PROPOSED AMENDMENTS TO NAC CHAPTER 706

- **Section 1.** Chapter 706 of NAC is hereby amended by adding thereto the provisions set forth as section 2 of this regulation.
 - **Sec. 2.** *Pursuant to NRS 706.8846, the following are permissible:*
- 1. A taxi driver may advise a passenger of the fact that multiple routes may be used to reach their destination, including any differences that may exist in terms of the length of time or the fare. Thereafter, if authorized by the passenger, a taxi driver may use a particular route, which may be longer in distance or greater in cost.
- 2. A taxi driver may use a route which is geographically parallel to the shortest route to a passenger's destination or an alternative route approved by the Authority.
- 3. A taxi driver is not prohibited from using an alternative route to reach a passenger's destination if the driver is aware of road conditions, which may result in a passenger's delay in reaching their destination or a higher fare.
 - **Sec. 3.** NAC 706.450 is hereby amended to read as follows:
 - NAC 706.450 Definitions. (NRS 706.8818, 706.88181) As used in NAC 706.450 to 706.990, inclusive, unless the context otherwise requires:
 - 1. "Administrator" means the Taxicab Administrator or his or her authorized agent.
 - 2. "Authority" means the Taxicab Authority created by NRS 706.8818.
- 3. "Certificate" means a certificate of public convenience and necessity issued by the Authority.
- 4. "Driver" means a person who is employed by a certificate holder to operate a taxicab and includes a certificate holder when the certificate holder operates a taxicab. The term does not include an independent contractor.

- 5. "Independent contractor" means a person who drives and leases a taxicab from a certificate holder pursuant to NAC 706.5551 to 706.5569, inclusive.
- 6. "Lease medallion" means the metal platelease decal issued by the Authority pursuant to NAC 706.5565 which is affixed to an active taxicab medallion authorizing it the taxicab to be operated by an independent contractor within the jurisdiction of the Authority.
- 7. "Medallion" means the metal plate issued by the Authority which is affixed to a taxicab authorizing it to be operated by a driver within the jurisdiction of the Authority.
- 8. "Permit" means the document supplied by the Authority authorizing a person to drive a taxicab within the jurisdiction of the Authority for a period of 1 year.
- 9. "Regular business hours" means Monday through Friday from 8 a.m. to 5 p.m., excluding legal holidays *unless otherwise determined by the agency*.
- 10. "Temporary permit" means the document supplied by the Authority authorizing a person to drive a taxicab within the jurisdiction of the Authority for less than 1 year.
 - **Sec. 4.** NAC 706.453 is hereby amended to read as follows:
- NAC 706.453 Certificate: Qualifications of applicant; investigation. (NRS 706.8818, 706.8827)
- 1. The burden of proof by clear and convincing evidence is upon the applicant to satisfy the Authority of his or her suitability to receive a certificate. The applicant must demonstrate:
- (a) His or her financial ability to provide continuous service, including sufficient equity capital to acquire the necessary property and equipment, but not less than the amount of equity capital required by NAC 706.473.
 - (b) He or she has no record of a conviction of a felony or crime involving moral turpitude.

- (c) He or she is not associated with, controls, is controlled by or exercises common control with, an unsuitable person.
- (d) He or she has sufficient experience or has employed persons with sufficient experience properly to manage a taxicab company.
 - (e) His or her good moral character.
- 2. The Authority reserves the right to conduct an investigation before issuing a certificate or a permit. Upon determining that an investigation is necessary, the Authority will notify the applicant of the estimated cost of the investigation. The Authority will not commence the investigation until the applicant has paid one-half of the estimated cost.

Sec. 5. NAC 706.476 is hereby amended to read as follows:

NAC 706.476 Certificate holders: Notification of Administrator of complaint concerning driver or independent contractor. (NRS 706.8818, 706.88181) If a certificate holder receives a complaint concerning a driver or an independent contractor *driving pursuant to NRS 706.88396(1)(a)* that alleges a violation of any of the provisions of this chapter or chapter 706 of NRS, the certificate holder shall notify the Administrator of the complaint not later than 2 working days after receiving the complaint.

Sec. 6. NAC 706.478 is hereby amended to read as follows:

NAC 706.478 Certificate holders: Dispatch log. (NRS 706.8818, 706.88181) A certificate holder shall maintain a log for each taxicab, including, without limitation, a taxicab operated by an independent contractor *driving pursuant to NRS 706.88396(1)(a)*, dispatched for service by a radio call. The log must include:

1. The date and time the call requesting transportation was received;

- 2. The name of the person or location requesting transportation;
- 3. The unit designation of the taxicab dispatched; and
- 4. The date and time the designated unit was dispatched for the requested transportation.
- **Sec. 7.** NAC 706.486 is hereby amended to read as follows:

