

## LEGISLATIVE BILL 461

Approved by the Governor August 06, 2020

Introduced by Friesen, 34.

A BILL FOR AN ACT relating to motor carriers; to amend sections 75-109.01, 75-118, 75-124, 75-156, 75-301, 75-302, 75-307, 75-308, and 75-311, Reissue Revised Statutes of Nebraska, and section 75-303, Revised Statutes Supplement, 2019; to change provisions relating to the Public Service Commission and motor carriers; to define and redefine terms; to eliminate certificates of public convenience and necessity and permits for movers of household goods and carriers of railroad employees; to provide a licensing process for such regulated motor carriers; to exempt certain motor carriers engaged in transportation related to agritourism from certain requirements; to harmonize provisions; to provide operative dates; to repeal the original sections; and to outright repeal section 75-304.02, Reissue Revised Statutes of Nebraska.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 75-109.01, Reissue Revised Statutes of Nebraska, is amended to read:

75-109.01 Except as otherwise specifically provided by law, the Public Service Commission shall have jurisdiction, as prescribed, over the following subjects:

- (1) Common carriers, generally, pursuant to sections 75-101 to 75-158;
- (2) Grain pursuant to the Grain Dealer Act and the Grain Warehouse Act and sections 89-1,104 to 89-1,108;
- (3) Manufactured homes and recreational vehicles pursuant to the Uniform Standard Code for Manufactured Homes and Recreational Vehicles;
- (4) Modular housing units pursuant to the Nebraska Uniform Standards for Modular Housing Units Act;
- (5) Motor carrier registration, licensure, and safety pursuant to sections 75-301 to 75-343, 75-369.03, 75-370, and 75-371 and sections 8 and 9 of this act;
- (6) Pipeline carriers and rights-of-way pursuant to the Major Oil Pipeline Siting Act, the State Natural Gas Regulation Act, and sections 75-501 to 75-503. If the provisions of Chapter 75 are inconsistent with the provisions of the Major Oil Pipeline Siting Act, the provisions of the Major Oil Pipeline Siting Act control;
- (7) Railroad carrier safety pursuant to sections 74-918, 74-919, 74-1323, and 75-401 to 75-430;
- (8) Telecommunications carriers pursuant to the Automatic Dialing-Announcing Devices Act, the Emergency Telephone Communications Systems Act, the Enhanced Wireless 911 Services Act, the Intrastate Pay-Per-Call Regulation Act, the Nebraska Telecommunications Regulation Act, the Nebraska Telecommunications Universal Service Fund Act, the Telecommunications Relay System Act, the Telephone Consumer Slamming Prevention Act, and sections 86-574 to 86-580;
- (9) Transmission lines and rights-of-way pursuant to sections 70-301 and 75-702 to 75-724;
- (10) Water service pursuant to the Water Service Regulation Act; and
- (11) Jurisdictional utilities governed by the State Natural Gas Regulation Act. If the provisions of Chapter 75 are inconsistent with the provisions of the State Natural Gas Regulation Act, the provisions of the State Natural Gas Regulation Act control.

Sec. 2. Section 75-118, Reissue Revised Statutes of Nebraska, is amended to read:

75-118 The commission shall:

- (1) Until July 1, 2021, fix ~~Fix~~ all necessary rates, charges, and regulations governing and regulating the transportation, storage, or handling of household goods and passengers by any common carrier in Nebraska intrastate commerce;
- (2) Fix all necessary rates, charges, and regulations governing and regulating the transportation of passengers by any common carrier in Nebraska intrastate commerce;
- (3) Until July 1, 2021, make ~~(2) Make~~ all necessary classifications of household goods that may be transported, stored, or handled by any common carrier in Nebraska intrastate commerce, such classifications applying to and being the same for all common carriers;
- (4) Authorize the transportation of (a) household goods under a license issued pursuant to section 8 of this act or (b) employees of a railroad carrier under a license issued pursuant to section 9 of this act;
- (5) ~~(3)~~ Prevent and correct the unjust discriminations set forth in section 75-126;
- (6) ~~(4)~~ Enforce all statutes and commission regulations pertaining to rates and, if necessary, institute actions in the appropriate court of any county in which the common carrier involved operates except actions instituted pursuant to sections 75-140 and 75-156 to 75-158. All suits shall be brought and penalties recovered in the name of the state by or under the direction of

the Attorney General; and

(7) ~~(5)~~ Enforce the Major Oil Pipeline Siting Act and the State Natural Gas Regulation Act.

