

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Rule and Regulation No. 206
Public Service Commission, on)
its own motion, seeking to) ORDER OPENING DOCKET,
amend Title 291, Chapter 3,) RELEASING PROPOSED RULES AND
Motor Carrier Rules and) SEEKING COMMENT
Regulations, to adopt rules in)
accordance with Nebraska)
Legislative Bill 461 [2020].) Entered: March 16, 2021

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

The Nebraska Public Service Commission ("Commission"), on its own motion, hereby opens the above-captioned docket to amend provisions of the Commission's rules and regulations Chapter 3, motor carriers, in accordance with Nebraska Legislative Bill 461, passed in 2020 by the Nebraska Legislature.

LB 461 amended the statutes related to the Commission's regulation of common and contract for-hire motor carriers that transport household goods and employees of railroad carriers operating within the state. Under the new statutes, these carriers will now operate under the newly created category of licensees instead of common or contract carriers. Railroad employee carriers transitioned as of January 1, 2021 and household goods movers will transition on July 1, 2021. The proposed changes update language in Chapter 3 to add references to licensees or eliminate certain references to household goods movers or railroad employee carriers. The proposed rules also create new rules for licensees based upon the language of Neb. Rev. Stat. §§ 75-304.3 and 75-304.4.

The Commission therefore opens this rulemaking and releases the first set of proposed rules set forth in Appendix A for comment. The Commission will determine the next steps after reviewing the comments received.

Interested parties may file written comments with the Commission on or before **3:00 p.m. on Friday, April 16, 2021**. Parties filing comments should file one (1) original and five (5) paper copies and one (1) electronic copy in Word format emailed to john.monroe@nebraska.gov and psc.motorfilings@nebraska.gov.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 2

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned rulemaking amending Title 291, Chapter 3, Motor Carrier rules and regulations, to adopt rules in accordance with Legislative Bill 461 passed in 2020 by the Nebraska Legislature be, and is hereby, opened and the first set of proposed rules are released for comment.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 16th day of March, 2021.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Rod Johnson
Crystal Swader
Mary Kadden
Tim Schram

Don Watson

Chair

ATTEST:

Michael S. Hyatt

Executive Director

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 3

Appendix A

001 GENERAL:

001.01 Definitions: The definitions found in Neb. Rev. Stat. §75-302 (Cum. Supp. 2000) apply to these rules. In addition to those definitions, the following apply to this chapter, unless the context otherwise requires:

001.01A Commission: The Nebraska Public Service Commission.

001.01B Driver: Any person who operates a motor vehicle.

001.01C Limousine: A vehicle used to provide limousine service.

001.01D NPSC Plate: A license plate which is issued by the Commission to holders of Commission authority.

001.01E On Demand: Service requested by street hail; offered at a cab stand, airport feeder lines, bus stations, or similar staging area; personal summoning by a passenger; or personal solicitation by a driver of the vehicle or an employee, contractor, or agent of the carrier;

001.01F Prearranged: Service requested and arranged in advance of the time that the service is to be performed. Nothing in this definition will be construed to allow on demand services. This definition will not replace the definition of prearranged in § 012.02(I) of the rules pertaining to Transportation Network Companies;

001.01G Premium Fare: A rate based on an hourly rental of not less than one (1) hour at a scheduled rate which will be set, and periodically reviewed, by the Commission and which will include a minimum rental of not less than one hour. A mileage charge may be assessed for the transportation of the vehicle only for such time before and after the transportation is provided and only in addition to the minimum hourly charged as provided by this definition.

001.02 Matter to Be Set For Hearing: All matters that require a hearing will be set for hearing at the earliest practicable date and in no event, except for good cause shown, will the time fixed for hearing be more than six (6) months after the date of the filing of the petition. Any application that is not set for hearing as set forth above will be dismissed.

001.03 Requirements for an Effective Common or Contract Carrier Authority:

001.03A The following requirements must be fulfilled no later

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 4

than forty-five (45) days following the date an authority is granted by the Commission:

001.03A1 Filing of proposed rates ~~or subscribing to the Household Goods Mover Tariff;~~

001.03A2 Filing of Commission required insurance documents; and

001.03A3 Payment of Annual Fees

001.03B An authority issued by the Commission is not effective until the requirements of subsection 001.03A have been fulfilled.

001.03C If after forty-five (45) days an applicant has not fulfilled the requirements of subsection 001.03A above, the Commission's grant of authority will be considered null and void.

002 OPERATIONS RULES:

002.01 Unauthorized Operations: Unless specifically exempted by statute, a regulated motor common or contract carrier of passengers ~~or household goods~~, a licensed carrier of household goods, or a licensed carrier transporting employees of a railroad carrier will not operate any motor vehicle on any public highway in this state except in accordance with state law and these rules. A motor carrier transporting household goods or employees of a railroad carrier will not operate upon any public highway without first having obtained from the Commission a license and will not operate except in compliance with the terms and conditions and restrictions of the license. A regulated motor common or contract carrier of ~~household goods or passengers~~ will not operate upon any public highway without first having obtained from the Commission a certificate or permit of authority and will not operate except in compliance with the terms and conditions and restrictions of the authority or permit. A licensed carrier or regulated motor common or contract carrier does not avoid the jurisdiction of the Commission by engaging in a lease. No carrier, without first obtaining written Commission approval, will:

002.01A Fail to operate over its entire certificated route.

002.01B Discontinue in any part service authorized.

002.01C Serve any part of its certificated route by interline agreement with another carrier.

002.01D Fail to confine its operations to those authorized under its license, certificate, or permit.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 5

002.02 Rates: Each regulated motor carrier will charge and collect rates, ~~issue and deliver freight bills, and obtain receipts showing delivery of shipments carried,~~ as prescribed by the Commission in its effective Motor Vehicle ~~Tariffs,~~ schedule of charges, and supplements.

002.03 Deviations from Routes: A carrier which has received authority from the Commission to operate only along a designated route may not deviate from their authorized route unless such route has been redesignated, relocated or temporarily closed, when such route has been obstructed by any natural or other cause over which the regulated motor carrier has no control, or when a detour has been designated by the Department of Roads, law enforcement, or an authorized agency of a political subdivision of the state.

002.04 Schedules: Schedules containing the actual rates or charges of such regulated motor carrier for the transportation of passengers ~~or household goods~~ in intra-state commerce will be filed with and approved by the Commission, published and kept open for public inspection. In the event that such rates are changed after a permit is issued, the carrier will file a new schedule with the Commission ten (10) days before the effective date of such rates or charges.

003 CLASSIFICATIONS: Pursuant to Neb. Rev. Stat. §75-304 ~~(Reissue 1996)~~, the Commission determines that the following classifications of motor carriers are necessary or desirable in the public interest. All certificates and permits issued by the Commission will be construed and interpreted, and the operations authorized will be tested and determined in accordance with these classifications.

003.01 Service Classifications: Every applicant for common or contract transportation will designate the type of transportation service requested from the classifications found in this section and will further designate whether (1) such service as requested will be provided as a common carrier or as a contract carrier and, if a contract carrier, the persons or entities contracted with; (2) the service, if granted, will be provided over (a) a regular route which route shall be described in the application or (b) an irregular route which territory the applicant seeks to provide transportation which will be described, and (3) any other restrictions will be applicable. An applicant who desires to ~~transport household goods, employees of railroad carriers, railroad train crews and their baggage~~ or clients of the Nebraska State Department of Health and Human Services or any contractors of the Department will make specific application for such authority.

003.01A Bus service consists of the following elements: (1) the business of carrying passengers and their baggage (2) by bus or van (3) either by charter or regular route (4) either prearranged or scheduled service (5) at a fare approved and on file with the Commission. Bus service may be hired on a charter or special party basis.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 6

003.01A1 Scheduled service means service by any regulated motor carrier who undertakes to transport passengers and their baggage in intrastate commerce by motor vehicle for compensation between fixed termini and over a specific highway or highways upon an established or fixed schedule.

003.01A2 Charter service means transportation of groups of seven or more persons who collectively contract for transportation on a particular trip paying one lump sum.

003.01A3 Special party service means the transportation of a group or groups of one or more persons who individually contract for transportation to a common destination with each person paying an individual sum.

~~003.01B Household goods moving service consists of all of the following elements: (1) the business of carrying personal effects and property used, or to be used, in a dwelling when the transportation of such effects or property is (2) arranged and paid for (3) by any party and (4) includes transportation of property from a factory, manufacturer, or store when the property is purchased with the intent to use such property in a dwelling.~~

003.01C Limousine service consists of all of the following elements: (1) the business of carrying passengers for hire by a vehicle (2) along a route under the control of the person who hired the vehicle and not over a defined regular route (3) on prearranged and not on a demand basis (4) at a premium fare.

003.01D Open class service consists of all of the following elements: (1) the business of carrying passengers for hire by a vehicle (2) along the most direct route between the points of origin and destination or along a route under the control of the person who hired the vehicle and not over a defined regular route (3) on a prearranged and not on a demand basis (4) at a mileage based, per trip fare, or an hourly rate.

003.01E1 In calculating charges for transportation, a carrier charging a mileage based fare may use only the actual loaded mileage traveled by the vehicle to transport such passengers. Mileage based charges may not be augmented or enhanced through any calculation that does not reflect actual mileage traveled.

003.01F Taxicab service consists of all of the following elements: (1) the business of carrying passengers for hire by a vehicle, subject to the provisions of Rule 010.02 (2) along the most direct route between the points of origin and destination or a route under the control of the person who hired the vehicle

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 7

and not over a defined regular route (3) on a prearranged or demand basis (4) at a metered mileage based or per trip fare according to the provisions of Rule 010.02H (5) commencing within and/or restricted to a defined geographic area.

003.02 Restrictions: In addition to the other applicable Motor Carrier Rules in this chapter, the following provisions apply to all classes of service unless otherwise specifically provided in these rules:

003.02A The Commission, based on the record before it in an application proceeding, restrict the transportation of passengers by type of vehicle, geographic territory, commencement point or termination point, or any other lawful factor which the Commission may determine is necessary or reasonable and in the public interest. Covenants not to compete or similar agreements that restrict the proposed service or the geographic territory of a proposed service that the Commission finds are not in the public interest will not be considered lawful and will not be approved in an application proceeding.