NAC 706.486 Taxicabs: Color scheme, insigne, cruising light design, unit designation numbers; information placard. (NRS 706.8818, 706.8833)

- 1. Each certificate holder shall:
- (a) Equip his or her taxicabs with a cruising light approved by the Administrator attached to the top of the taxicab which must be illuminated during the hours of darkness. The light must not be confused with the signal lights described in NAC 706.501.
- (b) Display in bold block letters, not less than 6-4 inches in height, the unit number of each taxicab, on the sides of both front fenders and on the left of the rear trunk lid *or left rear bumper* of the taxicab in plain view, in a color contrasting with the color of the taxicab.
- (c) Display his or her telephone number and the unit number of the taxicab within each taxicab in a location plainly visible to all passengers.
- (d) Obtain approval from the Administrator for the color scheme, insigne, cruising light design and assignment of unit designation numbers to ensure that they do not conflict with those of another certificate holder.
- (ed) Affix inside each taxicab, in a conspicuous place, a bracket or holder that would accommodate a 5-inch by 7-inch driver's permit and an authority rate card.
- (ef) Display inside each taxicab, in a conspicuous place, a placard at least 5 inches by 7 inches in size in substantially the following form:

IMPORTANT

You are riding in a (name of taxicab company) vehicle. Please note the company name and unit number of this vehicle. This information is important if you leave property in this vehicle or wish to file a complaint or commendation with the Nevada Taxicab Authority at (702) 486-6532.

- 2. Any taxicab found to be in violation of this section by the Authority will be placed out of service and not put back in service until inspection and approval by the Authority.
 - **Sec. 8.** NAC 706.487 is hereby repealed as follows:

NAC 706.487 Taxicabs: Modification of color scheme or insigne. (NRS 706.8818, 706.8833)

- 1. A certificate holder shall not:
- (a) Modify the color scheme or insigne of any taxicab unless the certificate holder first secures written approval for the modification from the Administrator in accordance with the provisions of this section.
- (b) Operate any taxicab on which the color scheme or insigne has been modified without first securing written approval for the modification from the Administrator in accordance with the provisions of this section or for which approval has been withdrawn by the Administrator pursuant to this section.
- (c) Request more than six modifications of the color scheme of its taxicabs at one time.
- 2. If a certificate holder wishes to modify temporarily the color scheme or insigne of any taxicab, the certificate holder must file a written application with the Administrator. The application must include:
- (a) A description of the proposed temporary modification.
- (b) Three colored copies or photographs of the proposed temporary modification.

(c) A description of the materials and procedures that will be used to achieve the proposed temporary modification. (d) A copy of any written contract related to the proposed temporary modification. (e) Any additional information that the Administrator deems necessary to evaluate the application. 3. The Administrator shall approve or deny an application filed pursuant to this section within 30 days after receipt of the application. If no action is taken within the 30-day period, the application shall be deemed denied. 4. The Administrator may approve an application filed pursuant to this section subject to satisfaction of all the following conditions: — (a) Only the number of taxicabs equal to 20 percent or less of the total number of medallions issued to the certificate holder are temporarily modified at any given time, unless fewer than five taxicabs constitute more than 20 percent of those taxicabs, in which case the certificate holder may temporarily modify more than five taxicabs. For the purposes of this paragraph, a medallion issued for a special event and a lease medallion must not be included when calculating the total number of medallions issued to the certificate holder. — (b) The temporary modification of the taxicab does not last for more than 6 months. (c) The color scheme and insigne of any taxicab that is temporarily modified remains sufficiently distinct from the approved color scheme and insigne or temporary modification of another certificate holder. — (d) The information required pursuant to NRS 706.8835 remains clearly visible at all times on

any taxicab that is temporarily modified.

- (e) The temporary modification of the taxicab does not create a risk to the health, safety or welfare of the traveling public, as determined by the Administrator.
- 5. If an application filed pursuant to this section is approved, not less than 7 days before the temporary modification of any taxicab, the certificate holder shall provide the Administrator with the following information for the taxicab that will be temporarily modified:
- (a) The unit designation number of the taxicab.
- (b) The dates on which the temporary modification of the taxicab will begin and end.
- 6. The Administrator may withdraw the approval of the temporary modification of any taxicab if the Administrator determines that:
- (a) The temporary modification is not sufficiently distinct from the approved color scheme and insigne of another certificate holder;
- (b) The materials used in the temporary modification have deteriorated to the extent that the color scheme or insigne is no longer neat in appearance; or
- (c) The temporary modification creates a risk to the health, safety or welfare of the traveling public.
- 7. The Administrator will not approve more than 12 applications for the modification of the color scheme and insigne of the taxicabs of a certificate holder in a calendar year.
 - **Sec. 9.** NAC 706.489 is hereby amended to read as follows:

NAC 706.489 Taxicabs: Display of medallions. (NRS 706.8818, 706.88181) A certificate holder shall not permit a cab to be put into operation unless the medallion or lease medallion decal issued by the Administrator is prominently displayed on the left rear fender of the cab.

