

Present: Lowman, F. Young, Prince and Valentine
Excused: Kean, Howard and Ashworth
Also Present: Grant Davis, Counsel

Chairman Lowman convened the meeting of the Transportation Committee with representatives of various taxi companies and the Authority present to testify on A.B. 151 at 10:50 a.m. in Room 240.

A.B. 151 - Increases rulemaking power of taxicab authority and provides for fines and increases in certain fees.

Joe Collett, Chairman of the Taxicab Authority of Clark County, discussed funding of the Authority. He said that the Governor recommended \$154,450 and the agency requested \$167,256 for the year 71-72. The Governor's General Fund appropriation is about \$83,000 and the balance would be from fees levied on the cabs and the drivers. He felt it would take \$167,000 to operate the agency. He then suggested ways to help fund the Authority. One is a trip charge and that would be shown on the meter drop. He felt basic fare should be changed from 50¢ to 55¢ per trip. The passengers would absorb the costs. Sufficient funds would be generated to operate the Authority and they would be able to reduce the medallion fee to \$5 per cab. He stated there were 275 taxicabs, and 3,700,000 trips were made per year. Collett demonstrated on a taxi meter how the trips were audited. Further, he said that 5% of the total amount should be returned to the cab companies for bookkeeping purposes. (See attached.)

A discussion then resulted between Valentine and Collett about percentage charges.

Collett said the Authority favored this proposal and felt it would be acceptable to the union and the industry. He advised that the alternative is a 2 1/2 percent assessment of all the gross monies generated by the industry. This would be a cost to the industry itself. The industry would probably then ask for rate increases. He suggested some minor changes to A.B. 151. On Page 2, lines 21-28, affect the funding; Page 2, lines 6-12, the administrator "shall" appoint should be changed to "may" appoint.

Lowman suggested that everything above b, c and d (lines 9-11) may be taken out. Valentine agreed. He suggested leaving a in and taking b and c out. Young said there was some restriction in a. Valentine said he would leave a and take everything else out.

Collett brought up about the matter that they may hire or appoint.

Valentine said to put "may" instead of "shall". He then referred to Page 2, line 18, "imposition of fines; and".

Collett stated that on Page 2, line 39, the deleting of NRS 706.8844

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to 706.8849, inclusive, is needed if repealing Page 3, line 14-16. He advised that controls are in the Authority in General Order 3. He questioned how much authority the investigators have in the authority. Further, he said there seems to be a question whether the companies or the drivers can legally be charged and found guilty by the same regulatory authority.

George Baxter, Senior Inspector for the Taxicab Authority, advised that in the present statute NRS 706 there is no provision giving the Authority police powers. NRS 706 gives the Public Service Commission police powers and the same wording could be used to give the Taxicab Authority police powers. He also stated that there should be a separation between the enforcement and administration of the Authority.

Lowman suggested making both the administrator and chief investigator responsible to the Authority.

Baxter said that his proposal was that the Authority be given the right to levy a fine against the certificate holder. He referred to Page 2, lines 17, 18 and 19.

Valentine said his objection would be taken care of if rules and regulations were adopted regarding a misdemeanor. His purpose was to separate the rules and regulations from the law. Otherwise, a person could be fined before the Authority and before a municipal court.

Lowman did not quite agree with this.

A discussion then took place regarding funding and also trip sheets.

Valentine read NRS 327.370.

Pat Carver, Yellow Cab, Las Vegas, and Charlie Freeise, representing Ace Cab and Union Cab, Las Vegas, stated that they supported the Taxicab Authority, Mr. Collett's proposal of the 5¢ trip charge as being the answer to the funding of the Authority.

Victor F. Whittlesea, operator of the Whittlesea Taxicab Company, stated that he had no problems with the Authority. However, he was against the Authority because it was a new concept to any state. He felt the authority should be in the Public Service Commission. He then discussed his views on administration, trip sheets, and pay for operators.

Leroy Henrikson, Secretary-Treasurer for Teamsters Local 881, felt that the Authority has done a tremendous job. He felt the \$5 for the medallion is justified for purposes that Mr. Collett mentioned. He stated they were in favor of the 5¢ on the meter.

A discussion then took place.

Collett stated that this past year they returned \$25,000 to the general fund. He said that they might need \$15,000 of it back to use as operating capital for the balance of this year. They hope to be able to keep excess monies available to them in the future so it might not lose them and be short in lean times. This way they would have funds for emergencies. He stated that the 5¢ additional charge would generate a surplus of about \$50,000 over and above present funds if it continues to come in at the present rate. Further, he said they would like no monies to revert to the general fund. When they build up sufficient surplus, they would regulate their charges and probably lower the 5¢. It would then be adjusted as necessary.

A discussion then took place regarding fines and penalties.

Collett stated that he hoped the Authority could someday be disbanded but did not see this happening in the near future.

Chairman Lowman advised that Ashworth and he would be a sub-committee to work out necessary amendments on this bill.

The meeting was adjourned at 12:37 p.m.