003.02B No carrier will transport ~~railroad crews or their baggage~~ household goods or employees of railroad carriers absent a special designation being granted a license from the Commission. ~~giving such carrier the authority to transport such crews and their baggage.~~

003.02C No carrier will transport passengers under contract with the Nebraska Department of Health and Human Services or any subcontractors of the Department of Health and Human Services absent specific authorization from the Commission. In order to receive such authorization, the applying carrier must demonstrate that such authorization is or will be required by the present or future convenience and necessity separate and apart from the present or future convenience and necessity demonstrated on the underlying certificate of authority. Authorization to transport HHS clientele will not be available or granted to carriers that only have limousine service authority.

003.03 Classifications for Purposes of Required Insurance: The following classifications are established for the purpose of determining insurance requirements for vehicles operated under authority from the Commission. Operators of motor vehicles are required to carry the minimum levels of financial responsibility as prescribed. Operators will also comply with all applicable insurance regulations as found in Rule 006 of this chapter.

003.03A ~~Regulated~~ Licensed carriers of household goods are required to carry liability insurance of not less than seven hundred and fifty thousand dollars (\$750,000.00) plus cargo insurance of not less than five thousand dollars (\$5,000.00) of coverage.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 8

| 003.03B Regulated or Licensed Carriers of passengers in vehicles with a rated seating capacity of sixteen (16) passengers or more as originally manufactured or as currently modified are required to carry liability insurance of not less than five million dollars (\$5,000,000.00) of coverage.

| 003.03C Regulated or Licensed Carriers of passengers in vehicles with a rated seating capacity of fifteen (15) passengers or less are required to carry liability insurance of not less than one million, five hundred thousand dollars (\$1,500,000.00) of coverage.

003.03D Regulated motor carrier of passengers by taxicab are required to carry liability insurance of not less than five hundred thousand dollars (\$500,000.00) of coverage.

004 FEES AND IDENTIFICATION:

004.01 Application Fee: An application fee approved annually by the Commission will be payable by the applicant at the time of filing an application. This application fee will not apply to any person who contracts for transportation services with the Nebraska Department of Health and Human Services or any agency organized under the Nebraska Community Aging Services Act who is not required to hold a certificate from the Commission pursuant to the provisions of Neb. Rev. Stat. sections 75-303.01 and 75-303.02 (Cum. Supp. 2000).

004.02 Annual Fees: An annual fee approved annually by the Commission will be remitted for each motor vehicle operated by each regulated motor carrier. A fee approved annually by the Commission will be remitted by each regulated motor carrier for each truck-trailer or tractor-trailer combination operated. Such annual fees are due and payable by every regulated motor carrier on the first day of January of each year, and is delinquent on the first day of March of that year. If the initial certificate or permit is issued to a motor carrier on or after July 1, the fee will be fifty percent of the annual fee.

| 004.03 Identification Cards: The following provisions concerning identification cards apply to all regulated motor carriers:

004.03A Issuance: The Commission will issue annually, without additional charge, an identification card for each motor vehicle, upon payment of an annual fee, and upon compliance with all statutory requirements and rules and regulations of the Commission. The card will contain the certificate or permit number issued by the Commission, the name and address of the holder, and other information as the Commission may require. Upon replacement or addition of any vehicle, a new identification card will be obtained by the regulated motor carrier by application to the Commission and the previously issued identification card will be surrendered to the Commission.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 9

004.03B Display: No motor vehicle subject to Commission jurisdiction will be operated without an identification card, protected from defacement, in the driver's cab.

004.04 PSC Plates: The following provisions concerning PSC plates will apply to all regulated motor carriers:

004.04A Issuance: The Commission will issue PSC plates to motor carriers who have complied with all statutory requirements and rules and regulations of the Commission, and who have completed and filed a copy of the forms furnished by the Commission to provide a detailed description for each unit for which a PSC plate is required.

004.04B Display: No vehicle will be operated without the secure attachment of its PSC plate in the following manner:

004.04B1 On passenger carrying units, at the front or rear of the vehicle, and easily legible from the front or rear.

004.04B2 On power units on any portion of the front part, preferably to the regular vehicle license so as to be easily read from the front.

004.04B3 On straight trucks and vehicles with no more than two axles on either the front or rear so as to be easily legible.

004.04C Transfer: A transferee or lessee of a certificate or permit may use the PSC plates of the transferor or lessor for the remainder of the calendar year, without payment of an additional fee for use of the plates, upon approval in writing by the Commission after the transferee or lessee has applied to the Commission for the approval, and has given the Commission a full, written description of the equipment or vehicle to which the PSC plates are to be transferred and any other relevant information requested by the Commission. The plates will be used only on the specific equipment or vehicle to which they are assigned.

004.04D Loss: If a plate is lost or destroyed, such loss or destruction will be reported to the Commission within forty-eight (48) hours after the discovery of such loss or destruction. A substitute plate may be obtained upon making request for such plate, upon filing an affidavit with the Commission setting forth the time, place and circumstances surrounding the loss or destruction, and upon payment of a fee approved annually by the Commission.

004.04E Return of Plates: Upon suspension, cancellation, or revocation of a certificate or permit, or upon sale, transfer, or other disposition of equipment or vehicles to which a PSC

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 10

plate has been assigned, the plates will be returned to the Commission within ten days, except if such plate has been transferred to a transferee or lessee in accordance with these rules.

004.05 Door Displays: The following provisions concerning door displays will apply to all licensed and regulated motor carriers except to those carriers providing limousine service.

004.05A Contents: The name, or trade name, of the carrier under whose authority the vehicle is being operated, and the Commission application number assigned to the operating authority, excluding supplement numbers, will be displayed on both doors or sides of each powered vehicle. If the name of any person other than the operating carrier appears on a vehicle, the name of the operating carrier will be followed by the information required in this section and be preceded by the words "operated by". Additional identification may be displayed if it is consistent with the above requirements.

004.05B Size and Color: Each door display will be legible at all times. The application number will be readily legible, during daylight hours, from a distance of 50 feet (15.24 meters) while the vehicle is stationary. The color scheme of the display will be in distinct contrast to the background color of the vehicle.

004.05C Removal: Any numeral or letter painted on equipment in accordance with this section will be removed by the carrier when possession or ownership changes, or when a different carrier operates such equipment.

005 SAFETY REGULATIONS:

005.01 Minimum Qualifications: Each person driving a motor vehicle subject to the Commission jurisdiction will possess the following minimum qualifications:

005.01A Sound physical and mental condition with no mental, nervous, organic, or functional disease or structural defect or limitation likely to interfere with safe driving.

005.01B Adequate sight which includes vision with visual acuity of at least 20/40 (Snellen) in each eye either without corrective lenses, or visual acuity separately corrected to 20/40 (Snellen) or better with corrective lenses, distant binocular acuity of at least 20/40 (Snellen) in both eyes with or without corrective lenses, field of vision of at least 70 degrees in the horizontal meridian in each eye, and the ability to recognize the colors of traffic signals and devices showing standard red, green and amber. Persons who require corrective lenses to meet the minimum sight requirement must wear such lenses while operating the motor vehicle.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 11

005.01C Adequate hearing which includes hearing of not less than 10/20 in the better ear for conversational tone without a hearing aid.

005.01D Freedom from the use of narcotics or illegal drugs.

005.01D1 Pre-employment drug and alcohol testing will be required of all drivers transporting railroad personnel. The testing will be done for alcohol and controlled substances as provided by 49 CFR Parts 40 and 382 as such regulations existed on January 1, 2013.

005.01D2 A driver will be qualified to drive if the alcohol test results indicate an alcohol concentration of zero (0) and the controlled substance test results indicate a verified negative result.

005.01D3 A driver will be disqualified to drive if the alcohol and controlled substance test results are not in compliance with 49 CFR Parts 40 and 383; or if the driver refuses to provide a specimen for testing; or if the driver submits an adulterated, diluted or substituted sample for the tests to be performed.

005.01E Eighteen 18 years of age.

005.01F Possession of a valid operator's license appropriate for the vehicle being operated.

005.01G Ability to read, speak and understand the English language.

| 005.02 Medical Certificate: Each motor carrier will have on file a certificate of physical examination signed by a licensed physician or a licensed physician assistant for every driver in its employment, attesting that the physician or licensed physician assistant has examined the driver to meet the requirements in 005.01. Such certification will be renewed no less than every two years. Physical certificates obtained pursuant to federal regulations will meet the requirements of this section.

005.03 Background Check: Each operator of a motor vehicle subject to the Commission's jurisdiction will be subject to a criminal background check submitted to the Commission.

005.04 Impaired Alertness: No person will operate a motor vehicle while such operator's alertness is impaired by fatigue, illness, or other causes.

005.05 Hours of Service: No motor carrier will permit or require any driver employed by such motor carrier to drive nor will any such driver drive (1) more than twelve (12) hours following eight (8) consecutive

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 12

hours off duty or (2) for any period after having been on duty sixteen (16) hours following eight (8) consecutive hours off duty.

005.06 A logbook, (Form MCS-59), as required by the United States Department of Transportation in Section 395.8 of the Federal Motor Carrier Safety Regulations, will be maintained by each driver traveling more than one hundred (100) air road miles from the garage or terminus at which such driver reports for work.

005.07 Filing: The original copy of each day's logbook sheet for each over-the-road driver will be kept on record at the home office or base of operations of each motor carrier in the State of Nebraska for not less than one year. The copies will be filed according to the date of the logbook sheet. All filings will be available for examination by the Commission.

005.08 Inspection of Vehicles: The Commission may at any time, but at least annually, inspect or cause to be inspected any vehicle subject to its jurisdiction. The inspections may be conducted at any place except that inspections of passenger carrying vehicles will not impede or delay the schedule upon which the vehicle is operating. The Commission may at any time enter the operating premises of the carrier or into such vehicles as may be operated by the carrier to ascertain whether any statute, rule, or regulation has been violated.

005.09 Minor Defects in Equipment: Minor defects in equipment that are not likely to endanger life or property may be corrected by maintenance staff of the carrier. When the defects have been corrected, the carrier, or its agent, will notify the Commission that corrections have been made.

005.10 Major Defects: If the Commission finds that a motor vehicle under its jurisdiction is unsafe or poses a significant risk to public safety, it may order the carrier to take the vehicle out of service and marked as out of service until repairs have been made and the vehicle had been re-inspected by Commission personnel.