Sec. 10. NAC 706.492 is hereby amended to read as follows:

NAC 706.492 Taxicabs: Mechanical standards and special equipment. (NRS 706.8818, 706.88181) A certificate holder shall not permit a taxicab to be operated in passenger service unless the taxicab meets all of the following standards in addition to those prescribed by NRS 706.8837:

- 1. The front suspension system is in good repair and proper working order.
- 2. The engine, transmission and drive train, including mounts, are in good repair and proper working order and, during normal operation, do not die, miss, backfire or show noticeable loss of power.
- 3. The engine, transmission, drive train or accessories must not emit loud noises so as to be disturbing to the passengers or distracting to the driver or independent contractor.
- 4. The taxicab is equipped with an air filter or adequate flame arrester covering the air intake of the carburetor of the engine.
 - 5. The taxicab does not pull to the left or right or tend to drift under normal driving conditions.
- 6. The engine, transmission, radiator or accessories do not allow a noticeable quantity of fluid to leak.
 - 7. The engine does not emit excessive smoke from either the exhaust or crankcase.
- 8. All windows are operable, free of obstruction and the driver's or independent contractor's view is not impaired in any direction.
- 9. The brake lining is of sufficient thickness to prevent the metal portion of the brake shoe or pad from coming in contact with the brake drum or disc. Under normal braking conditions, the taxicab does not pull to the left or right or unusual locking of wheels does not occur.

- 10. Heating and air-conditioning systems are mandatory equipment on all taxicabs operating in this State and are required to provide reasonable comfort to passengers at their request and must conform to reasonable standards of efficiency.
 - 11. The taxicab must be equipped with:
 - (a) A mirror on the outside of the front door on the passenger's side;
- (b) Operable trunk lid supports or a trunk rod or bar, one end of which is permanently affixed to the vehicle;
 - (c) Straps to tie down the trunk;
- (d) Windows that have not been tinted more than the manufacturer's specifications for the vehicle;
 - (e) Seat belts that are maintained in a clean and operable condition at all times;
- (f) Automatic locks which control all doors and which are operable at the driver's or independent contractor's door; and
 - (g) A trunk release which is operable from inside the trunk.
 - **Sec. 11.** NAC 706.504 is hereby amended to read as follows:

NAC 706.504 Taximeters: Inspection and seal. (NRS 706.8818, 706.8836)

- 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 *or its designee*. at both the taximeter and transmission.
- 2. If a certificate holder removes a seal affixed by the Authority, he or she 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. 12. NAC 706.510 is hereby amended to read as follows:

NAC 706.510 Trip sheets. (NRS 706.8818, 706.88181)

- 1. The Administrator may confiscate a daily trip sheet at any time for good cause after first furnishing the certificate holder, driver or independent contractor *driving pursuant to NRS* 706.88396(1)(a) with a duplicate or substitute copy of the sheet.
- 2. A simple receipt for a confiscated trip sheet is sufficient if the sheet is confiscated more than 10 days after the date of the sheet.
 - **Sec. 13.** NAC 706.513 is hereby amended to read as follows:

NAC 706.513 Drivers and independent contractors: Permits. (NRS 706.8818, 706.8818)

- 1. No person may operate a taxicab within the jurisdiction of the Authority without having first obtained a permit from the Administrator.
- 2. Permits issued by the Authority to a driver remain the property of the Authority and must be returned to the Authority when a driver changes companies, leaves the industry or upon demand of the Authority.
- 3. Permits issued by the Authority to an independent contractor *driving pursuant to NRS* 706.88396(1)(a) remain the property of the Authority and must be returned to the Authority if the permit is suspended, revoked or expired or upon demand of the Authority.

4. The Administrator or his/her designee may retrieve a permit from a driver or independent contractor driving pursuant to NRS 706.88396(1)(a) when the permit is expired, voluntarily surrendered, fictitious or altered, and/or lost.

Sec. 14. NAC 706.531 is hereby amended to read as follows:

NAC 706.531 Drivers and independent contractors: Display of permits. (NRS 706.8818, 706.88181)

- 1. A driver or independent contractor *driving pursuant to NRS 706.88396(1)(a)* shall display his or her permit to the left of the rate schedule in the bracket or holder provided for that purpose at all times while on duty.
- 2. The permit must be displayed in an upright position and facing the passenger for an unobstructed view and so it may be easily read.