Sec. 3. Section 75-124, Reissue Revised Statutes of Nebraska, is amended to read:

75-124 The commission may compile and reproduce tariffs containing the schedules of rates and charges for transportation of persons and, until July 1, 2021, household goods. ~~The commission property and~~ may make a charge for copies of such tariffs to cover the cost of reproducing, supplementing, and mailing the same. Every common carrier shall reproduce, keep for public inspection, and file with the commission in the manner prescribed by the commission, schedules showing the rates, fares, and charges for the transportation of passengers and, until July 1, 2021, household goods, which have been fixed and established as provided in Chapter 75, articles 1 and 3, and which are in force at the time with respect to such common carrier.

Sec. 4. Section 75-156, Reissue Revised Statutes of Nebraska, is amended to read:

75-156 (1) In addition to other penalties and relief provided by law, the Public Service Commission may, upon a finding that the violation is proven by clear and convincing evidence, assess a civil penalty of up to ten thousand dollars per day against any person, motor carrier, regulated motor carrier, common carrier, contract carrier, licensee, grain dealer, or grain warehouseman for each violation of (a) any provision of the laws of this state within the jurisdiction of the commission as enumerated in section 75-109.01, (b) any term, condition, or limitation of any certificate, permit, license, or authority issued by the commission pursuant to the laws of this state within the jurisdiction of the commission as enumerated in section 75-109.01, or (c) any rule, regulation, or order of the commission issued under authority delegated to the commission pursuant to the laws of this state within the jurisdiction of the commission as enumerated in section 75-109.01.

(2) In addition to other penalties and relief provided by law, the Public Service Commission may, upon a finding that the violation is proven by clear and convincing evidence, assess a civil penalty not less than one hundred dollars and not more than one thousand dollars against any jurisdictional utility for each violation of (a) any provision of the State Natural Gas Regulation Act, (b) any rule, regulation, order, or lawful requirement issued by the commission pursuant to the act, (c) any final judgment or decree made by any court upon appeal from any order of the commission, or (d) any term, condition, or limitation of any certificate issued by the commission issued under authority delegated to the commission pursuant to the act. The amount of the civil penalty assessed in each case shall be based on the severity of the violation charged. The commission may compromise or mitigate any penalty prior to hearing if all parties agree. In determining the amount of the penalty, the commission shall consider the appropriateness of the penalty in light of the gravity of the violation and the good faith of the violator in attempting to achieve compliance after notification of the violation is given.

(3) In addition to other penalties and relief provided by law, the Public Service Commission may, upon a finding that the violation is proven by clear and convincing evidence, assess a civil penalty of up to ten thousand dollars per day against any wireless carrier for each violation of the Enhanced Wireless 911 Services Act or any rule, regulation, or order of the commission issued under authority delegated to the commission pursuant to the act.

(4) In addition to other penalties and relief provided by law, the Public Service Commission may, upon a finding that the violation is proven by clear and convincing evidence, assess a civil penalty of up to one thousand dollars against any person for each violation of the Nebraska Uniform Standards for Modular Housing Units Act or the Uniform Standard Code for Manufactured Homes and Recreational Vehicles or any rule, regulation, or order of the commission issued under the authority delegated to the commission pursuant to either act. Each such violation shall constitute a separate violation with respect to each modular housing unit, manufactured home, or recreational vehicle, except that the maximum penalty shall not exceed one million dollars for any related series of violations occurring within one year from the date of the first violation.

