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BEFORE THE STATE OF NEVADA TAXICAB AUTHORITY

**HEARING FOR THE ADOPTION OF SAFETY PROGRAM
REGULATION - LCB File No. R034-06**

September 07, 2006

The State of Nevada Taxicab Authority held an Adoption Hearing for LCB File No. R034-06 – Safety Program - on September 7th, 2006 scheduled to begin at 9:30 a.m. at the Taxicab Authority, 1785 East Sahara Avenue, Suite 200, Las Vegas, Nevada 89104. The Adoption Hearing began at 9:30 a.m.

Board Members Present: Kathryn Werner, Chairman. Horacio Lopez, Vice Chairman, Carolyn Sparks, Member, Dr. Edward E. Goldman, Member, and John R. Plunkett, III, Member. Others present: Administrator Richard Land, Legal Counsel, Senior Deputy Attorney General Christine Guerci and Barbara Webb, Legal Secretary III.

Chairman Werner opened the hearing by asking Administrator Land if the Taxicab Authority was in Compliance with Open Meeting Law he advised the Board that the Notice for this hearing was duly posted at the time and places as prescribed by law.

Chairman Werner proceeded by reading regulation LCB File No. R034-06 to clarify the changes that were made by LCB, a copy of which is available at the Taxicab Authority Office.

Senior Deputy Attorney General Christine Guerci commented that the July 1, 2006 effective date would have to be changed.

Administrator Land commented that staff feels that this has been going on for some time, LCB has rewritten it and except for the effective date change, he doesn't have a problem with it as it is.

George Balaban of Desert Cab had the following concerns: 1) Section 2, #2 "effective if the number of crimes involving his taxicabs during a calendar year is not *substantially* greater than the industry average....." - he questions what does "substantially" mean. 2) what safety devices are established – he questioned if a cab has multiple safety devices and one is not operating properly, but the others are, will the TA take the cab off the road. He doesn't feel it would be fair, but he's not sure how to handle that situation. Although he has cameras in all his cabs, he is thinking of eventually putting a GPS system in the cabs as well.

Member Plunkett stated that he agrees with the word "substantial". He stated that the companies should have faith in the Board to know what to do under what circumstances. He said that if there are



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multiple safety devices in the cab and one is not working, a warning will be given. The cab will not be taken off the road.

George Balaban commented that the regulation does not list all the safety devices and when one is not functioning, it can be 24 hours to a week before the cab can be back on the road.

Chairman Werner stated if the cab has multiple devices it should be able to be on the road without any problem.

Member Goldman commented that the regulation only addresses one safety device so if the company chooses to put multiple devices in their cabs there won't be a problem.

George Balaban stated that he was comfortable with that.

Member Sparks commented that the regulation says a notice will be given, therefore, if there are multiple devices, there should be no concerns and the certificate holders will be covered.

George Balaban stated that he foresees in the case of a robbery and the camera isn't working, he's afraid the cab will be red lined. If the TA is reasonable about that, he sees no problem.

Member Sparks said that the TA doesn't want to take cabs off the road and that should not be a concern.

Vice Chair Lopez commented that the first year is a trial run and he feels that common sense will prevail.

George Balaban said he is okay with the situation as long as cabs are not pulled off the road.

Neil Tomlinson, Attorney for Frias Companies. He said he had some issues also. 1) The chance of a civil liability where a lawyer will use the regulation against the certificate holder. He questioned if one of the devices is not working, will there be a legal problem. 2) How would you be able to determine the crime statistics? He feels that Las Vegas should be compared to other cities nationwide, not just locally. He referred to Section 4 – crime statistics – he questioned would it be the local industry or the nationwide industry and how do you calculate nationally? 3) Section 5, sub 2 – Number of crimes reported. What is the industry average; what is being compared – locally or nationwide. He's not clear if it is deemed ineffective and a revised safety program should be submitted. Can the regulation be changed and can it be resubmitted and not have another hearing. He feels the regulation is good and he stated that Frias Companies will support it.

Chair Werner said it is understandable that he questions certain aspects of the regulation because he wasn't involved in the previous meetings and hearings that talked about the regulation. She thought the statistics were local industry and local averages. She feels that because Las Vegas is unique, it cannot be compared to other cities nationwide. She said that the language is vague and if a certificate holder has a problem they can come before the Board and address their concerns.

Member Goldman agreed with the Chair with regard to comparing the statistics only locally. Atty. Tomlinson argued that the regulation is setting up companies to fail every year.

Member Sparks says she disagrees because each company has the option to have multiple devices. With regard to any litigation against the company, as long as there's protection there should not be a problem. If a company prefers not to have any safety devices, then they would be liable. The



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regulation gives the companies a choice. She feels that the companies that install multiple devices are taking advantage of the regulation.

Vice Chair Lopez commented that if within a 12-month period the regulation isn't working, it can be modified.

Member Sparks asked if "local industry" should be included in the regulation.

Senior Deputy Attorney General Guerci stated that this is LCB's language and that's what they are comfortable with.

Bill Shranko of YCS commented that this has been going on for 12 years since it was first introduced. The more testing that was done, the more knowledge they were able to receive. He is happy the regulation is flexible. He thought that safes and shields were not included. He said that, per the regulation, "Safety equipment" meant mechanical or electronic. He said the two options would be GPS and cameras and he doesn't feel the GPS is as good. He feels there should be a time restriction on the regulation and the Board should make installation a year or 9 months after adoption of the final draft, as some companies don't have cameras yet. Three of the companies that already have cameras are already talking about modifications. He would like a 2-year testing time. He feels the Board needs to take several things into consideration which is why he feels there should be a 9-12 month installation time given.