Sec. 15. NAC 706.534 is hereby amended to read as follows:

NAC 706.534 Drivers and independent contractors: Failure to possess valid permit. (NRS 706.8818, 706.88181)

Except for independent contractors providing transportation services pursuant to NRS 706.88396(1)(b),

- 1. Any person who is found by the Administrator to be operating a taxicab without having in his or her possession a valid driver's permit is in violation of <u>NAC 706.513</u>.
- 2. A taxicab, found by the Administrator to be operated by a driver or independent contractor without a valid driver's permit, may be taken out of service until put back in service by a driver or independent contractor who has a valid permit.
- 3. Any driver or independent contractor in possession of an altered or defaced permit will not be considered to be in possession of a valid driver's permit.

4. Any driver or independent contractor who is found by the Administrator to have committed any violation of an applicable law or regulation while his or her permit is expired, is subject to hearing and appropriate disciplinary action.

Sec. 16. NAC 706.537 is hereby amended to read as follows:

NAC 706.537 Drivers and independent contractors: Training. (NRS 706.8818, 706.88181)

Except for independent contractors providing transportation services pursuant to NRS 706.88396(1)(b),

- 1. All applicants for a driver's permit must enroll in and successfully complete a defensive driving, driver orientation and safety course approved by the Authority before being issued a driver's permit. All applicants for the renewal of a permit must enroll in and successfully complete an annual course on driver safety which has been approved by the Authority.
- 2. Any driver or independent contractor who fails to comply with the requirements of this section is subject to suspension of his or her driver's permit.

Sec. 17. NAC 706.543 is hereby amended to read as follows:

NAC 706.543 Drivers and independent contractors: Standards of conduct. (NRS 706.8818, 706.88181, 706.8845) During the period of duty driven by a driver2s or an independent contractor 2s period of dutydriving pursuant to NRS 706.88396(1)(a), he or she shall, in addition to the requirements of NRS 706.8845:

- 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 the driver or independent contractor has been through the rotation of the stand. This provision does not apply if:
 - (a) There are no taxicabs on the stand; or
- (b) The taxicab is operating via an electronic hailing service which connects passengers directly to a driver or independent contractor.
- 4. Not permit more than two passengers in the front seat of the driver's or independent contractor's taxicab and not permit more than five six passengers in his or her taxicab at any one time for vehicles that are equipped to accommodate up to six passengers.
- 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 Administrator.
- 8. Not operate a taxicab that does not have properly affixed a valid medallion or lease medallion decal as issued by the Administrator.
- 9. Not operate a taxicab when any illness or physical or mental disorder may impair his or her safe operation of a taxicab.
- 10. Not operate a taxicab while taking drugs that may impair his or her ability safely to operate a taxicab.
- 11. Keep a complete and accurate trip sheet as prescribed in NAC 706.510 and 706.549 and NRS 706.8844.

- 12. Not display or distribute any advertising within or on the driver's or independent contractor's taxicab which has not been authorized by his or her employer or the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive.
 - **Sec. 18.** NAC 706.546 is hereby amended to read as follows:

NAC 706.546 Drivers and independent contractors: Conditions of employment. (NRS 706.8818, 706.88181)

- 1. No certificate holder may allow a driver or independent contractor *driving pursuant to NRS* 706.88396(1)(a) to operate a taxicab under any of the following conditions:
- (a) When the driver's license of the taxicab driver or independent contractor is not in his or her possession or has been suspended or revoked by the Department of Motor Vehicles, until proof of reinstatement of driving privileges has been furnished to the Administrator;
- (b) When a driver's *or an independent contractor's* permit has been denied or revoked by the Administrator or is under suspension as ordered by the Administrator;
- (c) During the time that a driver or independent contractor shows temporary or permanent inability to meet the standards of NRS 706.8842;
- (d) When a driver or independent contractor is intoxicated or shows signs of having been drinking;
 - (e) When a driver or independent contractor shows obvious effects of having taken drugs;
- (f) When a driver or independent contractor does not meet the prescribed minimum standards of dress and appearance as set forth by the certificate holder; or

- (g) When a driver or independent contractor does not possess a valid permit issued by the Administrator which authorizes him or her to be employed by the certificate holder or operate a taxicab, as applicable.
- 2. In case of unforeseen circumstances, a driver having a valid permit issued by the Authority who has not exceeded the hours of service established by <u>NAC 706.549</u> may drive a period of duty for another company using the same dispatch facilities.
- 3. A driver who has driven more than 10 periods of duty for a company within a 30-day period must be carried as a permanent driver of that company.

Sec. 19. NAC 706.549 is hereby amended to read as follows:

NAC 706.549 Drivers and independent contractors: Hours of service. (NRS 706.8818, 706.88181)

Except for independent contractors providing transportation services pursuant to NRS 706.88396(1)(b),

- 1. A driver or independent contractor shall not work a period of duty 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 or independent contractor's period of duty.
- 2. Under no circumstances may a driver or independent contractor work longer than 16 hours within a 24-consecutive hour period.
- 3. A driver or independent contractor who has completed a period of duty of 8 hours or more must not be knowingly permitted or required to resume driving unless the driver or independent contractor has been off duty for at least 8 consecutive hours.

