BEFORE THE STATE OF NEVADA TAXICAB AUTHORITY

In the Matter of:
APPLICATION OF ACE CAB, INC., UNION CAB CO., A NLV CAB CO., VEGAS-WESTERN CAB, INC., AND VIRGIN VALLEY CAB COMPANY, INC.
FOR APPROVAL OF CHARGE FOR CREDIT CARD AND DEBIT CARD TRANSACTIONS FOR PAYMENT OF CHARGES ON TAXIMETER, AND SETTING MAXIMUM ALLOWABLE SUCH CHARGE.

At a general session of the State of Nevada Taxicab Authority
held at the
Taxicab Authority
1785 East Sahara Avenue #200
Las Vegas, Nevada 89104

PRESENT: Stacie Truesdell Michaels, Esq., Chairman
Susan Carrasco O’Brien, Esq., Vice-Chairman
Robert Forbuss, Member
John G. Marushok, Member
Josh C. Miller, Member
Scott Davis, Deputy Attorney General
Gordon L. Walker, Administrator

ORDER GRANTING THE APPLICATION OF ACE CAB, INC., UNION CAB CO., A NLV CAB CO., VEGAS-WESTERN CAB, INC., AND VIRGIN VALLEY CAB COMPANY, INC.
FOR APPROVAL OF CHARGE FOR CREDIT CARD AND DEBIT CARD TRANSACTIONS

IT APPEARING that on the 23rd day of March, 2010, and the 6th day of April, 2010, public hearings were held in the above-entitled matter in compliance with the provisions of the Nevada Open Meeting Law, the Nevada Administrative Procedure Act, Chapter 706 of the Nevada Revised Statutes (“NRS”) and the Nevada Administrative Code (“NAC”), at which time all interested parties appeared and were heard.

IT FURTHER APPEARING that Ace Cab, Inc., Union Cab Co., A NLV Cab Co., Vegas-Western Cab, Inc. and Virgin Valley Cab Company, Inc. (collectively “FRIAS”) filed an Application for Approval of Charge for Credit Card and Debit Card Transactions for Payment
of Charges on Taximeter, and Setting Maximum Allowable Such Charge (“Application” or “FRIAS Application”).

IT FURTHER APPEARING that the Nevada Taxicab Authority (“Authority”) received testimony, evidence and argument from the parties at the hearings and that the Authority having duly considered the evidence and pleadings, fully considered the law and being fully advised in the premises makes its Findings of Fact, Conclusions of Law and Order as follows:

**FINDINGS OF FACT**

1. On January 5, 2010, FRIAS filed the subject Application.

2. On January 8, 2010, January 12, 2010 and January 14, 2010, the Authority issued Notices of Agenda for a Board Meeting and Public Hearing that included the FRIAS Application as an agenda item for discussion and possible decision at a hearing to be held on January 26, 2010. The Notices each indicated that the deadline to file Petitions to Intervene was 5:00 p.m. on January 20, 2010.

3. The following entities filed Petitions to Intervene in the FRIAS Application agenda item for the hearing on January 26, 2010: Lucky Cab Company of Nevada (January 15, 2010); Desert Cab Company (January 19, 2010); Western Cab Company (January 19, 2010); ITPE Union (AFL-CIO) (January 20, 2010); A Cab, LLC (January 20, 2010); Whittlesea Blue Cab Company and Henderson Taxi (January 20, 2010); Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation (January 20, 2010); and Taxipass (January 21, 2010).

4. At the hearing held on January 26, 2010, FRIAS agreed to continue the Application hearing to the following Board Meeting and Public Hearing to be heard on February 23, 2010.

5. On February 10, 2010, due to a Special Session of the Legislature, the Authority cancelled the hearing scheduled for February 23, 2010.
6. On March 11, 2010, the Authority issued a Notice of Agenda for a Board Meeting and Public Hearing which included the FRIAS Application as an agenda item for discussion and possible decision at a hearing to be held on March 23, 2010. The Notice indicated that the deadline to file Petitions to Intervene was 5:00 p.m. on March 15, 2010, and entities that previously filed Petitions to Intervene in response to the original Notice in January were not required to re-file such Petitions.

8. The following entities filed additional Petitions to Intervene in the FRIAS Application agenda item for the hearing on March 23, 2010: Western Cab Company (March 15, 2010); Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation (March 15, 2010); and Taxipass (March 15, 2010).

9. At the hearing held on March 23, 2010, the Authority granted the Petitions to Intervene of Lucky Cab Company of Nevada, Desert Cab Company, Western Cab Company; ITPE Union (AFL-CIO), A Cab, LLC, Whittlesea Blue Cab Company and Henderson Taxi, and Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation, denied the Petitions to Intervene of Taxipass. The Authority received testimony and evidence from FRIAS and argument from FRIAS and the Interveners. The hearing was also continued to April 6, 2010, for the purpose of receiving additional testimony, evidence and argument from the parties.