005.11 Appeal By Carrier: A carrier, when notified by the Commission that a motor vehicle has been declared and marked "Out Of Service" under the provisions of subsection 005.10 may, before the close of the first business day following the date of such notice, appeal by sending notice, by facsimile or in person to the Commission. Upon receipt of such appeal notice, the Director of the Transportation Department of the Commission will arrange for the assignment of an inspector to re-inspect or cause to have re-inspected such vehicle within twenty-four (24) hours from date of receipt of the appeal which will include only those normal hours of operation for the Commission. If upon re-inspection, the motor vehicle is found in safe condition and to pose no significant risk to public safety, the Commission will notify the carrier by telephone or facsimile that the vehicle is no longer out of service and that the motor vehicle may be put into service without further delay. If, upon re-inspection, the vehicle is found to be in an unsafe condition or that the vehicle still poses a significant risk to public safety, the

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 13

Commission will notify the carrier who owns and operates the vehicle that the appeal of the finding placing the vehicle out of service is dismissed. The vehicle may not be placed back into service until the necessary repairs have been made and an inspection finds that the vehicle is no longer unsafe or poses a significant risk to public safety and the Commission certifies in writing that the vehicle can be placed back into service.

006 INSURANCE COVERAGE:

006.01 Minimum Amounts of Coverage: Unless otherwise provided in a license, certificate of public convenience and necessity, or permit issued by the Commission, each motor carrier will have liability coverage at any time for any one accident, by insurance, surety bond, self insurance, or a combination thereof, in the minimum as required by Rule 003.03.

006.02 In addition to the requirements for minimum insurance as provided in Rule 003.03, all carriers of passengers will also carry uninsured and underinsured motorist coverage with a minimum limit of one hundred thousand (\$100,000) per person, three hundred (\$300,000) aggregate per accident coverage.

006.03 All motor carrier insurance required to be filed with the Commission will be continuous in nature, subject to cancellation by the insurer or the insured within thirty (30) days written notice to the Commission. Insurance for a specified term (e.g. six months or one year) will not be acceptable to meet the motor carrier insurance requirements of these Rules.

006.04 Proof of adequate coverage by insurance or bond will be made by filing a uniform motor carrier insurance filing or a uniform motor carrier surety bond filing in lieu of the policy of insurance or surety bond. Such filing may be made electronically in a manner designated by the Director of Transportation of the Commission. Upon receipt by the Commission of a paper filing, which will be in triplicate, one copy will be returned to the home office of the insurance or surety company, one copy will be forwarded to the insured, and the original will be retained by the Commission.

006.05 Types of Filings: Insurance filings will be made on the following designated forms unless the Director of Transportation will specifically authorize another type of filing:

006.05A All liability insurance filings will be either Form E, entitled: Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance.

006.05B All liability surety bond filings will be Form G, entitled: Uniform Motor Carrier Bodily Injury and Property Damage Liability Surety Bond.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 14

006.05C All cargo insurance filings will be Form H, entitled: Uniform Motor Carrier Cargo Certificate of Insurance.

006.05D All cargo surety bond filings will be Form J, entitled: Uniform Motor Carrier Cargo Surety Bond.

006.05E All insurance cancellation filings will be Form K, entitled: Uniform Notice of Cancellation of Motor Carrier Insurance Policies.

006.05F All surety bond cancellations filings will be Form L, entitled: Uniform Notice of Cancellation of Motor Carrier Surety Bonds.

006.06 Each insurance policy or bond will be written in the full and correct name of the individual, partnership, corporation, limited liability company or other person as shown on the insured's certificate or permit. All partners in a partnership will be named in the policy or bond.

006.07 Motor carrier insurance required under these rules will provide:

006.07A The liability of the insurance company will extend only to the insured named in the policy and its employees or lessees notwithstanding any clause in the policy providing for additional insured.

006.07B The liability of the insurance company will not be affected by any provision in the policy or the endorsement thereon or violation thereof by the insured, or by the financial condition of the insured.

006.07C The insurance company will be liable whether the loss, damage, injury or death occurs on the route or in the territory authorized to be served by the insured or elsewhere in the state.

006.07D The insurance company will be liable within the limits of liability as set out in section 003.03 and its subsections of these rules, regardless of whether the motor vehicles or termini, warehouses or other facilities used in connection with the transportation of the cargo are specifically described in the policy or not.

006.07E The insurance company will pay, within the limits of liability set out in section 003.03 and its subsections of these rules, any final judgment recovered against the insured for bodily injury to, or death of, any person, except employees of insured while engaged in the course of their employment, or loss or damage to property of others, except property leased or rented by the insured, which results from negligent operation, maintenance, or use of motor vehicles under the certificates of

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 15

public convenience and necessity, or permit issued to the insured by the Commission.

006.07F The liability of the insurance company on each vehicle will be a continuing one notwithstanding any recovery under the schedule of limits set out in section 006.05.

006.07G No provision contained in the policy or endorsement thereon, or violation thereof by the insured, will affect in any way the right of any shipper or consignee to relieve the insurance company from liability for the payment of any claim for which the insured may be held legally liable to compensate shippers or consignees, irrespective of the financial condition of the insured.

006.08 Each policy of insurance or surety bond issued pursuant to these regulations will be endorsed by authorized personnel of such company.

006.09 Policies of insurance, surety bonds, and the certificates and endorsements thereof will not be canceled and liability will not cease until after thirty (30) days written notice by the insurer has been given to the Commission. Such thirty (30) day period will commence on the date the cancellation filing, as set out in section 006.05 is received by the Commission.

006.10 No insurance policy or surety bond will be accepted by the Commission unless written by a company which has been granted a certificate of authority by the Department of Insurance of the State of Nebraska; or which is a properly registered risk retention group as authorized under the federal Liability Risk Retention Act and the state's Risk Retention Act, provided that when a carrier is, after diligent effort, unable to obtain an insurance policy or surety bond from an authorized company, such carrier may obtain a policy or bond from a non-admitted company pursuant to the Surplus Insurance Act.

006.11 A carrier may apply to qualify as a self-insurer by furnishing the Commission a true and accurate statement of its financial condition and any other evidence required by the Commission which will establish to the Commission's satisfaction, the ability of the carrier to meet the requirements of section 003.03 and its subsections without adversely affecting the carrier's financial stability. Such self-insurance will become effective only upon the written approval of the Commission and will be subject to review at the Commission's discretion.

006.12 The Commission may require any carrier qualifying as a self-insurer to deposit securities, in any amount up to the requirements set by section 003.03 and its subsections, with any financial institution within this state.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 16

006.13 Any carrier may withdraw its qualifications as self-insurer, upon written notice to the Commission and compliance with the provisions of section 006.04.

006.14 The Commission may revoke its approval of any insurance policy, surety bond, or qualification as a self-insurer, if, in its judgment, such security no longer complies with these regulations, or fails to provide satisfactory or adequate protection for the public.

007 ACCOUNTING AND STATISTICAL INFORMATION:

007.01 Business Records Retention and Inspection: Each carrier will, for a period of one (1) year, maintain copies of records related to the movement of passengers or household goods. All such records will be available to the Commission for inspection.

007.02 Notification of change of address or contact information: All carriers will inform the Commission of changes in address or contact information.

008 LEASING AND INTERCHANGE OF EQUIPMENT:

008.01 Scope: Common or contract carriers may engage in leasing only as provided by these rules. Failure to observe the provisions of a lease or its preparation will be a violation of these rules. Leases filed with the Commission in accordance with these rules will be retained by the Commission, the Lessor, and the Lessee for not less than three years after cancellation of such lease.

008.02 Leasing Equipment: Common or contract carriers may lease equipment which they do not own to augment their existing equipment, other than that exchanged between motor carriers in interchange service, only under the following conditions:

008.02A Each lease for the use of equipment will:

008.02A1 Be made between the lessor and lessee;

008.02A2 Be in writing and signed by the parties thereto, or their duly authorized agents;

008.02A3 Specify the time period for which the lease applies and the time, date, or circumstance on which the lease begins and ends, the duration of which will coincide with the time for giving receipts for the equipment or the vehicles as required by these rules.

008.02A4 Specify the compensation to be paid by the lessee for the equipment or vehicle.

008.02A5 Provide for the exclusive possession, control, and use of the equipment or vehicle, and for

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 17

the complete assumption of responsibility in respect thereto by the lessee for the duration of the lease, or otherwise may be assigned by the lessee, in writing, to an independent contractor who will operate equipment under the lessee's authority.

008.02A6 Provide that the lessee will be responsible for carrying the insurance required by the Commission notwithstanding any agreement between the parties that the lessor will hold the lessee harmless and provide certain insurance covering the lessee.

008.02A7 Be approved by the Commission.

008.02A8 Be executed in quadruplicate, with all copies filed with the Commission to be stamped for approval. One copy will be retained by the Commission and the other three returned to the lessee of which the lessee will retain one, carry one copy on the equipment or vehicle and send the remaining copy to the lessor for retention.

008.02B Notwithstanding the provision of rule 008.02E, a common or contract carrier lessee of equipment or vehicles may subsequently lease that leased equipment or vehicle to another common or contract carrier without being in violation of these rules if the subsequent lease also conforms to the provisions of this section.

008.02C When possession of equipment is taken by lessee, the lessee will give to the lessor a receipt specifically identifying the equipment and stating the date and time of day possession is taken. When the possession by the lessee ends, the lessee will obtain from the lessor a receipt specifically identifying the equipment and stating the date and time of day possession is taken.

008.02D It will be the duty of the lessee before taking possession of equipment or vehicle, to inspect the same in order to ensure that the equipment complies with the safety regulations of section 005 of these rules. The person making the inspection will certify the results thereof in a report which will be retained by the lessee for the duration of the lease. When equipment other than a power unit is leased, any form of report applicable to such equipment or vehicle may be used. If the inspection discloses that the equipment or vehicle does not comply with the requirements of section 005 of these rules, possession will not be taken. In all instances in which inspection is made, the lessee will certify on the report that the person making the inspection is competent and qualified to make such inspection as a representative of the lessee.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 18

008.02E The lessee will identify the leased equipment or vehicle during the duration of the lease. Before relinquishing possession of the equipment or vehicle to the lessor, the lessee will remove any PSC plates or other signs displayed on such equipment or vehicle showing it as the operating carrier. When a power unit owned by a lessor holding operating authority from the Commission is leased, the PSC plates and the cab card belonging to the lessor may remain on or in the power unit.

008.02F Before any person other than a regular employee of the lessee is assigned to drive the equipment or vehicle operated under these rules, the lessee will make certain that the driver is familiar with, and that employment does not result in any violation of section 005 of these rules. The driver will furnish to the lessee a certificate of physical examination in accordance with section 005.03 of these rules.