- 4. A certificate holder shall not knowingly require or permit any driver or independent contractor 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 periods of duty.

Sec. 20. NAC 706.550 is hereby amended to read as follows:

NAC 706.550 Drivers and independent contractors: Provision of receipt to passenger. (NRS 706.8818, 706.88181) At the end of each trip, the driver or independent contractor *driving* pursuant to NRS 706.88396(1)(a) -shall, upon request, provide his or her passenger with a receipt that includes:

- 1. The amount of the fare as indicated on the taximeter;
- 2. The name of the certificate holder who owns or leases to an independent contractor the vehicle in which the passenger was transported; and
 - 3. The permit number of the driver or independent contractor.

Sect. 21. NAC 706.551 is hereby amended to read as follows:

NAC 706.551 Drivers and independent contractors: Search of vehicle after trip; disposition of property found. (NRS 706.8818, 706.88181) Each driver and independent contractor driving pursuant to NRS 706.88396(1)(a) shall conduct a search of the interior of his or her taxicab at the termination of each trip. If the driver or independent contractor discovers any property of a passenger in the taxicab, the driver or independent contractor shall immediately report the property discovered to the driver's employer or the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to NAC 706.5551 to 706.5569, inclusive, and, as soon as practicable, deliver the property to his or her employer or the certificate

holder, as applicable. The employer or certificate holder shall maintain the property in his or her possession and dispose of the property in the manner provided by law.

Sec. 22. NAC 706.552 is hereby amended to read as follows:

NAC 706.552 Drivers and independent contractors: Prohibited and required acts. (NRS 706.8818, 706.88181, 706.8849)

Except for independent contractors providing transportation services pursuant to NRS 706.88396(1)(b), the following shall apply to persons operating a taxicab vehicle:

- 1. A taxicab driver or an independent contractor shall, in addition to the requirements of <u>NRS</u> 706.8849:
- (a) Ensure that the electronic taximeter of his or her taxicab is engaged while the taxicab is on hire.
 - (b) Not solicit passengers by voice or action.
- (c) Not accept, directly or indirectly, a gratuity or any form of compensation from any person for diverting or attempting to divert a prospective customer from any commercial establishment.
 - (d) Not knowingly operate a taxicab that is unsafe for passenger service.
- (e) Report immediately any inoperable or defective taximeters to the certificate holder or the certificate holder's representative.
 - (f) Not divert or attempt to divert a prospective customer from any commercial establishment.
- (g) Except as authorized by the taxicab driver's employer, the certificate holder with whom the independent contractor has entered into a lease agreement pursuant to <u>NAC 706.5551</u> to <u>706.5569</u>, inclusive, or the Authority, not permit any person, other than himself or herself, within his or her taxicab unless that person is a passenger who is actually being transported and is paying a fare.
 - 2. A taxicab driver shall, in addition to the requirements of NRS 706.8849:

- (a) Upon changing employment from one certificate holder to another, present to the Administrator the taxicab driver's permit and a referral slip from his or her new employer for issuance of a permit. Before commencing employment, a taxicab driver must present his or her taxicab driver's permit to his or her employer.
- (b) Except as otherwise provided in <u>NAC 706.546</u>, not operate a taxicab within the jurisdiction of the Authority for a company other than the company listed on his or her driver's permit.

Sec. 23. NAC 706.555 is hereby amended to read as follows:

NAC 706.555 Drivers and independent contractors: Use of taxicab for crime. (NRS 706.8818, 706.88181) A taxicab driver or independent contractor *driving pursuant to NRS* 706.88396(1)(a) must not willfully, knowingly or intentionally use his or her taxicab, or the taxicab driver's employment to facilitate the commission of a crime, or permit the use of his or her taxicab by another, as a means of facilitating the commission of a crime.

Sec. 24. NAC 706.5551 is hereby amended to read as follows:

NAC 706.5551 Lease of taxicab to independent contractor: Approval of lease by Administrator required; requirements for independent contractor. (NRS 706.88181)

- 1. A certificate holder may lease a taxicab to an independent contractor pursuant to <u>NRS</u> 706.88396 and <u>NAC 706.5551</u> to 706.5569, inclusive, provided that the:
 - (a) Lease agreement has been approved by the Administrator pursuant to <u>NAC 706.5555</u>;
 - (b) Independent contractor *driving pursuant to NRS* 706.88396(1)(a):
 - (1) Holds a driver's permit issued pursuant to NRS 706.8841; and
 - (2) Has obtained a medical examiner's certificate pursuant to NRS 706.8842; and
- (c) Taxicab which is leased under the lease agreement bears a lease medallion decal issued to the certificate holder pursuant to NAC 706.5565; and-