(5) The civil penalty assessed under this section shall not exceed two million dollars per year for each violation except as provided in subsection (4) of this section. The amount of the civil penalty assessed in each case shall be based on the severity of the violation charged. The commission may compromise or mitigate any penalty prior to hearing if all parties agree. In determining the amount of the penalty, the commission shall consider the appropriateness of the penalty in light of the gravity of the violation and the good faith of the violator in attempting to achieve compliance after notification of the violation is given.

(6) Upon notice and hearing in accordance with this section and section 75-157, the commission may enter an order assessing a civil penalty of up to one hundred dollars against any person, firm, partnership, limited liability company, corporation, cooperative, or association for failure to file an annual report or pay the fee as required by section 75-116 and as prescribed by commission rules and regulations or for failure to register as required by section 86-125 and as prescribed by commission rules and regulations. Each day during which the violation continues after the commission has issued an order finding that a violation has occurred constitutes a separate offense. Any party aggrieved by an order of the commission under this section may appeal. The appeal shall be in accordance with section 75-136.

(7) When any person or party is accused of any violation listed in this section, the commission shall notify such person or party in writing (a) setting forth the date, facts, and nature of each act or omission upon which each charge of a violation is based, (b) specifically identifying the particular statute, certificate, permit, rule, regulation, or order purportedly violated, (c) that a hearing will be held and the time, date, and place of the hearing, (d) that in addition to the civil penalty, the commission may enforce additional penalties and relief as provided by law, and (e) that upon failure to pay any civil penalty determined by the commission, the penalty may be collected by civil action in the district court of Lancaster County.

Sec. 5. Section 75-301, Reissue Revised Statutes of Nebraska, is amended to read:

75-301 (1) It is the policy of the Legislature to comply with the laws of the United States, to promote uniformity of regulation, to prevent motor vehicle accidents, deaths, and injuries, to protect the public safety, to reduce redundant regulation, to promote financial responsibility on the part of all motor carriers operating in and through the state, and to foster the development, coordination, and preservation of a safe, sound, adequate, and productive motor carrier system which is vital to the economy of the state.

(2) It is the policy of the Legislature to (a) regulate transportation by motor carriers of passengers and household goods in intrastate commerce upon the public highways of Nebraska in such manner as to recognize and preserve the inherent advantages of and foster sound economic conditions in such transportation and among such carriers, in the public interest, (b) authorize upon the public highways of Nebraska the transportation in intrastate commerce of (i) household goods by motor carriers under licenses issued pursuant to section 8 of this act and (ii) employees of railroad carriers engaged in interstate commerce to or from their work locations under licenses issued pursuant to section 9 of this act, (c) promote adequate economical and efficient service by motor carriers and reasonable charges therefor without unjust discrimination, undue preferences or advantages, and unfair or destructive competitive practices, (d) ~~(e)~~ improve the relations between and coordinate transportation by and regulation of such motor carriers and other carriers, (e) ~~(d)~~ develop and preserve a highway transportation system properly adapted to the needs of the commerce of Nebraska, (f) ~~(e)~~ cooperate with the several states and the duly authorized officials thereof, and (g) ~~(f)~~ cooperate with the United States Government in the administration and enforcement of the unified carrier registration plan and agreement.

The commission, the Division of Motor Carrier Services, and the carrier enforcement division shall enforce all provisions of section 75-126 and Chapter 75, article 3, so as to promote, encourage, and ensure a safe, dependable, responsive, and adequate transportation system for the public as a whole.

Sec. 6. Section 75-302, Reissue Revised Statutes of Nebraska, is amended to read:

75-302 For purposes of sections 75-301 to 75-343 and sections 8 and 9 of this act and in all rules and regulations adopted and promulgated by the commission pursuant to such sections, unless the context otherwise requires:

(1) Attended services means an attendant or caregiver accompanying a minor or a person who has a physical, mental, or developmental disability and is unable to travel or wait without assistance or supervision;

(2) Carrier enforcement division means the carrier enforcement division of the Nebraska State Patrol or the Nebraska State Patrol;

(3) Certificate means a certificate of public convenience and necessity issued under Chapter 75, article 3, to common carriers by motor vehicle;

