BEFORE THE NEVADA TAXICAB AUTHORITY

In the matter of the Application for a Pilot Program by Whittlesea Blue Cab and Henderson Taxi to allow a passenger using a TNC company's app to connect to a taxicab driven by a Taxicab Authority permitted driver

FINDINGS OF FACT, CONCLUSIONS
OF LAW AND ORDER SETTING
COMPLIANCE ITEMS FOR PILOT
PROGRAM APPLICATION

THIS MATTER having come before the Nevada Taxicab Authority Board ("the Board"), for a public hearing ("the Hearing") held in the above-entitled manner in compliance with the provisions of the Nevada Open Meeting Law, the Nevada Administrative Procedure Act, and Chapter 706 of the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC"), at which time the Authority considered the above-entitled matter.

The Hearing was held July 16, 2025, at the Nevada State Business Center, located at 3300 West Sahara Avenue, Suite. 400, Las Vegas, Nevada 89102.

PRESENT: Dan R. Reaser, Chair

J.D. Decker, Member Alex Vazquez, Member

Todd Park, Taxicab Authority Administrator

This matter was heard based on Applicants' request for a pilot program that allows a passenger to request a taxi ride using a Transportation Network Company ("TNC") technology application ("app.") The objective of the Application is stated to be to determine the specific benefits passengers and drivers gain when a taxi ride is dispatched through a TNC app. The pilot program will produce real time data about the comparability between a meter rate and the up-front pricing supplied through the TNC app. Based on the evidence presented to the Board and following consideration of the arguments presented during the Hearing, the Board hereby enters the following Findings of Fact, Conclusions of Law and Order (the "Decision"):

FINDINGS OF FACT

1. The administrative record in this matter consists of the Application for a Pilot Program,
Notice of Public Hearing, the Public Board Meeting Notice and Agenda, and the testimony of the
Applicant and interested persons in the industry. Todd Park, Administrator for the Nevada Taxicab

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Authority spoke on behalf of the Nevada Taxicab Authority ("the TA"). Petitions for Leave to Intervene were filed by Virgin Valley Taxi, Desert Cab, Curb Mobility, Nevada Yellow Checker Star Corporation, New Cab, Taxi Management LLC, A Cab Series LLC, Lucky Cab, Western Cab and Nellis Cab Company. Each Petitioner was found to have a direct and substantial interest affected by the subject matter of the Application and each intervention petition was granted.

- 2. Pursuant to NRS 706.8818 and NAC 706.471(2) the Board seeks to inquire into the pilot program that would permit taxi companies to accept hail-dispatch rides through a TNC application. These rides would be treated and governed as taxicab rides, and the TNC platform would facilitate fare collection and distribution back to the company, which in turn would remit taxes, pay drivers their commissions, and process applicable regulatory fees.
- Ocunsel for the Applicant, attorney Kimberly Maxson-Rushton, provided an overview of the need for the pilot program. She stated that the meter is not used to determine the fare under the pilot, but that it still runs to allow transparency and regulatory tracking. The Application seeks Board approval specifically to deviate from traditional meter-based rates as permitted under regulation. The passenger sees and accepts the fare in advance and the driver sees their earnings and accepts or declines. Attorney Maxson-Rushton stated that the deviation is similar in spirit to zone rates previously approved by the Authority, and that pilot data will inform whether further regulatory reform should be considered. The Taxicab Authority retains the authority to monitor the respective rates that passengers using the app pay in comparison to the currently approved meter rate, thereby ensuring the public interest is being served throughout the term of the program.
- 4. The Applicant, William George, addressed the Board noting that his company, zTrip (in Nevada zTrip dba Whittlesea Blue Cab and Henderson Taxi) recently expanded its operation to its 39th city and operates approximately 4,000 vehicles nationwide. In each of his markets since 2018, he stated that zTrip has reversed the decline in taxi trip volume which had been dropping following the rise of TNC's such as Uber and Lyft. He believes his strategic marketing, targeted partnerships, and investment in modern technology account for these successes. The Applicant explained his past experience and successes in other cities and how the pilot program will work in Clark County. He listed the consumer and industry benefits which include enhanced access for underserved communities

and residents outside of tourist zones. There would be a corresponding increase in driver income potential due to more trip offers and a reduction of deadhead miles. He plans full transparency for passengers regarding pricing, vehicle type and trip assignment. The pilot is designed to collect operational data and identify benefits and challenges in real time. He plans to work closely with the Administrator and other stakeholders to monitor implementation. He hopes the pilot will inform future industry discussion on upfront pricing models and modernization of the fare system.