- (d) Independent contractor driving pursuant to NRS 706.88396(1)(b) must:
 - (1) Be in compliance with (1)(a) and (1)(c) of this section; and
 - (2) Have a valid and active agreement with a transportation network company entered into pursuant to chapter 706A of NRS.
- 2. If a lease agreement executed pursuant to <u>NAC 706.5551</u> to <u>706.5569</u>, inclusive, terminates before the expiration date included in the lease agreement, the certificate holder shall notify the Authority in writing within 48 hours after the termination.
 - **Sec. 25.** NAC 706.5557 is hereby amended to read as follows:

NAC 706.5557 Requirements for lease agreement; authorized actions if lease agreement violated. (NRS 706.88181)

- 1. A lease agreement entered into between a certificate holder and an independent contractor pursuant to NAC 706.5551 to 706.5569, inclusive, must:
 - (a) Be in writing and in a form approved by the Authority.
 - (b) Be signed by each party, or his or her representative, to the agreement.
- (c) Identify the use to be made of the taxicab by the independent contractor and the consideration to be received by the certificate holder. The use to be made of a taxicab must conform to the authority granted by the certificate to operate the taxicab. NRS 706.88396.
- (d) Include language that the certificate holder and the independent contractor indemnify, release and hold harmless governmental agencies, including, without limitation, the Authority, from all claims arising from the lease agreement.
 - (e) Identify the taxicab to be leased under the lease agreement.
 - (f) Specifically state that the:

- (1) Independent contractor *leasing a taxicab from a certificate holder pursuant to* 706.88396(1)(a) of NRS is subject to all laws and regulations relating to the operation of a taxicab which have been established by the Authority and other regulatory agencies and that a violation of those laws and regulations will breach the lease agreement.
- (2) An independent contractor leasing a taxicab from a certificate holder pursuant to 706.88396(1)(b) of NRS shall be subject to all laws and regulations relating to the operation of vehicles under chapter 706A of NRS, those established by the Nevada Taxicab Authority and other regulatory agencies, and that a violation of those laws and regulations will breach the lease agreement.
- (23) Certificate holder is responsible for providing insurance for the taxicab which meets the requirements of NRS 706.8828.
- (34) Lease agreement does not release the certificate holder from any of his or her duties or responsibilities set forth in this chapter and chapter 706 of NRS.
 - (45) Independent contractor:
- (I) Shall comply with the requirements of subsections 1 to 45, inclusive, of <u>NAC 706.549</u> concerning hours of service;
- (II) Shall return the taxicab to the certificate holder not less than one time per *month* day to enable the certificate holder to comply with the requirements of NRS 706.8837 and 706.8838;
- (III) Shall not transfer, assign, sublease or otherwise enter into an agreement for another person to operate the taxicab; and
- (IV) Shall remit to the certificate holder all applicable taxes and fees required pursuant to NRS 706.8826 and NAC 706.5563 collected by the independent contractor from each passenger.
 - (56) Taxicab provided by the certificate holder pursuant to the lease agreement:

- (I) Will be painted with the name and unit number of the certificate holder; and
- (II) Is in good mechanical condition that will meet the requirements for operating taxicabs in this State and the county or other political subdivision in which the taxicab will be operated.
- (g) Contain any other provision which the Authority deems necessary to protect the health and safety of the public.
- 2. A lease agreement entered into between a certificate holder and an independent contractor pursuant to <u>NAC 706.5551</u> to <u>706.5569</u>, inclusive, may contain a requirement for a security deposit that meets the requirements of <u>NAC 706.5559</u>.
- 3. If the Authority has reason to believe that a lease provision required by this section is being violated, the Authority may, upon at least 5 days' notice to the certificate holder or independent contractor, as applicable, and after a hearing unless waived by the certificate holder or independent contractor, as applicable:
- (a) Order the certificate holder or independent contractor, as applicable, to cease and desist from any action taken in violation of the lease agreement;
- (b) Impose an administrative fine as provided in *NRS* 706.8849, 706.8849 and/or subsection 2 of <u>NRS</u> 706.885; or
- (c) Revoke or suspend the approval or preapproval granted pursuant to <u>NAC 706.5555</u> for any lease agreements entered into by the certificate holder or independent contractor, as applicable.
 - **Sec. 26.** NAC 706.556 is hereby amended to read as follows:
- NAC 706.556 Copy of lease agreement to be provided to independent contractor; duty of independent contractor; Authority may order withdrawal of taxicab from service for certain violations. (NRS 706.88181)

- 1. A certificate holder who enters into a lease agreement with an independent contractor pursuant to <u>NAC 706.5551</u> to <u>706.5569</u>, inclusive, shall provide the independent contractor with a copy of the lease agreement.
- 2. An independent contractor *driving pursuant to NRS 706.88396(1)(a)* shall keep a copy of the lease agreement provided pursuant to subsection 1 in the taxicab that is the subject of the lease agreement for the duration of the lease agreement.
- 3. If the Authority determines that a taxicab that is the subject of a lease agreement is being operated in violation of this section, the Authority may order the independent contractor *driving* pursuant to NRS 706.88396(1)(a) to withdraw the taxicab from service. A taxicab withdrawn from service pursuant to this subsection may not be placed back into service by the independent contractor until the independent contractor provides evidence sufficient to the Authority that the lease agreement is in the taxicab as required by subsection 2.