008.02G Each lessee who uses equipment or vehicle under these rules will prepare and retain for one year, a document covering each trip for which the equipment or vehicle is used. This document will contain the name and address of the lessor, the point of origin, the commodity carried, if any, the time and date of departure, the point of final destination, and the lessee's certificate or permit number which has been affixed to the equipment or vehicle. Bills of lading, way-bills, freight-bills, manifests, or other paper identifying the lading will be carried on the equipment or vehicle during use. Copies of these documents will be kept by the lessee for not less than three (3) years.

008.02H The use of leased equipment will not change operations or the relations of the parties involved as they relate to the jurisdiction and control of the Commission. The lessee will continue to remain responsible to the Commission and will answer to the Commission for the performance of its common or contract carrier's responsibilities and for the conduct of any of the drivers with whom it has a lease.

008.03 Interchange of Equipment: For the purposes of this section, the common or contract carrier leasing the equipment to another common or contract carrier is referred to as the transferor, and the common or contract carrier which takes possession of the equipment will be referred to as the transferee. Common or contract carriers may interchange equipment with one or more common or contract carriers only under the following conditions:

008.03A Written Agreement: The written contract, lease or other arrangement providing for interchange, hereinafter, the written agreement, will specify in a readily apparent manner that it is an interchange agreement and will:

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 19

008.03A1 Describe specifically the equipment to be interchanged and specify the point or points at which the interchange is to occur.

008.03A2 Specify the use to be made of the equipment and the consideration for the use.

008.03A3 Be signed by the parties to the written agreement or their duly authorized agents.

008.03A4 Be executed in quadruplicate, with all copies filed with the Commission to be stamped for approval. One copy will be retained by the Commission and the other three returned to the transferee. The transferee shall retain one copy for itself, carry one copy on the equipment and send the remaining copy to the transferor for retention.

008.03B In order to engage in the interchange of equipment, the certificates or permits held by transferee and transferor must authorize the transportation of the commodities proposed to be transported and must authorize service from and to the point where the physical interchange occurs.

008.03C Traffic transported under interchange service will move by means of through bills of lading issued by the originating carrier, and the rates charged and revenues collected must be accounted for in the same manner as if there had been no interchange of equipment. Charges for the use of the equipment will be kept separate and distinct from the divisions of the joint rates or the proportions thereof accruing to the carriers.

008.03D The transferee will have the equipment inspected in the manner provided for in section 008.02D of these rules. Equipment which does not comply with the safety regulations will not be operated until the defects have been corrected.

008.03E A common or contract carrier which operates a power unit in interchange service as the transferee will identify such equipment in accordance with these rules. Upon completion of the interchange agreement, the transferee will remove any PSC plate, legend, or signs showing the transferee as the operating carrier before relinquishing possession of the equipment.

008.03F A PSC plate need not be purchased by the transferee if the PSC plate purchased for the power unit by the transferor remains on the power unit.

008.03G The transferee of equipment on a through movement involving two or more carriers will be considered the owner of the equipment for the purpose of leasing the equipment for movement to destination or return to the originating carrier.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 20

009 BUSES: The following provisions pertain only to carriers providing bus service as defined in rule 003.01A et seq.:

009.01 Refusal to Carry: No driver of any vehicle which transports passengers will refuse to carry any person offering himself or herself for carriage at any time at any regular stopping place who tenders the regular fare to any regular stopping place on the route of such carrier, or between the termini of the route, unless at the same time of such offer the vehicle is fully occupied or unless the person tendering such fare is intoxicated or acting in a disorderly manner.

009.02 Trailers: Unless specifically authorized in writing by the Commission, no carrier will transport passengers in a vehicle with any trailer or other vehicle attached, except in a case where a vehicle has become disabled while on a trip and is unable to run on its own power, such disabled vehicle may be towed to a point where repair facilities are available.

009.03 Aisles: Drivers will at all times keep the aisles from front to rear of their buses free from obstructions of any kind, and will not permit passengers to ride on any other part of the vehicle other than the seats while the vehicle is in motion except in an emergency. Passengers will not be allowed in front of a two inch (2") wide white line which will be painted on the floor of each vehicle immediately behind the driver's seat. Each vehicle will have a notice visible at the front of the vehicle that passengers must remain behind the white line.

009.04 Heat: Vehicles used to transport passengers will be equipped with a heating system sufficient to keep the vehicle comfortable for its passengers.

009.05 Lighting: Vehicles will be equipped with lights of not less than two candle power within the vehicle and so arranged as to light up the whole of the interior except that portion occupied by the driver.

009.06 Emergency Exit Doors: All vehicles with a seating capacity of eight (8) or more passengers will have emergency exits either in the form of push out windows, or a door on the opposite side of the vehicle entry or at the rear of the vehicle. The door will be equipped with a latch which may be readily operated in an emergency. There shall be no obstructions, either inside or outside, which would prevent the door from being opened. The exits will be easily accessible to passengers.

009.07 Timetables: Each carrier who transports passengers in regular scheduled service will file with the Commission prior to commencing operations, a timetable or schedule showing the time of arrival or departure of its vehicles at each point of the route and the number of trips made daily. When any change is made in the table or schedule, a new table or schedule will be filed with the Commission. All time schedules and revisions will be filed with the Commission not less than ten (10) days prior to the proposed effective date unless otherwise authorized by the Commission. No time schedule or revision will be effective until approved by the Commission.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 21

009.08 Charter Service and Special Party Service: The following provisions apply only to charter service and special party service as designated.

009.08A No charter or special party service will be conducted between the same points or over the same route so frequently as to be construed as a regular or scheduled service.

009.08B Special party service will not be conducted between points on the route of another route so frequently as to be construed as a regular or scheduled service.

009.08C Carriers holding certificates restricted to charter service or sightseeing operations will be prohibited from conducting special party operations.

009.08D Each vehicle used in charter or special party service will be so designated by a sign on the front of the vehicle used for such service.

009.08E Each carrier conducting charter or special party service will file with the Commission a tariff of rates for the transportation of parties and charges for dead head mileage which will be approved by the Commission prior to implementation. The tariff will also indicate at which points the carrier has equipment available for charter party service. No equipment will be held out as available at any non-authorized point.

010 PROVISIONS APPLICABLE TO TRANSPORTATION OF PASSENGERS: The following provisions will be applicable to the transportation of passengers as designated within this section.

010.01 Provisions Applicable to All Classifications of Passenger Transportation: In addition to the other applicable Motor Carrier rules in this chapter, the following provisions will be applicable to all classifications of service for the transportation of passengers:

010.01A Vehicle Title: All vehicles will be owned by, and registered in, the name of the certificate holder, except that the certificate holder may engage in equipment leasing as provided by these rules.

010.01B If a person applies for carriage and is willing and able to tender the fare, each operator will convey such person to the person's destination unless:

010.01B1 The passenger is in such condition of uncleanness that carriage in the vehicle would be a violation of any law.

010.01B2 The behavior of the passenger is such that the person poses a safety risk to the operator, other

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 22

passengers, or the vehicle is in danger of being damaged

010.01B3 The point of origin or destination or immediate approach is impassable or dangerous.

010.01C In addition to complying with the minimum qualifications for driving a motor vehicle subject to Commission jurisdiction, all operators will:

010.01C1 Be competent to conduct the applicable transportation service safely and courteously.

010.01C2 Not smoke inside the vehicle.

010.01C3 Shall be within the ages of twenty-one (21) and seventy (70) except that the Commission may waive the maximum age limit for an operator who is over seventy (70) if the carrier desiring to employ the operator can show that the operator is insurable, has no medical or other disability which prevents him or her from safely operating the vehicle and has a satisfactory driving record. Any such waiver will be in writing and renewed annually. Any application for waiver or renewal will be accompanied by a medical certificate required by rule 005.02.

010.01D Each carrier will retain articles left in vehicles by passengers for not less than thirty (30) days. Upon request from any passenger, the carrier will make a reasonable search for any article believed to have been left in a vehicle.

010.01E Trip Log: All carriers will maintain a trip log which contains the information prescribed in this section. Such log will be completed following the delivery of the passenger to his or her destination and signed by the driver. The Commission may, upon application and written approval, allow for electronic filing and storing of the information required in this section provided that all of the information herein prescribed is included except that the full name of the driver may be filed in place of the signature. All records required by this section will be retained by the carrier for a period of two (2) years from the date of the transportation of the passenger.

010.01E1 The name of the individual engaging or hiring the vehicle and his or her address.

010.01E2 The address of the point where the passenger was picked up and the point of destination and the times they occurred.

010.01E3 The amount charged and collected.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 23

010.01F Receipt: Upon demand of any passenger, a receipt for services will be given at the time of payment. Such receipt will contain the name of the company, the name of the operator, the vehicle fleet number, the total amount paid, and the date of payment.

010.01G Complaints: Every vehicle will have a notice posted, clearly legible and visible from the passenger compartment, which reads:

"DIRECT COMPLAINTS REGARDING THE OPERATION
OF THIS VEHICLE TO:
The Nebraska Public Service Commission
300 The Atrium, 1200 N Street
Lincoln, Nebraska 68508
1-800-526-0017 (Nebraska)
1-402-471-3101 (Lincoln)"

010.02 Provisions Applicable Only to Those Carriers Providing Taxicab Service: The following provisions apply only to those carriers who are authorized to provide taxicab service:

010.02A If a person applies for carriage and is willing and able to tender the fare, the operator will convey such person to his or her destination subject to rule 010.01B, or unless the vehicle is already engaged.

010.02B Operators may solicit passengers only at taxicab stands established by the city, while seated in the driver's seat, or while standing beside the vehicle. Passengers will not be solicited by outcries or hawking.

010.02C Carriers will comply with all applicable municipal ordinances relating to the qualification of taxicab operators which are not in conflict with these rules.

010.02D The number of passengers carried by a vehicle will not exceed seven persons, including the driver, or the rated capacity of such vehicle as prescribed by the maker of the vehicle, whichever is smaller. Except for transportation provided under contract with the Nebraska Department of Health and Human Services, whenever any vehicle is occupied by a passenger or passengers, the operator will not permit any other person to occupy the vehicle except with the consent of the first passenger or passengers. Passengers will be informed of this provision by a card, posted inside the vehicle, stating the schedule of rates and charges for the vicinity in which the vehicle is operated and in the following form:

"FOR YOUR PROTECTION:

You, as the first passenger in this taxicab, are the one to decide who will ride with you. Unless it is at your request or

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 24

with your consent, this cab driver is prohibited by law from accepting additional passengers. Schedule of rates authorized for taxicabs operating in (Name of Town) is (Copy from commission order setting rates for that vicinity).

