1) A certificate from a licensed physician which is dated not more than 90 days before the date on which the employee becomes employed by the certificate holder as the driver of a taxicab, traditional limousine or livery limousine or the independent contractor begins to lease a taxicab from the certificate holder pursuant to NRS 706.473, which demonstrates that the employee or independent contractor is physically qualified to operate a commercial motor vehicle in accordance with 49 C.F.R. § 391.43; and

(2) A copy of the driving record of the employee or independent contractor which is obtained from the department and which demonstrates that the employee or independent contractor has not, within the 3 years immediately preceding the date on which the employee becomes employed by the certificate holder as the driver of a taxicab, ~~traditional limousine or livery limousine~~ or the independent contractor begins to lease a taxicab from the certificate holder pursuant to NRS 706.473:

(I) Been convicted of driving under the influence of an intoxicating liquor or a controlled substance;

(II) Been convicted of reckless driving;

(III) Been convicted of failing to stop and remain at the scene of an accident; or

(IV) Failed to keep a written promise to appear in court for any offense.

2. Each employee or independent contractor shall update annually the documents required pursuant to paragraph (b) of subsection 1 and submit the updated documents to the certificate holder.

3. A certificate holder shall retain a copy of each document that the employee or independent contractor submitted to the certificate holder pursuant to this section until 3 years after the employee's employment has terminated or the independent contractor's lease has expired.

Sec. 183. NAC 706.377 is hereby amended to read as follows:

NAC 706.377 Adoption of federal regulations for transportation of hazardous material. (NRS 706.171, 706.173)

1. The department *of motor vehicles, the department of public safety*, and the transportation services authority hereby adopt by reference the regulations contained in 49 C.F.R. Parts 107, 171, 172, 173, 177, 178 and 180, as those regulations existed on ~~October 1, 1998~~ **January 2, 2002**.

2. To enforce these regulations, enforcement officers and inspectors of the department *of motor vehicles, the department of public safety*, and transportation services authority may,

during regular business hours, enter the property of a shipper or carrier to inspect his records, facilities and vehicles, including, without limitation, space for a cargo.

3. The volume containing Parts 100 to 185, inclusive, and the volume containing Parts 186 to 199, inclusive, are available from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, Pennsylvania 15250-7954, ~~at the price of \$50 and \$14, respectively~~.

Sec. 184. NAC 706.381 is hereby amended to read as follows:

NAC 706.381 Inspection of vehicles by transportation services authority; removal of vehicles from service; maintenance of records. (NRS 706.171, 706.173)

1. A taxicab, traditional limousine, livery 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 transportation services authority. *Prior to placing any new vehicle into service, the carrier must notify the authority and make that vehicle available for inspection by the authority.*

2. If the authorized employee of the transportation services authority finds that a vehicle is in a condition which violates any provision of subsections 2 to 5, inclusive, 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 transportation services authority finds that a vehicle is in a condition which violates any provision of subsections 2 to 5, inclusive, 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 transportation services authority on a form provided by a representative of the transportation services authority.

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, *all information required to be maintained pursuant to 49 CFR 391.51 and 49 CFR 382* and other matters relevant to his performance and his record of training. These records must be maintained and made available for inspection by the transportation services authority pursuant to NAC 706.203.

Sec. 185. NAC 706.389 is hereby amended to read as follows:

NAC 706.389 Cessation of operations. (NRS 706.171)

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 jurisdiction]~~ *the prior approval* of the transportation services 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. 186. NAC 706.3973 is hereby amended to read as follows:

NAC 706.3973 Complaints: ~~[Disposition of oral]~~ *Oral or informal written complaints.* (NRS 233B.050, 706.171)

1. The staff of the transportation services authority shall attempt to resolve ~~[informally]~~ any oral *or informal written* complaint made by a customer against a motor carrier or broker. ~~[If a customer is not satisfied with the informal resolution of his complaint, the staff shall inform the customer that he has a right to file a written complaint with the staff of the transportation services authority.]~~

2. The staff of the transportation services authority may request that the customer provide a written confirmation of an oral complaint.

3. The staff of the transportation services authority shall, within 20 days after receiving an informal written complaint, send a copy of that complaint to the motor carrier or broker against which the complaint is made. The staff of the transportation services authority may require the motor carrier or broker to file a response to the informal written complaint with the staff pursuant to NAC 706.3975.

4. The staff of the transportation services authority shall examine the complaint, any response and any other information it has obtained which is necessary for the resolution of the complaint.