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	1969-70 Actual	1970-71 Work Program	-----1971-72-----			-----1972-73-----		
			Agency Request	Governor Recommends	Leg. Ap.	Agency Request	Governor Recommends	Leg. Ap.
Balance Forward	\$	\$ 10,125	\$ 10,312	\$ 10,312		\$ 24,431	\$ 37,237	
Bal. Forward EOY	10,125-	10,312-	24,431-	37,237-		32,699-	50,000-	
Regular Appropriation	56,584	62,399						
Class Salary Adjust	3,082	4,648						
Augmentation		9,238						
Taxicab Certificates	30,638	20,699	1,360	1,360		1,360	1,360	
Driver Permit's	16,409	1,375	3,875	3,875		3,875	3,875	
County Fund	34,000	31,750						
Transportation Tax			176,140	176,140		176,140	176,140	
Total Funds Available	130,588	129,922	167,256	154,450		173,107	168,612	
Total Salary-Payroll	82,709	109,642	140,411	130,609		144,997	134,783	
Total In-State Travel	6,104	7,954	9,866	8,690		11,171	9,235	
Total Operating Exp.	10,914	12,166	16,779	15,151		16,939	15,201	
Total Capital Outlay Eq.	5,699	160	200					
Total Agency Expenditures	105,426	129,922	167,256	154,450		173,107	159,219	
Agency Balance	25,162						9,393	

It is proposed that taxicab certificates and driver permits be reduced to \$5.00 and \$2.50 respectively. These will nearly be covered by license payments and have no significant bearing on our funding.

It is suggested that a transportation tax of .05¢ per trip be imposed on the cab riding public. This tax would be collected by the company and periodically paid to the Taxicab Authority for its support.

Based on an admittedly pessimistic economic prognostication of the taxicab industry in Clark County sufficient moneys will be generated to support this agency and create a surplus that would be necessary should, for any reason, the taxicab industry become idle for a prolonged period.

Funding the Taxicab Authority

For the purpose of funding the Taxicab Authority, it is suggested that:

A transportation tax be imposed on all certificate holders at the rate of .05¢ per trip.

The tax shall be collected by the certificate holder from the taxicab passenger insofar as it can be done.

The tax required to be collected by the certificate holder constitutes a debt and owed by the certificate holder to this State.

The taxes are due and payable to the Taxicab Authority monthly on or before the last day of the month next succeeding the month in which they were collected.

On or before the last day of the month following each month, a return for the preceeding month shall be filed with the Taxicab Authority in such form as the Taxicab Authority may prescribe.

The certificate holder shall deduct and withhold from the taxes otherwise due from him, 5 percent thereof to reimburse himself for the cost of collecting the tax.

The certificate holder shall deliver the returns together with a remittance of the amount of the tax due to the office of the Taxicab Authority.

A return and remittance not delivered to the office of the Taxicab Authority on or before the last day of the month in which it is due shall bear a penalty of 10 percent of the amount due.

The amount due, exclusive of penalties, shall bear interest at the rate of one-half percent per month, or fraction thereof, from the last day of the month following the month for which the amount, or any portion thereof, should have been returned until the date of payment.

All monies collected pursuant to this tax, shall be paid by the Taxicab Authority to the State Treasurer and are hereby appropriated for the purpose of defraying the costs of the Taxicab Authority.

The Taxicab Authority regulating fund account is hereby created as a continuing fund account in the State Treasury for the use of the Taxicab Authority.

No monies in such fund shall revert to the General Fund except to the extent that it exceeds \$50,000 at the close of the state fiscal year.

N. R. S. 706.8826 is hereby amended to read as follows:

On or after January 1, 1972, any certificate holder who is subject to an allocation order of the Taxicab Authority shall pay to the Taxicab Authority (\$75.00) \$5.00 per year for each taxicab that the Taxicab Authority has allocated to the certificate holder. The funds so received by the Taxicab Authority shall be paid to the State Treasurer and are hereby appropriated for the purpose of defraying the costs of regulating taxicabs in the county in which the certificate holder operates a taxicab business.

N. R. S. 706.8841 is hereby amended to read as follows:

A taxicab driver shall pay to the Administrator, in advance, the sum of (\$12.50 for an original driver's permit and \$2.50 for a renewal) \$2.50 for an annual driver's permit. The funds so received by the Administrator shall be paid to the State Treasurer and are hereby appropriated to be used for the purpose of defraying the costs of regulating the taxicab industry in the State of Nevada.

ASSEMBLY

AGENDA FOR COMMITTEE ON TRANSPORTATION

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Date MAR. 5, 1971 Time 10:00 a.m. Room 240

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A.B. 518

REVISES PROVISIONS PERTAINING TO
ADMINISTRATION OF MOTOR VEHICLE LAWS.

A.B. 549

PERMITS OPERATION OF UNREGISTERED
VEHICLE UPON HIGHWAY FOR DEMONSTRATION
PURPOSES ONLY.

SUPERSEDES PREVIOUS AGENDA FOR 3/5/71.

CANCELED

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

Date _____ Time _____ Room _____
Subject _____