(Name of Company)"

010.02D1 Service will not be denied to the first passenger or passengers due to refusal to grant consent to transport additional passengers on the trip.

010.02D2 If several individuals that have boarded a taxicab at one location choose to be transported to a single common destination, the driver of the taxicab will charge the party at rates approved by the Commission as if the passengers are all members of the same party.

010.02E Each vehicle will be operated over the most direct route from point of passenger pickup to the point of destination of passengers.

010.02F Each carrier will have its full or trade name and assigned application number permanently placed on each side of the vehicle in letters at least two inches (2") high. The word "taxicab" will also appear conspicuously on the sides of the vehicle unless the word "cab", "taxi" or "taxicab" is included within the name of the carrier. The fleet number of each vehicle will be displayed in figures not less than two inches (2") high in the forward part of the passenger compartment and also on the sides and rear of each vehicle. None of the markings described in this rule will be placed on any glass or on the bumper of the vehicle.

010.02G Each vehicle will be equipped with:

010.02G1 A dome light within the passenger compartment of the vehicle capable of being turned on or off by passengers, or controlled by operation of the doors.

010.02G2 An identity light attached to the top of the vehicle. The light will be in one unit consisting of an illuminated plate or cylinder upon which is printed the word "taxicab", "taxi", "cab", "for hire", or the owner's trade name. The size of such light will not exceed eight inches (8") in height nor twenty-three inches (23") in length. Loaded or bug lights may be attached to the upper portion of a vehicle. If used, such lights will be smaller than the identity light and will be illuminated when the vehicle is engaged.

010.02H A carrier which operates in municipalities of fifteen thousand (15,000) persons or more, as determined by the official U.S. Census, or between municipalities not more than five (5)

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 25

miles apart, whose aggregate population exceeds fifteen thousand (15,000) persons, will equip its vehicles with taximeters. The Commission may, at any time, require any carrier operating in any community of less than fifteen thousand (15,000) persons to equip its vehicles with taximeters. Taximeters are subject to the following specifications:

010.02H1 No taximeter will be operated without first having been inspected, tested, approved and sealed by the Commission or a duly authorized representative of the taxicab company.

010.02H2 Each meter will be sealed during the time the vehicle is in the service of the taxicab carrier. Each meter will be sealed with either a wire and lead seal bearing the letters "NPSC," or, at the discretion of the Commission representative, with a sticker bearing the letters "NPSC." This seal will be affixed only by a person duly authorized by the Commission.

010.02H3 Taximeters will be mounted and connected to the transmission or speedometer in an approved manner. Where mounted on the dashboard of a vehicle, the meter will be located so as not to obstruct the view of the operator or cause undue hazard to passengers. All taximeters will be placed so that the dial or faceplate showing the amount charged is well lighted and readily visible to passengers riding in the vehicle.

010.02H4 Periodic tests of meters will be made by the Commission. A meter with an error in registration not exceeding three percent (3%) of the distance covered by each meter drop will be considered correct and accurate. Otherwise, the requirements for approval of, and methods for, testing the taximeters will conform to specifications established by the National Bureau of Standards.

010.02H5 After a meter has been tested, approved and sealed, a different tire size will not be affixed to the vehicle without re-testing the meter.

010.02I Each vehicle will be equipped with a device visible to the public from the outside of the vehicle which indicates whether it is in service or for hire and a device visible to a passenger inside which indicates whether the taximeter is in position to record a fare.

010.02J Each operator will be identified by a card, displayed in full view of the passengers, bearing the name and photograph of the operator and the taxicab carrier's address.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 26

010.02K No vehicle will be equipped with shades, curtains, or window-tinting which shields the occupants or the operator from observation.

010.03 Provisions That Apply to the Transportation Contractors of the Department of Health and Human Services and Like Agencies: A contractor of the Nebraska Department of Health and Human Services, hereinafter, the Department, or any of the agencies contracting with the Department, or for any agency organized under the Nebraska Community Aging Services Act, who is not certificated or permitted by the Commission providing transportation for the Department or such agencies will certify on a form provided by the Commission that the provider meets the minimum operator standards, insurance requirements and equipment standards prescribed by the Commission in these rules.

010.03A Driver requirements: A Department transportation provider must certify that:

010.03A1 The person is the individual who will personally drive the vehicle in question.

010.03A2 The person is at least nineteen (19) years of age or an emancipated minor.

010.03A3 The person possesses a current operator's permit issued by any state.

010.03A4 The person has knowledge of Nebraska state and local traffic rules and the rules of the road.

010.03A5 The person has no more than three (3) points assigned against their driver's license.

010.03A6 The person will not smoke in the vehicle.

010.03A7 The person is competent to conduct the service carefully and dependably.

010.03A8 The person does not use illegal drugs.

010.03A9 The person is not aware of any mental or physical limitation which would impose a threat to the health or well-being of the passengers.

010.03B Insurance: A Department provider must maintain the minimum automobile liability insurance coverage as required by these rules and state law.

010.03C Equipment Standards: A Department transportation provider must certify that:

010.03C1 The person has current and valid plates and registration.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 27

010.03C2 The person will ensure that each vehicle will, at all times, be kept in proper physical and mechanical condition including, but not limited to, operable seat belts, turn signals, lights and horn, child passenger restraint devices as required by law, and comfortable temperature and ventilation conditions.

010.03D Self-Certification: All such self-certification filings will be made with the Commission and filed for record and be available for public inspection during the regular business hours of the Commission. Such filings will be continuous in nature unless canceled by the Department.

010.03E The Commission will, upon application of any certificated motor carrier or the Department, hear any dispute between the same with regard to the contested ability of the motor carrier to provide a specific service in a given case. The parties may agree to an informal conference between the carrier, the Department, and the Commission to facilitate a mutually agreeable resolution. If the parties cannot come to an agreement, either party may file a formal complaint with the Commission in a manner provided for in the rules of Commission procedure.

011 VOLUNTARY SUSPENSIONS: Certificated motor carriers seeking to suspend service pursuant to Neb. Rev. Stat. §75-316, must apply for and obtain Commission approval of such suspension. The certificated motor carrier must provide the Commission with an application identifying the certificate of public convenience and necessity held by said motor carrier and setting forth the length of time the carrier wishes to place its authority under voluntary suspension. The Commission may approve the carrier's request for the time period requested for a period not exceeding a twelve (12) month increment. In no event will the carrier's authority be suspended for more than twenty-four (24) consecutive months.

012 TRANSPORTATION NETWORK COMPANIES:

012.01 Applicability of Rules: The rules and regulations found in Chapter 3, Sections 001 through 011 of Title 291 of the Nebraska Administrative Code will not apply to transportation network companies. If there is a conflict between Chapter 3, Sections 001 through 011 of Title 291 of the Nebraska Administrative Code and these rules regarding the regulation of transportation network companies, these rules and regulations will apply.

012.02 Definitions: In addition to other definitions used in this chapter, unless the context otherwise requires, the following definitions apply:

012.02A Application open stage means the time period from the moment a participating driver logs on to the transportation network company's online-enabled application or platform until

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 28

the driver accepts a request to transport a passenger and from the moment the driver completes the transaction on the online-enabled application or platform or the passenger exits the vehicle, whichever is later, until the driver either accepts another ride request on the online-enabled application or platform or logs off the online-enabled application or platform.

012.02B Commission means the Nebraska Public Service Commission.

012.02C Engaged stage means the time period from the moment a participating driver accepts a ride request on the transportation network company online-enabled application or platform.

012.02D Insurance policy means a policy placed with an authorized Nebraska insurer or with a surplus lines insurer pursuant to Chapter 44 of the Nebraska Revised Statutes.

012.02E Participating driver or driver means any person who uses a personal vehicle in connection with a transportation network company's online-enabled application or platform to connect with passengers.

012.02F Passenger means a passenger in a personal vehicle for whom a driver provides transportation and who is connected with a driver by a transportation network company's online-enabled application or platform.

012.02G Passengers on board stage means the time period when there are passengers in the vehicle pursuant to the driver's participation in a transportation network company.

012.02H Personal vehicle means a passenger car as defined in Neb. Rev. Stat. §60-345 that a driver owns, leases or is otherwise authorized to use to provide services on a transportation network company's online-enabled application or platform.

012.02I Prearranged ride means a ride in which a participating driver is matched to a passenger through a transportation network company's online-enabled application or platform and does not include the on-demand summoning of a ride or street hail. Prearranged ride does not include shared-expense carpool or vanpool arrangements. Prearranged ride does not include activity by the participating driver to personally solicit passengers or initiate contact with potential passengers.

012.02J Service means the provision of transportation by a driver to a passenger with whom a transportation network company matches the driver.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 29

012.02K Transportation network company means an organization, including a corporation, a limited liability company, a partnership, a sole proprietor, or any other entity, operating in this state that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with participating drivers using a personal vehicle. Transportation network company does not include Medicaid nonemergency medical transportation brokerage services provided pursuant to a contract with the Department of Health and Human Services.

012.02L Transportation network company insurance means an insurance policy that covers loss arising from a participating driver's use of a personal vehicle in connection with a transportation network company's online-enabled application or platform.

012.03 Unauthorized Operations: Unless exempted by statute, no person will operate a transportation network company in Nebraska without first having obtained from the Commission a permit to operate as a transportation network company in Nebraska.

012.04 Application Requirements: The application for permit to operate as a transportation network company in Nebraska must be filed on forms provided by the Commission.

012.04A The application for a permit will be in writing, under oath, submitted to the Commission, and accompanied by the fee required under Neb. Rev. Stat. § 75-305(2).

012.04B A duly authorized official of the applicant who possesses the full power and authority to make binding representations on the applicant's behalf will subscribe to the oath on the application.

012.04B1 A participating driver contracting with a transportation network company holding a valid permit from the Commission will not be required to obtain a permit or certificate from the Commission when driving pursuant to the terms of the contract with the transportation network company.

012.04C The application will contain the following:

012.04C1 The legal name of the applicant;

012.04C2 Any name under which the applicant will or does conduct business in Nebraska;

012.04C3 The applicant's primary business address and telephone number;

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 30

012.04C4 A copy of the articles of organization or certificate to transact business in Nebraska;

012.04C5 The name, address, and telephone number of the applicant's registered agent in Nebraska; and

012.04C6 A statement that the applicant agrees to adhere to the statutes of Nebraska, the rules and regulations of the Commission regulating transportation network companies, and any applicable federal laws, local ordinances and regulations.