5. After completing an investigation of the matter set forth in the informal written complaint, the staff of the transportation services authority shall notify all parties of the results of the investigation and shall recommend any actions which the parties should take to resolve the complaint.

6. If a customer is not satisfied with the resolution of his complaint, the staff shall inform the customer that he has a right to file a formal written complaint with the staff of the transportation services authority.

Sec. 187. NAC 706.3974 is hereby amended to read as follows:

NAC 706.3974 Complaints: ~~[Written]~~ *Formal written complaints filed by customers.* (NRS 233B.050, 706.171)

1. ~~[A]~~ *Other than a complaint filed pursuant to NAC 706.398, a formal* written complaint must:

(a) Clearly and concisely state the grounds of the complaint and the facts constituting the alleged wrongful acts or omissions; and

(b) Be accompanied by copies of all supporting documents, such as invoices, bills of lading, canceled checks and statements of account.

(c) Contain the name and address of the complainant and, if represented, the name, address and telephone number of his attorney or other authorized representative;

(d) Contain the name of the motor carrier or broker against which the complaint is made;

(e) Contain the date of each act or omission complained of;

(f) Contain the nature of the relief sought.

The formal written complaint must be signed by the complainant or, if represented, by his attorney or other authorized representative.

2. The staff of the transportation services authority shall maintain a record of each *formal* written complaint, including, without limitation:

(a) Each pertinent fact relative to the origin, nature and basis of the complaint;

(b) A description of each action that the complainant has taken or attempted to take to resolve the complaint;

(c) The response of the motor carrier or broker to the complaint, with copies of supporting documents, if any; and

(d) Any other information the staff deems to be relevant to the understanding and resolution of the complaint.

3. The staff of the transportation services authority shall:

(a) Within ~~10~~ 15 days after receiving a *formal* written complaint, send a letter of acknowledgment to the complainant.

(b) Within 20 days after receiving a *formal* written complaint, send a copy of it to the motor carrier or broker against which the complaint is made and require the motor carrier or broker to file a response to the complaint with the staff pursuant to NAC 706.3975.

Sec. 188. NAC 706.3975 is hereby amended to read as follows:

NAC 706.3975 Complaints: Response to *an oral, informal written complaint, or a formal written complaint.* (NRS 233B.050, 706.171)

1. A motor carrier or broker ~~[against which a complaint is made]~~ *receiving a request for a response to a complaint* shall file with the staff of the transportation services authority a written response to complaint within 15 days after receiving the ~~[complaint]~~ *request* unless, for good cause shown, the staff extends the time for responding.

2. The response must include, without limitation:

(a) A statement that the respondent has successfully resolved the complaint; or

(b) A detailed admission or denial of each material allegation of the complaint and a full statement of the facts and matters of law relied upon as a defense.

3. The response must:

(a) Be signed by the respondent or, if represented, by the attorney or other authorized representative.

(b) Include the full name, address and telephone number of the respondent and, if represented, the name, address and telephone number of the attorney or other authorized representative of the respondent.

4. If the respondent fails to file a response with the staff of the transportation services authority within the prescribed time, the staff shall place the matter before the transportation services authority for a determination of probable cause. An unexcused failure of the respondent to respond to the complaint within the prescribed time shall be deemed an admission by the respondent of all relevant facts stated in the complaint.

Sec. 189. NAC 706.3976 is hereby amended to read as follows:

NAC 706.3976 Complaints: Investigation of *a formal written complaint and recommendation of actions by staff of transportation services authority.* (NRS 233B.050, 706.171)

1. When the staff of the transportation services authority receives a response to a *formal* written complaint, it shall examine the complaint, the response and any other information it has obtained which is necessary for the resolution of the complaint.

2. After completing an investigation of the matter set forth in the *formal written* complaint, the staff of the transportation services authority shall notify all parties of the results of the investigation and shall recommend any actions which the parties should take to resolve the complaint.

Sec. 190. NAC 706.3977 is hereby amended to read as follows:

NAC 706.3977 Complaints: Transmittal of unresolved *formal written* complaints to transportation services authority. (NRS 233B.050, 706.171)

1. If the staff of the transportation services authority cannot resolve a *formal written* complaint, either because it determines that the complaint cannot be resolved or the complainant is not satisfied with the recommendation of the staff, the staff shall inform all parties that the complaint has been transmitted to the transportation services authority for review.

