



DEPARTMENT OF BUSINESS AND INDUSTRY
NEVADA TRANSPORTATION AUTHORITY

DEPARTMENT OF BUSINESS AND INDUSTRY

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

The Nevada Transportation Authority ("Authority") will hold a public hearing on **Monday, March 20, 2023 at 9:30 a.m.**

The public may attend this hearing at:

The Department of Business and Industry
3300 W. Sahara Ave., 4th Flr. Room 400
Las Vegas, Nevada 89102

Nevada Transportation Authority
1755 E. Plumb Lane, Suite 229
Reno, Nevada 89502

The purpose of the hearing is:

- a. To receive comments from all interested persons regarding the adoption of a regulation regarding Chapter 706A of the Nevada Administrative Code; and,
- b. For the Authority to act regarding the adoption of the regulation revising the annual regulatory assessment paid by the transportation network companies.

The proposed amendment has been designated as **Docket 22-11007** by the Authority and proposed amended Nevada Administrative Code 706A.190 is attached to this notice.

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

1. The proposed amendment of Nevada Administrative Code Chapter 706A.190 is necessary to revise the annual regulatory assessment paid by transportation network companies (TNC) as required by NRS 706A.140.
2. In substance, the regulation to be adopted sets out the annual fee to be paid by a TNC to the Authority for the costs associated with the Authority's oversight of the TNCs. The fee to be paid is determined by the annual gross operating revenue of each TNC.
3. The estimated impact of the regulations:
 - a. The proposed regulations will not have a significant adverse or beneficial economic impact upon the regulated industry, either immediately or long-term.
 - b. The proposed regulations will not have a significant adverse or beneficial economic impact upon the public, either immediately or long-term.

The Authority notes that these assessments of impact are limited to the impacts of the proposed amended regulations themselves.

4. The Authority determined the impact on small business, pursuant to NRS 233B.0608, by analyzing verbal comments from the public and from businesses to be affected by the proposed regulations during the public workshop held on January 12, 2023.
5. The Authority has incurred and is anticipated to continue to incur additional enforcement and regulatory oversight expenses based on the enactment of NRS 706A and NAC 706A. The Authority anticipates such expenses being met by revenue from the present amended regulatory assessment as required by NRS 706A.140.
6. The Authority is not aware of any overlap or duplication of the proposed regulation with any regulations of other state or local governmental agencies.
7. The proposed regulation is not required pursuant to federal law.
8. The proposed regulation is not more stringent than any federal regulation that regulates the same activity.
9. The proposed regulation implements the regulatory assessment fee established by NRS 706A.140. The proposed regulation does not otherwise establish a new fee or increase an existing fee.

Persons who wish to comment upon the action of the Nevada Transportation Authority may appear at the scheduled public hearing or may address their comments, data, views or arguments in written form. Written submissions must be received by Patricia M. Erickson, Administrative Attorney for the Nevada Transportation Authority **on or before March 13, 2023.**

AGENDA

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Public Comment – Members of the public are invited to comment on items on the meeting agenda or on items not contained therein. No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action.
5. Approval of Agenda – ***FOR POSSIBLE ACTION***

DISCUSSION ITEM / RULEMAKING ADOPTION

6. The Nevada Transportation Authority will consider adoption of a regulation amending NAC 706A.190, regarding the annual assessment due from the Transportation Network Companies (TNCs), pursuant to NRS 706A.140 - ***FOR POSSIBLE ACTION***
7. Public Comment – Members of the public are invited to comment on items on the meeting agenda or on items not contained therein. No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action.
8. Adjournment

A copy of all materials relating to the proposed amended regulation may be obtained:

1. At the office locations, set out above, of the Nevada Transportation Authority;
2. At the adoption hearing; or,
3. From Patricia M. Erickson, Administrative Attorney at the Nevada Transportation Authority, 3300 W. Sahara Ste 200, Las Vegas, Nevada, 702-486-8722, perickson@nta.nv.gov

A copy of this notice and the regulation to be adopted has been sent to all persons on the Authority's mailing list for administrative regulations and to all common motor carriers of passengers licensed by the Authority.

A copy of this notice and the regulation will be available for inspection and copying by members of the public during business hours at:

The State Library, 100 Stewart St., Carson City, Nevada

The notice of hearing has been posted at the following:

Clark County Court House, 200 Lewis Ave., Las Vegas NV 89101

Washoe County Court House, 75 Court St., Reno NV 89501

Grant Sawyer Building, 555 E. Washington Ave., Las Vegas NV 89101

Department of Business & Industry, 3300 W. Sahara Ave, Suite 425, Las Vegas NV 89102

Department of Business & Industry, 1830 College Pkwy, Suite 100, Carson City NV 89703

Nevada Transportation Authority, 3300 W. Sahara, Suite 200, Las Vegas NV 89102

Nevada Transportation Authority, 1755 E. Plumb Lane, Suite 229, Reno NV 89502

The Nevada Transportation Authority's official website www.nta.nv.gov;

The State of Nevada's official website <https://notice.nv.gov>;

The Nevada Legislature's official website <https://www.leg.state.nv.us> at the Administrative Regulation Notices tab

Pursuant to NRS 2338.064: Upon adoption of any regulation, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

In accordance with Nevada's Open Meeting Law, the Authority may consider agenda items taken out of order. The Authority may combine two or more agenda items for consideration. The Authority may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. The Authority may continue the meeting as deemed necessary. The Authority, at its discretion, may take public comment during times other than the designated Public Comment agenda items. The Authority reserves the right to limit public comment to three minutes. Comment may not be restricted based on viewpoint.

NOTE: The Authority is pleased to make reasonable accommodations and will assist and accommodate people with a disability who wish to attend its meetings and hearings. If special arrangements are necessary, please contact the Authority in Las Vegas at (702) 486-3303 or in Reno at (775) 688-2800 as far in advance of the workshop as possible.