012.04D If an applicant is duly certified or permitted to operate a transportation network company in at least one other state, the Commission will, within sixty (60) days after receiving a complete application, issue a permit to the applicant if the applicant meets the requirements set forth under statute and Commission rules and regulations.

012.04E If an applicant is not duly certified or permitted to operate a transportation network company in at least one other state, the Commission will, within ninety (90) days after receiving a complete application, issue a permit to the applicant if the applicant meets the requirements set forth under statute and Commission rules and regulations. The applicant will bear the burden of demonstrating that:

012.04E1 The applicant has sufficient financial resources to provide transportation network company services in the proposed service territory;

012.04E2 The applicant has sufficient technical competency to provide transportation network company services in the proposed service territory; and

012.04E3 The applicant has sufficient managerial resources to provide transportation network company services in the proposed service territory.

012.04F If the Commission finds any information incomplete or inaccurate, the Commission will notify the applicant and give the applicant the opportunity to complete the application.

012.05 Transportation Network Company Requirements: Every transportation network company will:

012.05A Provide the Commission with its email address and customer service telephone number.

012.05B Display for the passenger either a picture of the driver's personal vehicle and a picture of the driver or the license plate number of the driver's personal vehicle on the

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 31

online-enabled application or platform that a transportation network company uses to connect drivers and passengers.

012.05C Maintain an agent for service of process in Nebraska.

012.05D Maintain accurate and up-to-date records of all drivers providing services on behalf of the transportation network company, including the vehicle identification number for all personal vehicles to be operated in connection with the transportation network company.

012.05E Implement an anti-discrimination policy that prohibits discrimination by any driver providing service for the company on the basis of race, national origin, religion, gender, physical or mental disability, medical condition, marital status, or age and file the policy with the Commission.

012.05F Maintain a website that provides a customer service telephone number or email address of the transportation network company and that provides the telephone number and email address of the Commission.

012.05G Establish a driver training program designed to ensure that each driver safely operates his or her personal vehicle prior to the driver being able to offer services on the transportation network company's online-enabled application or platform.

012.05H Maintain records required under Neb. Rev. Stat. §§ 75-323 through 75-343 to be collected by the transportation network company, including records regarding participating drivers.

012.05I Cooperate with the Commission and any employees, investigators, or duly authorized agents of the Commission in the investigation of complaints received by the Commission from the public or in investigations initiated by the Commission.

012.05J Disclose in writing prior to permitting a person to act as a driver that a driver is responsible to know the laws, rules, and regulations that govern the service he or she provides in connection with a transportation network company.

012.06 Prearranged Ride: A participating driver will not provide a ride unless it is a prearranged ride.

012.06A Upon completion of a prearranged ride, a transportation network company will transmit an electronic receipt to the passenger's email address or online-enabled application documenting the following:

012.06A1 The point of origin and destination of the prearranged ride;

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 32

012.06A2 The total duration and distance of the prearranged ride;

012.06A3 The total amount paid, if any, including the base fare and any additional charges incurred for distance traveled or duration of the prearranged ride; and

012.06A4 The driver's first name.

012.07 Rates: Except as otherwise provided by statute or under these rules, a transportation network company will not be subject to rate regulation by the Commission and will not be subject to provisions relating to rates and charges prescribed in Neb. Rev. Stat. §§ 75-101 to 75-158.

012.07A A transportation network company may offer service for compensation, no charge, or suggested compensation.

012.07B A transportation network company will file with the Commission the rates it uses to determine any compensation or suggested compensation on its online-enabled application or platform, including any use of dynamic pricing. The transportation network company will keep the rate filing current and will charge rates consistent with the rates it files with the Commission.

012.07C The following requirements apply if the transportation network company uses dynamic pricing through its online-enabled application or platform:

012.07C1 The transportation network company's online-enabled application or platform will provide clear visible indication that dynamic pricing is in effect prior to the passenger requesting a ride.

012.07C2 The transportation network company's online-enabled application or platform will include a feature that requires the passenger to expressly confirm that he or she understands that dynamic pricing will be used in order for the ride request to be completed.

012.07C3 The transportation network company's online-enabled application or platform will provide a fare estimator that enables the passenger to estimate the cost under dynamic pricing prior to requesting a ride.

012.07C4 Dynamic pricing will not be permitted during any state of emergency declared by the Governor.

012.08 Non-compete: A transportation network company will not require a participating driver to sign an agreement not to compete with the company in order to be matched with passengers through the company's online-enabled application or platform.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 33

012.09 Ownership of Vehicles: A transportation network company will not own, control, operate, or manage drivers' personal vehicles.

012.10 HHS Authorization: No transportation network company or participating driver will provide transportation for any person under contract with the Department of Health and Human Services or any contractors of the Department of Health and Human Services without specific authorization from the Commission. In order to receive such authorization, the transportation network company or participating driver will file an application which demonstrates that such service is or will be required by the present or future public convenience and necessity as required under Neb. Rev. Stat. § 75-371.20.

012.11 Drugs and Alcohol Policy: Every transportation network company will implement, enforce, and maintain a zero-tolerance policy on the use of drugs or alcohol applicable to any driver providing service for the transportation network company that prohibits a driver from using any amount of drugs or alcohol while the driver is providing service.

012.11A The transportation network company must provide a copy of the policy to the Commission promptly upon adoption, and provide a copy of any revision to the policy promptly upon adoption.

012.11B A transportation network company will not allow a driver to provide service if the company finds the driver to be in violation of its zero-tolerance policy or if the driver has not successfully completed driver training as required under 012.05G.

012.11C The transportation network company will provide on its website and its online-enabled application or platform notice of the zero-tolerance policy and the procedures to report a complaint about a driver with whom the passenger was matched when the passenger reasonably suspects the driver was under the influence of drugs or alcohol during the course of the prearranged ride.

012.11C1 Upon receiving a complaint, a transportation network company will immediately suspend the driver against whom the complaint was issued and conduct an investigation of the alleged violation. The suspension will last for the duration of the investigation.

012.11D If the Commission has reasonable cause to believe a transportation network company is not enforcing the zero-tolerance policy filed with the Commission, the Commission will investigate and, after notice and hearing, may enter an order requiring the transportation network company to enforce such policy, which may include suspension of the participating driver.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 34

012.12 Driver Requirements: A participating driver must possess a valid driver's license, proof of registration, and proof of automobile liability insurance and be at least twenty-one (21) years of age.

012.12A Prior to permitting a person to act as a driver, the transportation network company will obtain and review a national criminal history record information check.

012.12A1 The criminal disposition information retrieved by the transportation network company's national criminal history record information check will be at least as comprehensive as the criminal disposition information retrieved by a national criminal history record information check performed by the Federal Bureau of Investigation pursuant to Neb. Rev. Stat. § 81-6120.

012.12A2 Fingerprinting is not required as part of the national criminal history record information check.

012.12B A person who has four or more moving traffic violations or one or more major traffic violations in the three (3) years prior to the date of the criminal background check will not serve as a driver. The following offenses will constitute major traffic violations:

012.12B1 Failure to stop and report or render aid as required under Neb. Rev. Stat. §§ 60-696 or 60-697;

012.12B2 Reckless driving in violation of any city or village ordinance or of §§ 60-6213, 60-6214, or 60-6217;

012.12B3 Speeding of more than thirty-five (35) miles per hour over the speed limit; and

012.12B4 Failure to yield to a pedestrian resulting in bodily injury to a pedestrian.

012.12C A person who has been convicted of or pled guilty or nolo contendere to driving under the influence of drugs or alcohol in the previous seven (7) years in this state or any other state or territory prior to the date of the criminal background check will not serve as a driver.

012.12D A person who is required to register as a sex offender or who has been convicted of or pled guilty or nolo contendere to any offense involving fraud, use of a motor vehicle to commit a felony, a crime involving property damage, theft, acts of violence, or acts of terror will not serve as a driver.

012.13 Hours of Operation: No person will be a participating driver for a period of more than twelve (12) hours during each twenty-four (24) hour period.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 35

012.14 Vehicle Requirement: In order for a vehicle to be used under these rules, a personal vehicle will be in compliance with the Motor Vehicle Registration Act as required for a passenger car as defined in Neb. Rev. Stat. § 60-345.

012.15 Inspections: A certified mechanic, who may be employed by a transportation network company, will perform an initial safety inspection on each personal vehicle prior to approving it for use as a personal vehicle.

012.15A The inspection will include inspection of at least the following components and as such components will be in good working order:

012.15A1 Foot brakes;

012.15A2 Parking or emergency brakes;

012.15A3 Steering mechanism;

012.15A4 Windshield;

012.15A5 Rear window and other glass;

012.15A6 Windshield wipers;

012.15A7 Headlights;

012.15A8 Tail lights;

012.15A9 Turn indicator lights;

012.15A10 Stop lights;

012.15A11 Front seat adjustment mechanism;

012.15A12 The opening, closing, and locking capability of doors;

012.15A13 Horn;

012.15A14 Speedometer;

012.15A15 Bumpers;

012.15A16 Brake Lights;

012.15A17 Muffler and exhaust system;

012.15A18 Tire conditions, including tread depth;

012.15A19 Interior and exterior rear-view mirrors; and

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 36

012.15A20 Safety belts for driver and passengers.

012.15B A driver will annually obtain such an inspection and approval of the driver's personal vehicle in order to continue its use as a personal vehicle. A driver will maintain proof of the current inspection.

012.15C A transportation network company will make the initial and annual inspection reports available to the Commission upon request.

012.16 Transportation Network Company Insurance: Beginning on September 1, 2015, a transportation network company and a participating driver will maintain transportation network company insurance as provided.

012.16A Unless otherwise specified, the following requirements will apply to transportation network company insurance during the engaged stage and during the passengers on board stage:

012.16A1 Primary liability coverage in the amount of at least one million dollars (\$1,000,000) for death, personal injury, and property damage; and

012.16A2 Uninsured and underinsured motorist coverage for both the driver and passengers in the amounts required by the Uninsured and Underinsured Motorist Insurance Coverage Act.

012.16B Unless otherwise specified, the following requirements will apply to transportation network company insurance during the application open stage:

012.16B1 Transportation network company insurance will be primary and in the amount of at least twenty-five thousand dollars (\$25,000) for death and personal injury per person, fifty thousand dollars (\$50,000) for death and personal injury per incident, and twenty-five thousand dollars (\$25,000) for property damage; and

012.16B2 Uninsured motorist coverage pursuant to the Uninsured and Underinsured Motorist Insurance Coverage Act.