2. In addition to transmitting the *formal written* complaint, the results of its investigation and its recommendation to the transportation services authority, the staff of the transportation services authority shall transmit:

- (a) The reasons for the complaint;
- (b) The position taken by the respondent; and
- (c) Any interim action taken by the staff.

The staff shall send this additional information to the complainant and respondent.

Sec. 191. NAC 706.3978 is hereby amended to read as follows:

NAC 706.3978 Complaints: Dismissal of a *formal written* complaint. (NRS 233B.050, 706.171) If the transportation services authority determines that no probable cause exists for a *formal written* complaint received by the staff of the transportation services authority or if the complaint has been settled and the transportation services authority has received notice of the settlement, the transportation services authority will dismiss the complaint. A copy of the entry in the minutes of the transportation services authority showing the dismissal of the complaint by the transportation services authority and a short statement of the reasons for the dismissal will be served upon the complainant and respondent.

Sec. 192. NAC 706.3979 is hereby amended to read as follows:

NAC 706.3979 Complaints: Public hearing on a *formal written* complaint; interim relief. (NRS 233B.050, 706.171) If the transportation services authority determines that probable cause exists for a *formal written* complaint received by the staff of the transportation services authority, it will:

1. Set a date for a public hearing on the complaint.
2. Order appropriate interim relief. If the complaint relates to bills or deposits, the transportation services authority, without hearing or formal order and in the absence of unusual circumstances, will, upon such terms and conditions as it deems appropriate, forbid discontinuance of service or the issuance of any notice of discontinuance during the investigation of the complaint.

Sec. 193. NAC 706.398 is hereby amended to read as follows:

NAC 706.398 *Formal Written Complaints filed by a motor carrier or broker: Direct investigation by transportation services authority. (NRS 233B.050, 706.171)*

1. The transportation services authority will directly investigate any *formal written* complaint ~~[other than one filed by a customer pursuant to NAC 706.3974]~~ *filed by a motor carrier or broker.*

2. A *formal written* complaint *filed by a motor carrier or broker* to be investigated directly by the transportation services authority must be in writing and contain:

(a) The name and address of the complainant and, if represented, the name, address and telephone number of his attorney or other authorized representative.

(b) The name of the motor carrier or broker against which the complaint is made.

(c) A complete statement of the grounds for the complaint, including whenever possible, reference to each statute or regulation which is alleged to have been violated.

(d) The date of each act or omission complained of.

(e) The nature of the relief sought.

The *formal written* complaint must be signed by the complainant or, if represented, by his attorney or other authorized representative.

3. Two or more grounds of *formal written* complaint concerning the same subject may be included in one complaint, but the grounds must be separately stated and numbered. Two or more *formal written* complainants may join in one complaint if their respective causes of action are against the same respondent and deal with substantially the same alleged violation.

4. The complainant shall serve a copy of the *formal written* complaint on the respondent. Proof of service must be made by affidavit signed by the complainant or, if represented, by his attorney or other authorized representative.

Sec. 194. NAC 706.3982 is hereby amended to read as follows:

NAC 706.3982 Hearings: Notice of hearing. (NRS 233B.050, 706.171)

1. In addition to complying with the requirements of NRS 233B.121 for a notice of hearing in a contested case, the transportation services authority will include the words “notice of hearing” in any such notice.

2. The deputy commissioner shall file or cause to be filed an affidavit of publication with the transportation services authority.

3. The transportation services authority will cause such a notice to be published in an advertisement of at least 1 column inch by 3 inches, with a border on all sides, in newspapers selected as follows:

(a) If the deputy commissioner determines that the subject matter of the hearing will have a statewide effect, the notice will be published at least once in four or more newspapers of general circulation, which are published in this state, no two of which are published in the same county; or

(b) If the deputy commissioner determines that the subject matter of the hearing will have an effect on a limited number of counties only, the notice will be published once in a newspaper of general circulation published in each county where affected members of the public reside. If there is no newspaper published in a county where affected members of the public reside, the notice will be published in a county adjacent to the county.

4. The transportation services authority will serve notice of a hearing on the parties of record and publish the notice at least ~~[40]~~ 5 days before the time set for the hearing.

5. A copy of the notice will be posted at each office of the transportation services authority at least 3 days before the date set for the hearing.