- Applicant supporting the openness to making the pilot inclusive of the entire industry. He indicated that he expected other cab companies will submit their own pilot applications. He noted that his company implemented similar programs in many major cities, and that the results were consistently positive. He also said that both the public and the drivers will benefit from the tech-native generation of riders and this technology of app-based booking and fixed pricing. Intervenor Desert Cab, through George Balaban, was concerned that an unintentional creation of two-tiered pricing may occur whereby the app-based rates may be substantially higher, creating driver behavior shifts or customer dissatisfaction. He agreed that the pilot produces potential benefits yet considers it important to have continued oversight by the Authority to void backdoor deregulation and to encourage rate transparency through signage. He acknowledged the need for a pilot to test the model and to gather data. Intervenor A-Cab, through Mike Malloy, agreed with Desert Cab that there may be temporary disadvantages, that it was necessary to determine viable long-term solutions, and expressed support for the pilot to determine the appropriate guardrails and boundaries needed for successful integration.
- 6. The Board discussed potential compliance items for Applicant to complete satisfactorily prior to the implementation of a pilot program.
- 7. After discussion and deliberation, all members of the Board present at Hearing, having fully considered the law and being fully advised in the premises, voted unanimously in favor of a motion to approve compliance items to be met prior to the next public hearing during the Board meeting scheduled on August 20, 2025.

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CONCLUSIONS OF LAW

- 1. The Hearing was held in compliance with the provisions of the Nevada Open Meeting Law, the Nevada Administrative Procedure Act, NRS Chapter 706 and NAC Chapter 706.
 - 2. The geographic area subject to this Order is Clark County, Nevada.
- The Board is duly constituted and may regulate the conduct of the taxicab business.
 NRS 706.8818.
- 4. Generally, the Board may attach to the exercise of the rights granted by the allocation of taxicab medallions any terms and conditions that in its judgment the public interest may require. NRS 706.8824(5).
- 5. The Board is directed by law to review the rates, charges, or fares of the certificate holders in its jurisdiction. NRS 706.8824(6)(b).
- 6. The Board has the authority to review and adjust, alter, or change the taxicab rates, charges, or fares for taxicab service in Clark County, Nevada, and is the only entity authorized to do so for taxicab service within its jurisdiction. NRS 706.8819(1)(a); NAC 706.471(1).
- 7. The rates, charges, or fares of all certificate holders within a county under the jurisdiction of the Board must be uniform, unless there is a showing that the public interest requires otherwise. NAC 706.471(3).
- 8. In conducting an administrative investigation, inquiry, or hearing, neither the Board nor any of its officers or employees are bound by the technical rules of evidence, and no informality in any proceeding or in the manner of taking of testimony will invalidate any order, decision, rule, or regulation made or approved by the Board. NAC 706.948(1).
- 9. The Board has the authority to ensure that the traveling public have access to readily available, safe and reliable transportation services. In furtherance of that objective, the Board concludes the public interest will be served by implementing compliance items prior to the activation of the requested pilot program.
- 10. In accordance with NRS 233B.121, NRS 233B.123 and NRS 233B.135, the reliable, probative and substantial evidence submitted to the Board at the Hearing establishes by a preponderance of such evidence:

- a. That in the public's interest, the following compliance items must be met prior to an approval of this pilot program: The Administrator will clarify and resolve any governmental objections or concerns to any policy regarding allowing a Clark County taxicab to utilize the services of a third party whose rates are not fully regulated by the TA or are otherwise not uniform.
- b. There must be clarification of treatment by the venues as the Applicant must provide an explanation or plan for how participating venues (such as hotels, resorts, airports) will manage pilot-participating taxicabs compared with metered taxis and TNC vehicles. The Applicant shall provide a proposed approach or understanding of how major venues (hotels, resorts, airports) intend to handle pilot taxicabs operating under the Uber dispatch model, including how they will be distinguished or integrated relative to TNC's and standard taxi queues.
- c. Customer signage is to ensure clear notice and transparency for riders. Therefore, passengers booking through a TNC platform such as Uber must be informed both on-app and in vehicles that the taxicab rates do not apply when booking through a TNC platform such as Uber. This temporary signage or screen displays within vehicles during the pilot will be clearly visible and use language such as "Standard Taxicab Authority Rates Do Not Apply to Rideshare-Booked Trips." The pilot program must clearly indicate whether zone-based pricing is applicable or SUPERSEDED by app-based dynamic pricing and this must be communicated to consumers. Signage must be consumer-facing and presented to the Board including in-app fare transparency language, incab signage (whether digital or temporary physical), stating that standard Taxicab Authority rates do not apply to Uber-booked trips, and the signage at pickup and drop-off points (e.g. hotels, resorts, airports) to indicate the nature of the pilot and fare structure differences.
- d. There must be clarification on zone pricing: The pilot must clearly indicate whether zone-based pricing is applicable or superseded by app-based dynamic pricing, and this must be communicated to consumers.
- e. Applicant suggested a two-week testing phase of the parameters of his Application or an internal pre-launch testing (e.g. "friends and family" trips) to ensure technological readiness and resolve operational deficiencies. While not required to perform this initial testing phase,