012.16C The requirements for coverage may be satisfied by any of the following:

012.16C1 Transportation network company insurance maintained by a participating driver;

012.16C2 Transportation network company insurance maintained by a transportation network company; or

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 37

012.16C3 Any combination of the above.

012.16D Prior to permitting a person to act as a driver, a transportation network company will disclose in writing to each participating driver:

012.16D1 The insurance coverage, the limits of liability, and any deductible amounts that the transportation network company maintains while the driver uses a personal vehicle in connection with a transportation network company's online-enabled application or platform;

012.16D2 That a driver's personal automobile insurance policy may potentially not provide coverage for damage to the vehicle used by the driver, uninsured and underinsured motorist coverage, and other first-party claims from the moment the driver logs on to the transportation network company's online-enabled application or platform to the moment the driver logs off the transportation network company's online-enabled application or platform.

012.16D2a The driver should contact his or her insurer or insurance agent in order to determine coverage under his or her personal automobile insurance policy.

012.16E The insurer providing transportation network company insurance will have the duty to defend and indemnify the insured.

012.16F An insurance policy required under Neb. Rev. Stat. §§ 75-323 through 75-341 will be placed with an authorized Nebraska insurer or with a surplus-lines insurer pursuant to Chapter 44 of the Nebraska Revised Statutes.

012.16G Coverage under a transportation network company insurance policy will not be dependent on a personal automobile insurance policy first denying a claim nor will a personal automobile insurance policy, including a personal liability umbrella policy, be required to first deny a claim.

012.16H When transportation network company insurance maintained by a participating driver to fulfill the insurance obligations of Neb. Rev. Stat. §§ 75-323 through 75-341 and these rules and regulations has lapsed or ceased to exist, the transportation network company will provide the coverage required by Neb. Rev. Stat. §§ 75-323 through 75-341 and these rules beginning with the first dollar of a claim.

012.16I In order for transportation network company insurance maintained by a transportation network company to meet the requirements of Neb. Rev. Stat. §§ 75-323 through 75-341 and

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 38

these rules, a certificate of insurance will be filed with the Commission specifying that on cancellation or nonrenewal of the transportation network company insurance, the insurer must send written notice of the cancellation or nonrenewal to the Commission at least thirty (30) days before the effective date of the cancellation or nonrenewal.

012.16J Neb. Rev. Stat. §§ 75-323 through 75-341 will not limit the liability of a transportation network company arising out of an automobile accident involving a participating driver in any action for damages against a transportation network company for an amount above the required insurance coverage.

012.16K In the event of a loss involving a personal vehicle used in connection with a transportation network company and if such personal vehicle is subject to a lien, the transportation network company insurance carrier will make payment for a claim covered under collision physical damage coverage or comprehensive physical damage coverage directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder on the covered vehicle.

012.16L The owner of any personal vehicle used in connection with a transportation network company will have the duty to maintain collision physical damage coverage and comprehensive physical damage coverage for transportation network company activity if the vehicle is required to carry such coverage due to a contractual obligation.

012.16M A private passenger automobile insurance policy is not required to provide primary or excess coverage during the period of time from the moment a participating driver logs on to a transportation network company's online-enabled application or platform until the driver logs off the online-enabled application or platform or the passenger exits the personal vehicle, whichever is later.

012.16N Notwithstanding any other law, a personal automobile insurer may, at its discretion, offer an automobile insurance policy, or an amendment or endorsement to an existing policy, that covers a private passenger motor vehicle, station wagon type vehicle, sport utility vehicle, or similar type of motor vehicle with a passenger capacity of eight (8) persons or less, including the driver, while used in connection with a transportation network company's online-enabled application or platform only if the policy expressly provides for the coverage during all or the defined portion of the time periods specified in Neb. Rev. Stat. §§ 75-323 through 75-341, with or without separate charge, or the policy contains an amendment or an endorsement to provide that coverage, for which a separately stated premium may be charged. The policy, amendment, or endorsement may include, but not be limited to:

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 39

012.16N1 Comprehensive physical damage coverage;

012.16N2 Collision physical damage coverage;

012.16N3 Liability coverage for bodily injury and property damage;

012.16N4 Medical payments coverage; and

012.16N5 Uninsured and underinsured motorist coverage.

012.16Q In a claims coverage investigation, a transportation network company or its insurer will cooperate with insurers that are involved in the claims coverage investigation to facilitate the exchange of information, including the provision of dates and times at which an accident occurred that involved a participating driver and the precise times that the participating driver logged on and off the transportation network company's online-enabled application or platform in the twenty-four (24) hour period preceding the accident.

012.16P All records, including electronic records, showing the time when a driver has logged in as active or logged out as inactive on the transportation network company's online-enabled application or platform, and any data or reports with information about the personal vehicle's involvement in a motor vehicle accident, that are maintained by the transportation network company will be maintained for a minimum of five (5) years after the date the loss is reported to the transportation network company.

012.16Q A participating driver will carry proof of transportation network company insurance coverage with him or her at all times during his or her use of a vehicle in connection with a transportation network company's online-enabled application or platform. In the event of an accident, a participating driver will, upon request, provide this insurance coverage information to any other party involved in the accident and to a law enforcement officer.

012.16Q1 Proof of insurance coverage will be in any format allowable under Nebraska law.

012.17 Liens:

012.17A A transportation network company is required to disclose in writing to any driver planning to use a vehicle which has a lien against it to provide service in connection with a transportation network company that the driver must notify the lienholder at least seven days prior to using the vehicle to provide such service that the driver intends to use the vehicle to provide service in connection with a transportation network

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 40

company by complying with Neb. Rev. Stat. §§ 75-323 through 75-343 and these rules.

012.17A1 The transportation network company will make the required disclosure a distinctive part of the driver's terms of service and will require a separate acknowledgment of this disclosure by each driver by electronic or handwritten signature.

012.17B A driver planning to use a vehicle which has a lien against it to provide service in connection with a transportation network company will notify the lienholder using a form prescribed by the Commission.

012.17B1 The form will be signed by the driver prior to filing the form with the lienholder.

012.17B2 The driver will file a copy of the signed lienholder notification form as well as proof of receipt of the form to the Commission prior to using the vehicle to provide service in connection with a transportation network company.

012.17C A driver planning to use a vehicle which has a lien against it to provide service in connection with a transportation network company will update his or her lienholder notification form on file with the Commission within thirty (30) days should the driver acquire a lien on a vehicle or change lienholders during the course of his or her employment as a driver with a transportation network company.

012.17C1 The form will be signed by the driver prior to filing the form with the lienholder.

012.17C2 The driver will file a copy of the signed lienholder notification form as well as proof of receipt of the form to the Commission prior to using the vehicle to provide service in connection with a transportation network company.

012.17D The Commission will maintain such records for a maximum of five (5) years.

012.17E The Commission will make such records available to lienholders.

012.18 Records: The Commission or the employees or duly authorized agents of the Commission may, in a mutually agreed-upon setting, inspect any records held by a transportation network company which the Commission determines are necessary to review to ensure public safety, including information obtained pursuant to statute and these rules.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 41

012.18A Such inspection of records will occur no more than once each calendar quarter unless the Commission finds it necessary to inspect such records more frequently. Such inspection will be conducted on an audit basis rather than a comprehensive basis.

012.18B In response to a specific complaint, the Commission may inspect any records held by a transportation network company which the Commission determines are necessary to investigate and resolve the complaint, including information obtained pursuant to statute or these rules.

012.18C Any records obtained or inspected pursuant to these rules will not be considered public records subject to Neb. Rev. Stat. §§ 84-712 to 84-712.09 and will not be subject to disclosure by the Commission except when publicly disclosed as evidence in a civil penalty proceeding pursuant to Neb. Rev. Stat. § 75-156 or in a criminal proceeding prosecuted by the state.

012.19 Fees:

012.19A Every transportation network company will pay an annual fee.

012.19A1 The transportation network company may choose to pay either twenty five thousand dollars (\$25,000) or a fee established by the Commission not to exceed eighty dollars (\$80) for each personal vehicle operated by a driver of the transportation network company.

012.19A2 The Commission will establish the amount per vehicle on an annual basis so that the amount collected does not exceed the amount actually necessary to sustain the administration and enforcement of laws, rules, and regulations governing transportation network companies.

012.19B Annual fees will be due and payable to the Commission no later than January 1. Such fees will be paid to and collected by the Commission and remitted to the State Treasurer within thirty (30) days of receipt.

012.19B1 Annual fees will be delinquent on March 1 of each year after such permit has been issued.

012.19B2 If the initial permit is issued to a transportation network company on or after July 1, the fee will be fifty (50) percent of the annual fee.

012.20 Transportation Network Company Regulation Cash Fund:

012.20A This section is adopted pursuant to Neb. Rev. Stat. § 75-331.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 42

012.20B The Fund will be used to regulate transportation network companies and enforce Neb. Rev. Stat. §§ 75-321 through 75-343 and these rules and regulations.

012.20C The Fund will contain the fees remitted pursuant to Neb. Rev. Stat. § 75-305.

012.21 Annual Report: The Commission will electronically provide the Legislature with an annual report before December 31 of each year on the status of the implementation of Neb. Rev. Stat. §§ 75-321 through 75-343. The report will describe the following:

012.21A The number of permits issued pursuant to § 75-324;

012.21B A description of any revocation proceedings involving permits issued under § 75-324;

012.21C The number of rides provided by taxicab carriers relative to historical numbers;

012.21D The number of taxicabs operated by taxicab carriers relative to historical numbers;

012.21E The number of drivers either employed or contracted by taxicab carriers relative to historical numbers;

012.21F The number of taxicab carriers authorized by the Commission relative to historical numbers;

012.21G Any other information in its possession that the Commission believes will assist the Legislature in evaluating the effectiveness of §§ 75-323 through 75-343. The report will also address the question of the need for further legislation to achieve the purposes of §§ 75-323 through 75-343.

013 Licensees

013.01 Applicability of Rules: The rules and regulations found in Chapter 3, Sections 001 through 011 of Title 291 of the Nebraska Administrative Code will apply to motor carriers granted a license to transport household goods or passengers that are employees of railroad carriers where specified. If there is a conflict between Chapter 3, Sections 001 through 011 of Title 291 of the Nebraska Administrative Code and these rules regarding the regulation of licensees, these rules and regulations will apply.

