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STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
TAXICAB AUTHORITY
2090 E. Flamingo Road, Suite 200
Las Vegas Nevada 89119
Telephone (702) 668-4000 • Fax (702) 668-4001
<http://taxi.state.nv.us>

PROPOSED REGULATION OF THE NEVADA TAXICAB AUTHORITY

LCB File No. R003-16

DEPARTMENT OF BUSINESS AND INDUSTRY

NOTICE OF INTENT TO ACT UPON A REGULATION and NOTICE OF HEARING FOR THE ADOPTION OF REGULATIONS

The Taxicab Authority will hold a public hearing at 9:00 a.m., on July 21, 2016, at:

***Taxicab Authority Hearing Room
2080 E. Flamingo Road, Suite 114
Las Vegas, Nevada 89119***

The purpose of this hearing is to receive comments from all interested persons regarding the adoption of regulations to the Nevada Administrative Code implementing Senate Bill 376 of the 78th (2015) Nevada Legislative Session. The proposed regulations have been designated as File No. R003-16 by the Nevada Legislative Counsel Bureau.

The following information is provided pursuant to the requirements of 233B.0603:

1. The proposed adoption of regulations to the Nevada Administrative Code is necessary to create procedures for Senate Bill 376 of the 78th (2015) Nevada Legislative Session that permits certificate holders to lease taxicabs to independent contractors in Southern Nevada in counties regulated by the Taxicab Authority. The proposed regulations are related to:
 - a) Establishing provisions governing when and the manner in which a certificate holder may participate in leasing its taxicabs to independent contractors [Senate Bill 376 of the 78th (2015) Nevada Legislative Session];
 - b) Establishing provisions governing who may qualify as independent contractors permitted to lease taxicabs and their responsibilities during lease periods [Senate Bill 376 of the 78th (2015) Nevada Legislative Session];
 - c) Establishing regulations regarding the issuance of lease medallions to taxicab owners and their responsibilities during lease periods [Senate Bill 376 of the 78th (2015) Nevada Legislative Session];
 - d) Establishing procedures for the submission and approval of lease agreements and/or templates prior to parties entering into such agreements [Senate Bill 376 of the 78th (2015) Nevada Legislative Session];
 - e) Establishing provisions governing security deposits [Senate Bill 376 of the 78th (2015) Nevada Legislative Session];

- f) Establishing provisions regarding the applicability of existing laws and regulations to independent contractors and taxicab owners during lease periods [Senate Bill 376 of the 78th (2015) Nevada Legislative Session].
2. The proposed regulations will vary in its impact to existing certificate holders and independent contractors. There are many variables such as the number of independent contractors interested in leasing, the duration of the lease(s), and cost of lease(s) that make it difficult to project what percentage of independent contractors will lease taxicabs pursuant to Senate Bill 376 of the 78th (2015) Nevada Legislative Session. Similarly, certificate holders have their own separate variables to consider including their responsibilities towards benefit coverage, insurance, cost of maintenance, and the cost of ensuring independent contractors satisfy the terms of their agreements. Some certificate holders have expressed having no interest in leasing while others remain open to the possibility of participating in leasing. As these factors will affect who will participate and to what extent, the proposed regulations will have varying economic effects on businesses they regulate.

Immediate effects include providing current certificate holders and independent contractors flexibility in defining their business relationships. Independent contractors now have the opportunity to simultaneously drive for various carriers; define when and how long they will drive, and further control how much profit is to be generated. Benefits to certificate holders include having another way to generate profit, potentially limiting liability for driver transgressions, and limiting certificate holder obligations to provide benefits. Leasing provides certificate holders yet another way to compete for drivers in the industry.

Long term effects of leasing remains unknown. This will depend on how many drivers and carriers decide to participate and to what extent they participate. As discussed above, both parties must consider many variables in order to determine whether leasing benefits them or whether this type of business relationship is viable within Clark County.

The proposed regulation will benefit the riding public in Clark County because of the increased number of taxis available to people desiring to get their destinations. Taxi availability will no longer be limited by a certificate holder's decision on the number of drivers to deploy during the day and night. Instead, drivers of leased taxicabs may supplement and provide needed rides to the public.

3. The Taxicab Authority determined the proposed regulations' impact on small businesses by asking for and accepting both verbal and written comments from the public, the industry, and affected businesses since November 24, 2015 by providing notice pursuant to Open Meeting Laws that specifically sought business and public input, and by requesting comments during its workshops on December 18, 2016 and May 16, 2016. The Taxicab Authority will continue to accept statements about small business impact before, during, and after its Board Meeting on July 21, 2016.
4. The Taxicab Authority anticipates incurring minimal cost, if any, to enforce lease regulations in Clark County. Taxicab Authority investigators already have the required knowledge, training, and means to conduct enforcement. No additional training or equipment is needed. Leasing regulations mainly change the employment relationship between taxicab owners and drivers but do not affect the manner in which investigators enforce.



5. The Taxicab Authority is not aware of any overlap or duplication of the proposed regulations with any regulations of other state, local, or federal governmental agencies.
6. The proposed regulations are not required pursuant to federal law.
7. The proposed regulations are not more stringent than any federal regulation that regulates the same activity.
8. The proposed lease regulations do not establish a new fee nor increases a current fee.