PROPOSED TEMPORARY REGULATION
NEVADA TRANSPORTATION AUTHORITY
NTA DOCKET NUMBER 22-11007

AUTHORITY: NRS 706A.100, 706A.110, 706A.140 and 706A.240.

A REGULATION relating to transportation network companies; revising provisions relating to the annual regulatory assessment paid by a transportation network company; and providing other matters properly related thereto.

Section 1. NAC 706A.190 is hereby amended to read as follows:

NAC 706A.190 1. One year after the date of issuance of a permit to a transportation network company, the company shall, within 10 days and annually thereafter on or before July 10, submit to the Authority a statement of the category described in subsection 2 which includes the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company for that year of operation. Upon receipt of the statement, the Authority will, within 10 days, issue to the transportation network company a notice of its annual regulatory assessment determined pursuant to subsection 2.

2. The annual regulatory assessment described in subsection 1 must be calculated on the basis of the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company as described in the following schedule:

- (a) For a company with an annual gross operating revenue of \$200,000 or less
- \$1,500
- (b) For a company with an annual gross operating revenue of more than \$200,000 but not more than \$400,000 \$3,000

- (c) For a company with an annual gross operating revenue of more than \$400,00 but not more than \$600,000 \$6,000
- (d) For a company with an annual gross operating revenue of more than \$600,000 but not more than \$5,000,000 \$40,000
- (e) For a company with an annual gross operating revenue of more than \$ 5,000,000 but not more than \$15,000,000. \$120,000
- (f) For a company with an annual gross operating revenue of more than \$15,000,000 but not more than \$30,000,000 \$900,000
- (g) For a company with an annual gross operating revenue of more than \$30,000,000 but not more than \$65,000,000. \$1,000,000
- (h) For a company with an annual gross operating revenue of more than \$65,000,000 \$1,200,000
- (i) For a company whose permit limits the operation of motor vehicles in affiliation with the company to providing nonprofit transportation services to elderly persons and persons with disabilities with an annual gross operating revenue of any amount \$600

The Authority will annually reevaluate the schedule described in this subsection based upon the total revenues generated from the fees set forth in NAC 706A.150 and the expenses of the Authority for the regulation of transportation network companies.

3. Except as otherwise provided in subsection 4, payment of an annual regulatory assessment is due:

- (a) Within 11 days after the Authority issues to a transportation network company the notice of its first annual regulatory assessment; and
- (b) On or before July 31 of each subsequent year.

4. A transportation network company, upon written notice to the Authority, may make quarterly payments, each in the amount of one quarter of the annual regulatory assessment due. Such payments must be made on or before July 31 and on or before October 31 of the year the Authority issues the annual regulatory assessment and on or before January 31 and on or before April 30 of the subsequent year.

5. On or before May 15 of each year, each transportation network company shall, pursuant to NRS 706A.240, submit an annual report to the Authority, on a form prescribed by the Authority, which must include, for the preceding calendar year:

(a) A description of the services performed in this State by the transportation network company;

(b) The number of trips arranged in this State using the digital network or software application service of the transportation network company;

(c) The total number of drivers for which the transportation network company provided notice to the Authority pursuant to subsection 2 of NAC 706A.180, reported separately for each month;

(d) The category described in subsection 2 which includes the gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company for that year of operation; and

(e) A description of any new products launched in this State by the transportation network company.

6. Each annual report submitted by a transportation network company pursuant to subsection 5 is confidential and must not be disclosed to any person other than an employee of the Authority.

7. As used in this section, the term “gross operating revenue of the transportation network company derived from the Nevada intrastate operations of the company” does not include any revenue that is paid or in any other manner transferred to a driver.



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Small Business Impact Statement (NRS 233B.0609)

- 1. Manner in which comment was solicited from affected small businesses, a summary of the response and an explanation of the manner in which interested persons may obtain a copy of the summary:**

Discussions were held with industry representatives regarding the monetary impact that the revised regulation would have. Through discussion and a formal workshop, open to the public and all the regulated industry, it was decided that the sliding scale established in the 2022 amendment would be maintained. This sliding scale means that the smaller the business and the gross operating revenue, the lower the administrative assessment.

- 2. The manner in which the analysis was conducted:**

The analysis was conducted through meetings with industry representatives, input from Management Analysts, Financial Analysts, Commissioners and NTA staff. During the regulation process in 2022, three different methods of determining the assessment were submitted for consideration. The industry indicated that the sliding scale method was the most acceptable method of calculation. As the present proposed amendment is based on the 2022 sliding scale, there was not any suggestion or request to change the scale or amount of the assessment at the formal workshop held on January 12, 2023.

- 3. The estimated economic effect of the proposed regulation on the small businesses which the NTA regulates:**

- A. The adverse effects: There are no adverse effects based on the sliding scale of the regulation. The sliding results in the smaller businesses paying a smaller assessment than the larger businesses. As the gross operating revenue grows for a company so does the percentage of the assessment to be paid. However, the increase in the assessment is gradual. Moreover, the annual assessment fee in the present amended version does not increase, from 2022 amounts, until a business has an annual gross operating revenue of more than \$600,000 but less than \$5,000,000.
- B. The beneficial effects: Smaller businesses will benefit because they are paying less than larger businesses. This will allow the smaller businesses to grow their companies.
- C. The direct effects: The direct effect is that all companies pay a more equitable amount based on size and income.

I certify to the best of my knowledge and belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this statement was prepared properly and is accurate.

Dated this 14 day of February, 2023.

A handwritten signature in blue ink, reading "Dawn Gibbons", is written over a horizontal line.

Dawn Gibbons, Chair
Nevada Transportation Authority