10. On March 29, 2010, and again on March 31, 2010, the Authority issued Notices of Agenda for a Board Meeting and Public Hearing that included the FRIAS Application as an agenda item for discussion and possible decision at a hearing to be held on April 6, 2010. The Notices each indicated that the deadline to file Petitions to Intervene was 3:00 p.m. on April 2, 2010.
11. The following entities filed Petitions to Intervene in the FRIAS Application agenda item for the hearing on April 6, 2010: A Cab, LLC (April 1 and 2, 2010); Desert Cab Company (April 1, 2010); United Steelworkers Union (April 1, 2010); Western Cab Company (April 1, 2010); Whittlesea Blue Cab Company and Henderson Taxi (April 1, 2010); and Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation (April 2, 2010).

12. On April 5, 2010, FRIAS filed a Supplemental Memorandum of Points and Authorities in Support of its Application. No objection to FRIAS’ Supplemental Memorandum of Points and Authorities in Support of its Application was raised by the Interveners.

13. At the hearing held on April 6, 2010, the Authority granted the Petitions to Intervene of A Cab, LLC, Desert Cab Company, United Steelworkers Union, Western Cab Company, Whittlesea Blue Cab Company and Henderson Taxi, and Nevada Yellow Cab Corporation, Nevada Checker Cab Corporation and Nevada Star Cab Corporation (“YCS”). During the hearing, YCS made an oral motion to join the FRIAS Application, which the Authority granted.

14. FRIAS presented testimony from John Hickman, Chief Operating Officer for the FRIAS companies, and presented documentary evidence disclosing the cost calculations indicating the basis for a $3.00 fee, as well as documentary evidence of credit and debit card transaction fees imposed by other industries within Clark County, Nevada. The documentary evidence was attached as exhibits to FRIAS’ Application and to FRIAS’ Supplemental Memorandum of Points and Authorities in Support of its Application. The Interveners offered argument, but did not call any witnesses or present evidence to the Authority during the hearing.

15. While FRIAS does not currently allow their passengers to pay taxicab fares using credit and debit card payment services, or have an agreement with any payment services vendor to
provide such services, it wishes to offer such payment services to its passengers in the near future, and therefore requests approval from the Authority to do so.

16. Credit and debit card transactions generally carry three (3) categories of expenses: 1) Equipment and infrastructure in the taxicabs and in the home office necessary to process the transactions; 2) Administrative expense to process the transactions, including but not limited to personnel time and wireless data transfer expense; and 3) Fees of the bank and credit card processing companies.

CONCLUSIONS OF LAW

1. The Authority has the power to regulate such fees through its direct enabling statutes and codes, and residual and plenary power to regulate taxicab services. See, e.g., NRS 706.8819(1) (Authority shall conduct hearings and make final decisions on applications to adjust, alter or change the rates, charges or fares for taxicab service); NRS 706.8824(6)(b) (Authority shall review the rates, charges or fares of the certificate holders in its jurisdiction); NRS 706.8827(5) (Authority may attach any terms and conditions to rights under certificate necessary to protect public interest); NAC 706.471(1) (Only the Authority may set, adjust, alter or change the rates, charges or fares for service by a taxicab; NAC 706.471(2) (A hearing concerning rates, charges or fares may be initiated by the Authority or upon Application of any Certificate Holder); and NAC 706.471(3) (Except upon a showing that the public interest requires otherwise, the rates, charges or fares of all holders of a certificate in a county will be uniform); see also, Lamb v. Mirin, 90 Nev. 329, 526 P.2d 80 (1974) (Taxicab Authority's power to regulate taxicab industry in Clark County is complete).

2. The Taxicab Authority has the authority to conduct hearings and make final decisions regarding any fees attached to the payment of the taxicab “rates, charges or fares” indicated on the taximeter.
3. It is in the public interest for Certificated taxicab companies to allow its passengers to pay taxicab fares using credit and debit card payment services.

4. It is also in the public interest for the Authority to set a uniform fee which can be charged for using such credit and debit card payment services.

5. The current standard fee in the Clark County, Nevada, taxicab industry for offering credit and debit card payment services is $3.00 per transaction.

6. Such a $3.00 flat fee per transaction is a reasonable and appropriate fee based on the costs of providing such credit and debit card payment services in taxicabs.

7. The hearing of this matter was held in accordance with the applicable Nevada Revised Statutes and Nevada Administrative Code provisions.

8. The interests, welfare, convenience, necessity and well being of the customers of taxicabs, as well as the industry as a whole, including drivers and certificate holders, are better served by this order.

9. The Authority having considered all the testimony, evidence, argument and pleadings, fully considered the law and being fully advised in the premises finds as follows: 1) That FRIAS and YCS may charge a uniform fee of $3.00 per credit or debit card transaction each time a passenger, at the passenger’s option, chooses to use such credit or debit card payment services to pay their taxicab fare; 2) That in the event such fees, or any portion thereof, are actually received by any FRIAS or YCS Certificated taxicab company, receipts from such fees for credit and debit card transactions must be reported as revenue to the Authority in its annual report; and 3) That FRIAS and YCS have voluntarily agreed to disclose the $3.00 fee on the exterior of each of its taxicabs offering credit or debit card payment services in a form to be approved by the Administrator.
ORDER

IT IS HEREBY ORDERED THAT the FRIAS Application and YCS’ joinder in the FRIAS Application are granted as set forth above.

DATED this ____ day of April, 2010.

By the Authority

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Stacie Truesdell Michaels, Chairman

ATTEST: ______________________
Gordon L. Walker, Administrator
Nevada Taxicab Authority