Persons interested in commenting on the proposed lease regulations may appear at the scheduled Taxicab Authority Board meeting on July 21, 2016 or submit their written comments, data, views or arguments to the Nevada Taxicab Authority, Attn: Janette Speer, Nevada Taxicab Authority, 2090 East Flamingo Road, 200, Las Vegas, NV 89119, (702) 688-4029, jspeer@taxi.state.nv.us. Written submissions must be received by the Taxicab Authority no later than 5:00 p.m., on July 18, 2016. If no person who is directly affected by the proposed revisions appears to request time to make an oral presentation, the Taxicab Authority Board may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted will be on file at the Nevada State Library, 100 North Stewart Street, Carson City, Nevada 89701 for inspection by members of the public during normal business hours. Additional copies of the notice and regulation to be adopted will be available at the Taxicab Authority Office located at 2090 East Flamingo Road, 200, Las Vegas, NV 89119, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at www.leg.state.nv.us. This notice and the text of the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Pursuant to NRS 233B.0654(2), upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reasons for overruling the consideration urged against its adoption.

This notice of hearing has been sent to all persons on the Taxicab Authority's mailing list for administrative regulations, and posted at the following locations,

Nevada State Library & Archives, 100 North Stewart Street, Carson City, NV 89701
Carson City Library, 900 North Rook Street, Carson City NV 89701
Churchill County Library, 553 South Main Street, Fallon, NV 89406
Clark County District Library, 833 Las Vegas Boulevard North, Las Vegas, NV 89101
Douglas County Library, 1625 Library Lane, Minden, NV 89423
Elko County Library, 720 Court Street, Elko, NV 89801
Esmeralda County Library, Corner of Crook & 4th Streets, PO Box 430, Goldfield, NV 89013
Eureka Branch Library, 80 South Monroe Street, Eureka, NV 89316
Humboldt County Library, 85 East 5th Street, Winnemucca, NV 89445
Lander County Library, 625 South Broad Street, Battle Mountain, NV 89820



Lincoln County Library, 63 Main Street, Pioche, NV 89043
Lyon County Library, 20 Nevin Way, Yerington, NV 89447
Mineral County Public Library, 110 1st Street, Hawthorne, NV 89415
Pershing County Library, 1125 Central Avenue, Lovelock, NV 89419
Storey County Public Library, 95 South R Street, Virginia City, NV 89440
Tonopah Public Library, 167 Central Street, Tonopah, NV 89049
Washoe County Library, 301 South Center Street, Reno, NV 89501
White Pine County Library, 950 Campton Street, Ely, NV 89301
State of Nevada Taxicab Authority 2090 E. Flamingo Road, Suite 200 Las Vegas, Nevada 89119
Clark County School District 2832 E. Flamingo Road Las Vegas, Nevada 89121
Las Vegas City Hall 495 S. Main Street Las Vegas, Nevada 89101
Clark County Commissioners 500 S. Grand Central Parkway Las Vegas, Nevada 89101
Grant Sawyer Building 555 E. Washington Avenue Las Vegas, Nevada 89101
Nevada Taxicab Authority Website www.taxi.state.nv.us
State of Nevada Website <https://notice.nv.gov>
Nevada State Legislature Website: www.leg.state.nv.us



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FINAL SMALL BUSINESS IMPACT STATEMENT

The Taxicab Authority established that its proposed regulations creating procedures for taxicab leasing pursuant to Senate Bill 376 of the 78th (2015) Nevada Legislative Session do not create a negative economic impact on small businesses. Arriving at its conclusion, the Taxicab Authority posted notice to specific locations consistent with open meeting laws; emailed and/or mailed notice to local persons, companies, and businesses inside and outside the taxicab industry; and asked attendees several times at both workshops to address any impact on small businesses. No comments have been received.

On November 24, 2015, the Taxicab Authority asked the public, the industry, and affected businesses for comments addressing whether the lease regulations would negatively impact small businesses. The Taxicab Authority noticed parties on the Taxicab Authority's mailing list for administrative regulations and posted at locations consistent with Nevada statute. It asked parties to submit written comments by December 2, 2015. The Taxicab Authority received no written responses or concerns as of the deadline date.

During its workshops on December 18, 2015 and May 16, 2016, the Taxicab Authority asked attendees several times to address any negative impact created by the lease regulations on small businesses. Attendees offered no comments. The Taxicab Authority announced that it would continue to accept both verbal and written comments about negative business impact throughout the regulation adoption process. It has not received any comments to date.

Finally, the public and businesses will have additional time to submit verbal or written comments addressing negative business impact prior to, during, and after the adoption hearing before the Taxicab Authority Board scheduled for July 21, 2016. Any comments received during this board meeting will be addressed by the Taxicab Authority.

Having received no comments from the public and businesses establishes that lease regulations do not create a significant economic burden on small businesses to date.

I certify that, to the best of my knowledge and belief, the information contained in this statement is prepared properly and is accurate.

By the Authority,

A handwritten signature in blue ink, appearing to read "R. Grogan", written over a horizontal line.

Ronald Grogan, Administrator
Nevada Taxicab Authority
Las Vegas, Nevada

Dated: June 16, 2016