Chair Werner stated that the Board decided not to go with just cameras and drafted the regulation to allow a variety of safety methods and to keep track of how effective they were through the crime statistics.

Bill Shranko commented about the regulation stating "help in solving a crime".

Chair Werner read from the regulation – Section 8, subsection 6 concerning the definition of "safety equipment".

Bill Shranko questioned how a bullet proof shield or a safe help in the apprehension of a criminal.

Chair Werner asked if the regulation said "or". Member Goldman said he made the motion with "and".

Ms. Guerci stated that LCB changed the "or" so certificate holders can choose the type of equipment they want. It will be the certificate holders' job to prove it helps in the apprehension of a criminal.

Bill Shranko and Member Goldman agreed that the motion was for "and" and Bill thought the only options were cameras or GPS systems. He said he would appreciate a fair installation time.

Ms. Guerci said that if the regulation is adopted today, it still has to go in front of the Legislative Commission and if they approve it, it can be effective the next day. They it would come before the Board regarding the requirements and installation time. Administrator Land would have to come up with a form for companies to report their crime statistics on. After all was agreed upon and after the determination of an effective date, implementation would take place which would be the regulation.

Chair Werner said she did not want anything to put this off any longer which is why they changed "and" to "or".



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Ms. Guerci stated that LCB would not have approved the Regulation if the “and” was not changed to “or” because they felt that the Board was dictating the type of equipment that was to be used. Bill Shranko stated that now shields can be installed and Ms. Guerci said the regulation is a safety plan and shields would have to meet the regulation.

Ruthie Jones of ITPEU feels the regulation is a waste of time, citing Section 8, Sub 6. She feels the regulation is giving one the option to install a safety device or not to do so.

Chair Werner commented that the companies are given the options of safety equipment – cited Section 3 on page 2. Ms. Jones commented that the companies can put in anything they want and Ms. Werner answered yes as long as it meets the regulation and their stats show the equipment is helping prevent crime. Ms. Jones asked if the TA will follow up to see if the equipment has been fixed, per Section 9, Sub 10. Ms. Werner answered by referring to Section 7, Sub 2. Ms. Jones asked who submits the notice to the TA and Cheryl Knapp said the drivers submits it to the company and if it's repaired in a timely manner it is not reported to the TA.

Rich Frakes of Lucky Cab commended the Vehicle Inspectors on their inspection of cabs quarterly. Ms. Knapp commented that if the TA receives a complaint about a cab, they call the company and it is taken care of.

Ms. Jones commended the companies that have already installed cameras in their cabs and stated that 7 companies still are without cameras.

Ms. Werner stated that she agrees with Ms. Jones' comments, but the way the regulation read previously, LCB would not approve it. Therefore, it is better to have a regulation with some type of safety equipment requirements rather than no requirements at all. She said the Board's hands are also tied.

Ms. Sparks commented that she hopes the companies without anything will install some type of safety equipment as something is better than nothing.

Ms. Werner said the companies are getting a reduction in their insurance rates due to camera installation. Bill Shranko stated that there hasn't been a death in the industry for a while even with companies without cameras because of the cameras impact on the industry. He feels with the flexibility the companies will have, it should be workable.

Ms. Jones feels that safes put the drivers in harms way and is happy that the companies that ITPEU represent have cameras. Ms. Werner commented that the stats will bear that out eventually.

Ms. Sparks said that hopefully with the cameras drivers will know they are under scrutiny and a better quality of driver will apply.

Ms. Jones stated that the drivers asked her to tell the Board that with regard to long hauling not all drivers take advantage of the public and that they are not all bad guys.

Ms. Werner said that the media does that and that the Board knows better.

Ms. Guerci said that if the Board passes the regulation today, she will present it to LCB and hopefully it will be put on their September 18th Agenda. If it is, it will be effective September 19th. The regulation will then be put on the October 24th Agenda for adoption. If it doesn't go on their agenda until October, then it will be on the November Agenda.



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Administrator Land commented that, with regard to what companies have cameras and how many, Lucky, Whittlesea Blue and Yellow/Checker/Star have 100% of their cabs with cameras. He told everyone that he had met with Mr. Frias in March a couple of times and he made a commitment to install the cameras and GPS within 10 days and to date, they have not installed either. Atty. Tomlinson said they were in the process of installing GPS and cameras in all their cabs. Kenny Rodriguez said that the company they were dealing with was a problem, not they are installing drive cams and they would be installed within 60 days. They will be available in 2 weeks and they are installing 100 at a time. The cameras are wireless, hopefully they will work well which is why Bill Shranko mentioned the timeline.

Member Goldman commented that #6 and "likely" to be added. He asked what is "device" per LCB. He has an issue with "and" and "or", but wants to know what "likely" means.

Ms. Guerci commented that "likely" can be changed to "will" on page 5. She thinks "likely" was our language. LCB did not like "and".

Member Goldman motioned to adopt the proposed regulation with page 5, section 8, sub 6 changing "likely" to "will" and date to be determined as opposed to 07/01/06. Member Sparks seconded and it was passed unanimously.

The Hearing adjourned at 10:37 AM with Chair Werner motioning and Member Goldman seconded the motion and it was passed unanimously.

Respectfully submitted by:

Approved by:

Barbara A. Webb
Recording Secretary

Date

Kathryn Werner
Chairman

Date