Sec. 27. NAC 706.5563 is hereby amended to read as follows:

NAC 706.5563 Independent contractor: Trip sheets; collection and remittance of taxes and fees. (NRS 706.88181) An independent contractor *driving pursuant to NRS* 706.88396(1)(a) who leases a taxicab pursuant to NAC 706.5551 to 706.5569, inclusive, shall:

- 1. Submit a daily trip sheet as required by <u>NRS 706.8844</u> to the certificate holder not less than once every 24 hours after the date on which the independent contractor begins operating the taxicab.
- 2. Collect all applicable taxes and all applicable fees required pursuant to NRS 706.8826 from each passenger. All money collected pursuant to this subsection must be remitted to the certificate holder pursuant to the terms of the lease agreement.

Sec. 28. NAC 706.5565 is hereby amended to read as follows:

NAC 706.5565 Lease medallions decals. (NRS 706.88181)

- 1. A certificate holder may not lease a taxicab to an independent contractor pursuant to <u>NAC</u> 706.5551 to 706.5569, inclusive, unless a lease medallion-decal obtained from the Authority is affixed to the taxicab.
- 2. Except as otherwise provided in this section, the Authority will issue a lease medallion *decal* to a certificate holder upon request.
 - 3. A certificate holder may not:
- (a) Obtain a number of lease medallions issued pursuant to this section that exceeds one half of the number of medallions otherwise issued to the certificate holder by the Authority;
- (ba) Permit the combined operation by drivers and independent contractors of more taxicabs than the number of taxicabs allocated to the certificate holder by the Authority pursuant to NRS 706.8824; or
 - (eb) Sell, transfer or mortgage a lease medallion decal issued pursuant to this section.
- 4. A lease medallion decal obtained pursuant to this section must be affixed to a taxicab being leased by an independent contractor in such a manner and in such a place on the taxicab as directed by the Authority.
- 5. If a lease medallion decal is lost, stolen or damaged, the certificate holder to whom the lease medallion decal was issued:
 - (a) Shall notify the Authority within 3 business days; and
- (b) May request that the Authority provide the certificate holder with a replacement lease medallion decal. A replacement lease medallion decal will only be available from the Authority during the regular business hours of the Authority.
 - **Sec. 29.** NAC 706.5567 is hereby amended to read as follows:

NAC 706.5567 Independent contractor: Deemed to be on duty for certain purposes; subject to certain provisions governing motor carriers and drivers; required documents. (NRS 706.88181) An independent contractor *driving pursuant to NRS 706.88396(1)(a)* who operates a taxicab which has been leased from a certificate holder pursuant to NAC 706.5551 to 706.5569, inclusive:

- 1. Will be deemed by the Authority to be on duty for the purposes of <u>NAC 706.5551</u> to 706.5569, inclusive.
- 2. Is subject to the applicable provisions of this chapter and <u>chapter 706</u> of NRS, including, without limitation, all of the provisions of <u>NRS 706.881</u> to <u>706.885</u>, inclusive, which apply to a driver, as that term is defined in <u>NRS 706.8814</u>.
 - 3. Must have on his or her person:
- (a) A valid driver's license obtained under the provisions of <u>NRS 483.010</u> to <u>483.630</u>, inclusive;
 - (b) A driver's permit issued by the Administrator pursuant to NRS 706.8841; and
 - (c) A copy of the medical examiner's certificate obtained pursuant to NRS 706.8842. (Added to NAC by Taxicab Auth. by R003-16, eff. 12-21-2016)
 - **Sec. 30.** NAC 706.5569 is hereby amended to read as follows:
- NAC 706.5569 Violations. (NRS 706.88181) A violation of any provision of NAC 706.5551 to 706.5569, inclusive, is subject to the provisions of NRS 706.8848, 706.8849 and/or NRS 706.885.
 - **Sec. 32.** NAC 706.991 to NAC 706.9918 is hereby repealed as follows:

APPEALS TO NEVADA TRANSPORTATION AUTHORITY

- NAC 706.991 Definitions. (NRS 706.171, 706.2883) As used in NAC 706.991 to 706.9918, inclusive, unless the context otherwise requires, the words and terms defined in NAC 706.9911, 706.9912 and 706.9913 have the meanings ascribed to them in those sections.
- (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)
- NAC 706.9911 "Record on appeal" defined. (NRS 706.171, 706.2883) "Record on appeal" means the entire record of a final decision that is being appealed, including, without limitation, any document, pleading, tape recording of any hearing and certified transcript of any such tape recording concerning the final decision.
- (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)
- NAC 706.9912 "Taxicab Authority" defined. (NRS 706.171, 706.2883) "Taxicab Authority" means the Taxicab Authority created pursuant to NRS 706.8818.
- (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)
- NAC 706.9913 "Transportation Authority" defined. (NRS 706.171, 706.2883) "Transportation Authority" means the Nevada Transportation Authority created pursuant to NRS 706.1511.
- (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)
- NAC 706.9914 Notice of appeal from final decision; filing fee; statement of intent to participate. (NRS 706.171, 706.197, 706.2883)
- 1. Not later than 15 days after the date of service of a final decision of the Taxicab Authority rendered pursuant to NRS 706.8819, an aggrieved party may appeal the decision to the Transportation Authority by:

— (a) Filing a notice of appeal with the Transportation Authority; and
— (b) Serving a copy of the notice of appeal upon the Taxicab Authority and all parties of record
to the proceeding that was before the Taxicab Authority.
— 2. A notice of appeal must include, without limitation:
— (a) A statement indicating that the appellant is an aggrieved party who is appealing a final
decision of the Taxicab Authority;
— (b) The case name and number of the final decision being appealed; and
— (c) The date on which the final decision was rendered by the Taxicab Authority.
— 3. A notice of appeal must be accompanied by:
— (a) A copy of the final decision rendered by the Taxicab Authority that is being appealed; and
— (b) A filing fee of \$200 payable to the Transportation Authority.
4. Any party to the proceeding that was before the Taxicab Authority who desires to
participate in the appeal must, within 20 days after service of the notice of appeal:
— (a) File a statement of intent to participate in the appeal with the Transportation Authority; and
— (b) Serve the statement upon the Taxicab Authority and all parties of record to the proceeding
that was before the Taxicab Authority.
— (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98; A by Nev.
Transportation Auth. by R127-07, 9-18-2008)
NAC 706.9915 Preparation and transmittal of record on appeal. (NRS 706.171, 706.197,
706.2883)
1. Except as otherwise provided in subsection 3, not later than 30 days after receiving service
of a copy of a notice of appeal filed pursuant to NAC 706.9914, the Taxicab Authority shall prepare
and transmit the original or a certified copy of the record on appeal to the Transportation Authority.

— 3. Except as otherwise provided in subsection 4, not later than 10 days after receiving service of a copy of a response from the Taxicab Authority or a party of record, the appellant: (a) May file a reply to the response with the Transportation Authority; and (b) If such a reply is filed, shall serve a copy of the reply upon the Taxicab Authority and all parties of record. 4. The Taxicab Authority, a party of record or the appellant may file a motion with the Transportation Authority to extend the period provided for the filing of a written brief, response or reply. Upon a showing of good cause, the Chair of the Transportation Authority or the hearing officer assigned to the appeal pursuant to NAC 706.9917 may grant the motion. — (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98) NAC 706.9917 Review of notice of appeal from final decision; issuance of decision or recommendation. (NRS 706.171, 706.2883) 1. The Chair of the Transportation Authority shall review each notice of appeal from a final decision of the Taxicab Authority filed pursuant to NAC 706.9914 to determine whether to assign a hearing officer to the appeal or to place the matter on the agenda of a meeting of the Transportation Authority for discussion. 2. After the period provided for the filing of a written brief, response and reply: — (a) The Transportation Authority may render a decision on the appeal based upon the written brief and any response or reply filed with the Transportation Authority concerning the appeal; or — (b) The hearing officer assigned to the appeal may request all parties of record and the appellant to present oral arguments and may make a recommendation to the Transportation Authority based upon those arguments, the written brief and any response or reply filed with the Transportation

Authority concerning the appeal.

— (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)
NAC 706.9918 Final decision by Transportation Authority. (NRS 706.171, 706.2883)
1. The Transportation Authority will:
(a) Not grant a stay of the final decision of the Taxicab Authority while an appeal of that
decision filed pursuant to NAC 706.9914 is pending before the Transportation Authority; and
(b) Confine the review of the final decision of the Taxicab Authority to the record on appeal,
the written brief of the appellant, any response or reply filed with the Transportation Authority
concerning the appeal and any oral argument presented to the Transportation Authority concerning
the appeal.
2. The Transportation Authority may:
— (a) Affirm the final decision of the Taxicab Authority;
— (b) Reverse or remand with instructions the final decision of the Taxicab Authority if the
Transportation Authority determines that the final decision is clearly erroneous in view of the
reliable, probative and substantial evidence; and
— (c) Require the prevailing party to submit to the Transportation Authority proposed findings
of fact and conclusions of law and a proposed order.
— (Added to NAC by Transportation Serv. Auth. by R218-97, eff. 4-17-98)