if not done, then Applicant must submit justification for not doing so, and must meet all remaining compliance items.

- f. If all compliance items are met as determined by the Administrator at the time of the Board meeting and continued public hearing to be held August 20, 2025, then the Board may consider allowing a 30-day pilot program commencing September 1, 2025, and ending September 30, 2025.
- 11. The interests, welfare and convenience of the travelling public are served by the Board's consideration of the proposed pilot program. They are also served by the designation and parameters of the compliance items.
- 12. Public policy favors approval and adoption of the compliance items prior to an approval of the pilot program.
- 13. The Board's approval of the compliance items and consideration of the pilot program is a reasonable and permissible exercise of its authority to regulate the taxicab industry and its rates in the public interest.
- 14. If any of the foregoing conclusions of law is more appropriately construed as a finding of fact, it may be so construed.

ORDER

THEREFORE, IT IS HEREBY ORDERED:

- 1. The filed Petitions for Leave to Intervene are GRANTED.
- 2. The Board hereby implements compliance items for Applicant to complete prior to an approval of a pilot program:
- a. The Administrator will clarify and resolve any governmental objections or concerns to any policy regarding allowing a Clark County taxicab to utilize the services of a third party whose rates are not fully regulated by the TA or are otherwise not uniform.
- b. There must be clarification of treatment by the venues as the Applicant must provide an explanation or plan for how participating venues (such as hotels, resorts, airports) will manage pilot-participating taxicabs compared with metered taxis and TNC vehicles. The Applicant shall provide a proposed approach or understanding of how major venues (hotels, resorts, airports)

intend to handle pilot taxicabs operating under the Uber dispatch model, including how they will be distinguished or integrated relative to TNC's and standard taxi queues.

- C. Customer signage is to ensure clear notice and transparency for riders. Therefore, passengers booking through a TNC platform such as Uber must be informed both on-app and in vehicles that the taxicab rates do not apply when booking through a TNC platform such as Uber. This temporary signage or screen displays within vehicles during the pilot will be clearly visible and use language such as "Standard Taxicab Authority Rates Do Not Apply to Rideshare-Booked Trips." The pilot program must clearly indicate whether zone-based pricing is applicable or SUPERSEDED by app-based dynamic pricing and this must be communicated to consumers. Signage must be consumer-facing and presented to the Board including in-app fare transparency language, incab signage (whether digital or temporary physical), stating that standard Taxicab Authority rates do not apply to Uber-booked trips, and the signage at pickup and drop-off points (e.g. hotels, resorts, airports) to indicate the nature of the pilot and fare structure differences.
- d. There must be clarification on zone pricing: The pilot must clearly indicate whether zone-based pricing is applicable or superseded by app-based dynamic pricing, and this must be communicated to consumers.
- e. Applicant suggested a two-week testing phase of the parameters of his Application or an internal pre-launch testing (e.g. "friends and family" trips) to ensure technological readiness and resolve operational bugs. While not required to perform this initial testing phase, if not done, then Applicant must submit justification for not doing so, and must meet all remaining compliance items.
- f. If all compliance items are met as determined by the Administrator at the time of the continued public hearing to be held August 20, 2025, then the Board may consider allowing a 30-day pilot program commencing September 1, 2025, and ending September 30, 2025.

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| 1 | 3. The Board retains jurisdiction to correct any error that may have occurred during the |
| 2 | drafting or issuance of this Order. |
| 3 | DATED this 5th day of August 2025. |
| 4 | STATE OF NEVADA TAXICAB AUTHORITY BOARD |
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| 7 | By: Dan R. Reaser, Chair |
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