Sec. 195. NAC 706.3991 is hereby amended to read as follows:

NAC 706.3991 Hearings: Prepared testimony. (NRS 233B.050, 706.171)

1. At the discretion of the presiding officer, a party to a proceeding shall submit a copy of prepared testimony and accompanying exhibits to be presented at a hearing to the transportation services authority and to each party of record. ~~[If the presiding officer directs any party to submit prepared testimony and accompanying exhibits, the presiding officer shall direct every party of record desiring to present direct testimony at the hearing to submit prepared testimony and accompanying exhibits to the transportation services authority and to each party of record to the proceeding before the date of the hearing.]~~

2. An application filed for an adjustment in rates must be accompanied by the prepared testimony of the applicant at the time of filing. If the presiding officer so orders, additional copies of the prepared testimony of the applicant must be provided.

3. After delivery of the prepared testimony to the transportation services authority, amendments to the prepared testimony may be made upon approval of the transportation services authority or presiding officer.

4. Unless otherwise directed by the presiding officer, prepared testimony must be supported by a signed affirmation by the witness and submitted to the transportation services authority as an exhibit. If circumstances so require, prepared testimony may be read into the record by the witness upon direct examination. The admissibility of prepared testimony will be determined pursuant to NAC 706.010 to 706.4019, inclusive, which govern oral testimony.

Sec. 196. NAC 706.3992 is hereby amended to read as follows:

NAC 706.3992 Hearings: Documentary evidence. (NRS 233B.050, 706.171)

1. An exhibit must be limited in size to 8 1/2 by 11 inches when folded, unless otherwise allowed by the presiding officer. ~~[All portions of a proposed exhibit must be stapled. The presiding officer shall not accept an exhibit which consists of unstapled pages.]~~ A copy of each documentary exhibit must be furnished to each party of record, and 10 copies must be furnished to the transportation services authority. A copy must be submitted to the court reporter or transcriber. If relevant evidence is included in a written or printed statement, book or document of any kind, containing other matter not relevant and not intended to be put in evidence, the statement, book or document containing that other matter may not be received or admitted in whole. Counsel or other parties offering the evidence or exhibit shall present, in convenient and proper form for filing, a copy of the relevant portions, or at the discretion of the presiding officer, read these portions into the record. Any documentary evidence offered, whether in the form of an exhibit or introduced by reference, is subject to appropriate and timely objection.

2. If documents are numerous, such as freight bills or bills of lading, and a party desires to offer into evidence more than a limited number of these documents as typical of the others, an orderly abstract of relevant data contained in these documents may be prepared and offered as an exhibit. Other parties of record may examine both the abstract and the source document.

3. In a proceeding involving detailed accounting exhibits, the presiding officer shall require each party to file with him and to serve on each party of record a copy of these exhibits within a specified time before the hearing to enable the parties of record to study the exhibits and to prepare cross-examination with reference to them. An amendment to an exhibit may be made after the exhibit has been filed with the presiding officer if it does not prejudice the rights of any party or if it corrects a clerical or mathematical error.

Sec. 197. NAC 706.3994 is hereby amended to read as follows:

NAC 706.3994 Hearings: Additional evidence. (NRS 233B.050, 706.171)

1. At the hearing, the presiding officer may order the presentation of further evidence on any issue. ~~Upon agreement of the parties, the~~ *The* presiding officer ~~shall~~ *may* authorize the filing of specific documentary evidence as a part of the record within a fixed time after submission of the evidence. The presiding officer shall reserve exhibit numbers for exhibits which are filed late.

2. After the hearing and before the entry of a final decision and order, the transportation services authority or presiding officer may issue an order requesting the submission of additional exhibits. Such an order must:

- (a) Specifically delineate the subject matter to be addressed.
- (b) Specify the date by which the exhibits must be submitted.
- (c) Require service of the exhibits upon all parties of record.

A party of record may respond to or comment upon such exhibits.

Sec. 198. NAC 706.4007 is hereby amended to read as follows:

NAC 706.4007 Declaratory orders and advisory opinions: Petition; hearings. (NRS 233B.050, 706.171)

1. Any interested person may petition the transportation services authority for a declaratory order or an advisory opinion as to the applicability of any statutory provision or any regulation or decision of the transportation services authority. *It is entirely at the discretion of the authority as to how or whether such petitions are addressed.*

2. Hearings will be held by the transportation services authority, if needed, to obtain information necessary or useful in formulating a declaratory order or advisory opinion.

Sec. 199. NAC 706.4014 is hereby amended to read as follows:

NAC 706.4014 Administrative fines: Settlement of administrative proceeding. (NRS 233B.050, 706.171)

1. The staff of the transportation services authority may enter into an agreement with a respondent for the settlement of an administrative proceeding. The agreement must be signed by the staff and the respondent, and state that the respondent consents to the imposition of a fine in a specific amount.