013.02 Requirements for an Effective Authority:

013.02A A license will be issued by the Commission to any qualified applicant upon completion of the following:

013.02A1 Payment of a license fee required under Neb. Rev. Stat. § 75-304.03 and 75-304.04;

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 43

013.02A2 Filing of Commission required insurance documents; and

013.02A3 Filing of required application form.

013.03 Application: The application for initial and renewal licenses to transport household goods or passengers that are employees of railroad carriers must be filed on forms provided by the Commission.

013.03A The application for a license will be in writing, under oath, and submitted to the Commission.

013.03B A duly authorized official of the applicant who possesses the full power and authority to make binding representations on the applicant's behalf will subscribe to the oath on the application.

013.03C The application will contain the following:

013.03C1 The legal name of the applicant;

013.03C2 The applicant's principal place of business in the State of Nebraska, mailing address, telephone number, and email address;

013.03C3 USDOT number issued by the Federal Motor Carrier Safety Administration;

013.03C4 A copy of the articles of incorporation, organization, or certification to transact business from the Nebraska Secretary of State;

013.03C5 The name, address, telephone number, and email address for applicant's designated agent for service of process;

013.03C6 The applicant's current list of vehicles to be used to provide transportation services pursuant to the license;

013.03C7 A copy of the applicant's fingerprint-based background check report conducted by the Nebraska State Patrol or other comparable law-enforcement agency; and

013.03C8 A statement that the applicant agrees to adhere to the statutes of Nebraska, and the rules and regulations of the Commission.

013.04 A license issued by the Commission will be valid for one year and may be renewed annually for a fee required under Neb. Rev. Stat. § 75-304.03 and 75-304.04.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 44

013.04A A license may be suspended or revoked by the Commission after notice and hearing for failure to comply with Neb. Rev. Stat. § 75-307, any rule or regulation adopted and promulgated by the Commission, or any lawful order of the Commission.

013.05 Insurance: The applicant must ensure proof of adequate coverage by insurance or bond is filed with the Commission in minimum levels of financial responsibility and on such forms prescribed by Rule 003.03 and Rule 006.

013.05A An applicant may file a certificate of insurance with its initial or renewal license application. Such certificate of insurance shall be replaced with a form prescribed in Rule 006 no later than thirty (30) days after filing of the initial or renewal license application.

013.06 Rates: The Commission will have no authority to regulate the rates of any motor carrier issued a license under these rules.

013.07 Service Territory: licensees are authorized to provide services statewide unless an applicant elects to limit the service territory to specific counties.

013.08 Provisions Applicable to Those Licensees Providing Passenger Transportation Service to Employees of Railroad Carriers: The following provisions apply only to those carriers who are licensed to provide passenger transportation services to employees of railroad carriers engaged in interstate commerce to and from their work locations.

013.08A Safety Regulations: All licensees transporting employees of railroad carriers must:

013.08A1 Operate its vehicles in compliance with state law; and

013.08A2 Comply with Commission Rule Section 005, minimum safety regulations for driver qualifications, equipment safety, and operating standards, and log books.

013.08B Licensees must post notice in a conspicuous location in all vehicles of a passenger's right to submit a complaint to the commission. Such notice must conform to Rule 010.01G.

013.08C Recordkeeping: All licensees transporting employees of railroad carriers must:

013.08C1 Maintain copies of records related to its intrastate passenger transportation services and make such records available for inspection in accordance with Rule Section 007; and

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 45

013.08C2 Maintain log books in accordance with Rule 005.06 and 005.07.

013.09 Provisions Applicable to Those Licensees Providing Transportation Service as a Mover of Household Goods: The following provisions apply only to those carriers who are licensed to provide transportation services as a mover of household goods.

013.09A Definitions: In addition to the definitions found in Neb. Rev. Stat. § 75-302 and otherwise found in this chapter, unless the context otherwise requires, the following definitions apply:

013.09A1 Accessorial services means any service provided by a household goods mover that supplements, or is incidental to, the transportation of household goods. Examples include packing, unpacking, wrapping or protecting a portion of the shipment or providing special equipment or services such as hoisting;

013.09A2 Bill of Lading means receipt for shipment and contract for its transportation;

013.09A3 Binding Estimate means written agreement made in advance between consumer and named mover that guarantees total cost of move based upon quantities and services shown in estimate;

013.09A4 Certified Scale means any scale designed for weighing motor vehicles, including trailers or semi-trailers not attached to a tractor and certified by an authorized scale inspection and licensing authority;

013.09A5 Contract means a written document, approved by the shipper in writing before the performance of any service, that authorizes services by the named mover and lists the services and all costs associated with the transportation of household goods to be performed;

013.09A6 Inventory means a written list of all items to be made part of the shipment;

013.09A7 Line Haul Charge means the charges for the transportation portion of the move;

013.09A8 Non-Binding Estimate means written notice of costs estimated by named mover based on estimated weight of the shipment and services requested, with final charges based upon the actual weight of the shipment, the services provided, and the tariff provisions of named mover;

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 46

013.09A9 Order for Service means a document authorizing the mover to transport a shipper's household goods;

013.09A10 Shipper means a person who utilizes the services of a mover to transport or ship household goods;

013.09A11 Storage means warehousing of the shipper's goods while under the care, custody, and control of the mover; and

013.09A12 Valuation means the monetary value declared by a shipper for the shipment.

013.09B Articles Liable to Cause Damage: a mover will not accept for shipment any property liable to impregnate or otherwise damage equipment or other property, or accept for shipment articles which cannot be taken from the premises without damage to the article or premises.

013.09C Prior to providing transportation services, a mover will provide a prospective shipper:

013.09C1 Either a written binding or non-binding estimate of the total costs and basis for such costs to be incurred by the shipper at least 24 hours prior to a scheduled move, unless the move is initiated less than 24 hours before the commencement of the move;

013.09C2 A signed Order for Service on every move;

013.09C3 A complete and legible descriptive inventory of each loading;

013.09C4 An executed Bill of Lading;

013.09C5 Disclosure of the limits of its liability and the valuation options available for any claims of damage to shipper's household goods;

013.09C6 Provide summary of mover's customer complaint, inquiry, and claim handling procedures.

013.09D Bill of Lading: a mover will issue a bill of lading that includes the terms and conditions of the contract for services.

013.09D1 The bill of lading should include the following:

013.09D1a Name, address, and contact information of mover;

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 47

013.09D1b Name and address of any other entities that will participate in the move;

013.09D1c The date of pick-up and delivery;

013.09D1d Declaration of valuation signed by the shipper acknowledging valuation and insurance options provided by the mover; and

013.09D1e Rates and charges applicable to the service that have either been negotiated by the mover and the prospective shipper or determined as part of the mover's tariff if the mover has elected to create and provide its services pursuant to a tariff.

013.09D2 Nothing in these rules will be construed to preclude the mover and shipper from entering into a more comprehensive contract or amending a contract upon mutual agreement.

013.09E Estimates:

013.09E1 A mover must conduct a physical survey of the household goods to be transported and considered part of the written estimate provided to the prospective shipper prior to providing transportation services.

013.09E1a If the household goods are more than 50 miles from the mover's location, a physical survey is not required.

013.09E1b A shipper may waive the physical survey in writing prior to the loading of the shipment.

013.09E2 Weigh Ticket: A mover must weigh each shipment that is moving under a non-binding estimate and retain scale ticket from a certified scale, complete with date, truck or trailer number and shipper's name/or bill of lading.

013.09E3 The estimate will specify the form of payment for the shipment.

013.09E4 A mover must determine charges for any accessorial services before finalizing any estimate.

013.09F Delivery and Storage of Goods:

013.09F1 The shipper and mover must agree to the date for pickup and delivery of the shipment. Such dates must be recorded on the bill of lading.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 48

013.09F2 A mover will relinquish household goods to a shipper and place the goods inside the shipper's dwelling after all charges have been paid or satisfactory arrangements have been made between the mover and the shipper.

013.09F3 Storage In Transit: A shipper may request that a mover store the shipment prior to delivery.

013.09F3a The mover will notify the shipper of the specified period of time that the shipment will be held in storage.

013.09F3b Prior to the expiration of the storage period, the mover must notify the shipper in writing when such period will convert to permanent storage, the time period under which the shipper may file claims against the mover for loss or damage to the household goods while in transit or during the storage period, when the mover's liability will end for loss and damage, and when the shipment will become subject to the rules, regulations and charges of the storage facility.

013.09G Claims:

013.09G1 A claim for loss, damage or injury will not be voluntarily paid by the mover unless the claim is filed in writing within the time limits specified in the Bill of Lading or other contract and contains the following minimum requirements:

013.09G1a Contains facts sufficient to identify the shipment;

013.09G1b Asserts liability for alleged loss, damage, or inquiry;

013.09G1c A claim for the payment of a specified or determinable amount of money.

013.09G2 Claim for Uncertain Amount: When presented a claim for an uncertain amount of money, a mover will determine the condition of the shipment involved at the time of delivery, if it was delivered, and will ascertain as nearly as possible the extent, if any, of the loss or damage for which it may be responsible. A formal claim in writing for a specified or determinable amount of money must still be filed before a mover will voluntarily pay a claim.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Rule and Regulation No. 206

Page 49

013.09G3 Documents Not Constituting Claims: Bad order reports, appraisal reports of damage, notations of shortage or damage, or both, or freight bills, delivery receipts, or other documents, or inspection reports issued by carriers or their inspection agencies, whether the extent of loss or damage is indicated in dollars and cents or otherwise, will, standing alone, not be considered by carriers as sufficient to comply with the minimum claim filing requirements specified.

013.09G4 Concealed Damage or Shortage: a mover must be promptly notified after discovery of concealed damage or shortage and given reasonable opportunity to inspect the shipment and packaging. Movers will promptly and thoroughly investigate the claim and establish a claim file.

013.09G5 A mover may satisfy a claim by repairing or replacing the property lost or damaged with materials of like kind, quality, and condition at time of acceptance by the mover.

013.09G6 A mover's liability is limited to the extent provided in the terms and conditions of the Bill of Lading.

013.09G7 A mover must acknowledge receipt of each claim in writing within 30 days after receipt of the claim.

013.09G7a The mover will pay, refuse payment, or make a firm compromise offer within 120 days after receipt of the claim.

013.09G7b If the claim cannot be resolved within 120 days, the mover each succeeding 60 days thereafter while the claim is pending must notify the claimant in writing of the reason that the claim cannot be concluded.