2. Upon entering into such an agreement:

(a) The staff of the transportation services authority shall submit the agreement to the transportation services authority; and

(b) The respondent shall deposit with the transportation services authority a cashier's check or money order, payable to the transportation services authority, for the amount of the agreed fine. ~~[The transportation services authority will maintain the amount in an interest bearing trust account until it enters a final order in the administrative proceeding.]~~

3. The agreement is not effective unless approved by the transportation services authority. If the transportation services authority approves of the agreement, it will enter an appropriate final order. If the transportation services authority does not approve of the agreement, the administrative proceeding must be set for a hearing.

4. Upon termination of the administrative proceeding, the transportation services authority will return to the respondent the amount deposited pursuant to subsection 2 which exceeds the amount of any fine imposed ~~[, together with the accrued interest on that unused amount].~~

Sec. 200. NAC 706.4026 is hereby amended to read as follows:

NAC 706.4026 “Tow at the request of a law enforcement agency” defined. (NRS 706.166, 706.171) “Tow at the request of a law enforcement agency” means the towing of a vehicle that is:

1. Impounded after an arrest;
2. Impounded after a traffic accident;
3. Impounded because the vehicle has been abandoned; or
4. A nonconsensual tow requested by a law enforcement agency ~~[to clear a roadway].~~

Sec. 201. NAC 706.416 is hereby amended to read as follows:

NAC 706.416 Charge for lien on towed vehicle; administrative costs. (NRS 706.166, 706.171)

~~[1.]~~ The operator of a tow car shall specifically itemize on the bill for nonconsensual towing services any fee charged ~~[by the department of motor vehicles and public safety]~~ for processing a lien on a towed vehicle.

~~[2. In addition to the charges included in the tariff approved by the transportation services authority, an operator of a tow car may charge for any administrative costs associated with the sale of a vehicle or the processing of any lien on a towed vehicle.]~~

Sec. 202. NAC 706.432 is hereby amended to read as follows:

NAC 706.432 Notice of towing and storage. (NRS 706.166, 706.171)

1. The operator of a tow car shall notify the law enforcement agency having jurisdiction over the site from which the vehicle was towed of the make, model and license number of each vehicle towed under Category C within 1 hour after the vehicle is towed.

2. Except as provided in paragraph 4, the operator of a tow car shall notify by certified mail, within 15 days after placing a vehicle which was the subject of a nonconsensual tow in storage, the registered and legal owner of that vehicle, if known. The notice must include:

- (a) The location of the storage;
- (b) A statement of whether the storage is inside a locked building, in a secured, fenced area or in an unsecured, open area;
- (c) The charge for storage; and
- (d) The date and time the vehicle was placed in storage.

3. If the identity of the registered and legal owner is not known, the operator of a tow car shall make a reasonable attempt, as evidenced by documentation, to obtain the necessary information from the state agency charged with the registration of the particular vehicle within 15 days after the vehicle is placed in storage and attempt to notify the owner of the vehicle within 10 days after identification of the owner is obtained.

4. *Where a vehicle has been identified by a law enforcement agency as being subject to a “Hold” for further investigation, the tow car operator must, within 24 hours of receiving notification that the “Hold” has been “Released”, send a certified letter containing the information required in section 2a-2d to the owner and/or release the vehicle as instructed by the law enforcement agency initiating the hold.*

Sec. 203. NAC 706.440 is hereby amended to read as follows:

NAC 706.440 Disposition of personal property.

1. The operator of a tow car shall not use or hold any cargo or personal property as a bailment for the rates and charges incurred in towing a vehicle, except that cargo may be held as

security for payment of charges associated with cleaning the area where the cargo has spilled or for loading, transporting, securing or storing the cargo.

2. The operator of the tow car shall ensure that all property which comes into his possession because of the operation of a tow car is adequately protected. Any personal property in a towed vehicle must be released to the owner of the vehicle or his agent upon request.

3. Accessories and equipment for the vehicle shall be deemed part of the vehicle rather than personal property for the purposes of this section.

4. Cargo and personal property left unclaimed when final disposition is made of the associated vehicle may, *48 hours prior to such final disposition*, be sold or otherwise disposed of by the operator of a tow car.

REPEALED SECTIONS

Sec. 204.

NAC 706.110 is hereby repealed.