(4) Civil penalty means any monetary penalty assessed by the commission or carrier enforcement division due to a violation of Chapter 75, article 3, or section 75-126 as such section applies to any person or carrier specified in Chapter 75, article 3; any term, condition, or limitation of any certificate or permit issued pursuant to Chapter 75, article 3; or any rule, regulation, or order of the commission, the Division of Motor Carrier Services, or the carrier enforcement division issued pursuant to Chapter 75, article 3;

(5) Commission means the Public Service Commission;

(6) Common carrier means any person who or which undertakes to transport passengers or, until July 1, 2021, household goods, for the general public in intrastate commerce by motor vehicle for hire, whether over regular or irregular routes, upon the highways of this state. Beginning July 1, 2021, common carrier does not include a motor carrier operating under a license issued pursuant to section 8 of this act;

(7) Contract carrier means any motor carrier which transports passengers or, until July 1, 2021, household goods, for hire other than as a common carrier designed to meet the distinct needs of each individual customer or a specifically designated class of customers without any limitation as to the number of customers it can serve within the class. Beginning on the operative date of this section, contract carrier does not include a motor carrier operating under a license issued pursuant to section 9 of this act;

(8) Division of Motor Carrier Services means the Division of Motor Carrier Services of the Department of Motor Vehicles;

(9) Highway means the roads, highways, streets, and ways in this state;

(10) Household goods means personal effects and property used or to be used in a dwelling, when a part of the equipment or supply of such dwelling, and similar property as the commission may provide by regulation if the transportation of such effects or property, is:

(a) Arranged and paid for by the householder, including transportation of

property from a factory or store when the property is purchased by the householder with the intent to use in his or her dwelling; or

(b) Arranged and paid for by another party;

(11) Intrastate commerce means commerce between any place in this state and any other place in this state and not in part through any other state;

(12) License means a license issued to a motor carrier engaged in the for-hire, intrastate transportation of (a) household goods under section 8 of this act or (b) employees of a railroad carrier engaged in interstate commerce to or from their work locations under section 9 of this act;

(13) (12) Licensed care transportation services means transportation provided by an entity licensed by the Department of Health and Human Services as a residential child-caring agency as defined in section 71-1926 or child-placing agency as defined in section 71-1926 or a child care facility licensed under the Child Care Licensing Act to a client of the entity or facility when the person providing transportation services also assists and supervises the passenger or, if the client is a minor, to a family member of a minor when it is necessary for agency or facility staff to accompany or facilitate the transportation in order to provide necessary services and support to the minor. Licensed care transportation services must be incidental to and in furtherance of the social services provided by the entity or facility to the transported client;

(14) (13) Motor carrier means any person other than a regulated motor carrier who or which owns, controls, manages, operates, or causes to be operated any motor vehicle used to transport passengers or property over any public highway in this state;

(15) (14) Motor vehicle means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails;

(16) (15) Permit means a permit issued under Chapter 75, article 3, to contract carriers by motor vehicle;

(17) (16) Person means any individual, firm, partnership, limited liability company, corporation, company, association, or joint-stock association and includes any trustee, receiver, assignee, or personal representative thereof;

(18) (17) Private carrier means any motor carrier which owns, controls, manages, operates, or causes to be operated a motor vehicle to transport passengers or property to or from its facility, plant, or place of business or to deliver to purchasers its products, supplies, or raw materials (a) when such transportation is within the scope of and furthers a primary business of the carrier other than transportation and (b) when not for hire. Nothing in sections 75-301 to 75-322 and sections 8 and 9 of this act shall apply to private carriers;

(19) (18) Regulated motor carrier means any person who or which owns, controls, manages, operates, or causes to be operated any motor vehicle used to transport passengers, other than those excepted under section 75-303, or, until July 1, 2021, household goods, over any public highway in this state. Beginning July 1, 2021, regulated motor carrier does not include a motor carrier operating under a license issued pursuant to section 8 of this act. Beginning on the operative date of this section, regulated motor carrier does not include a motor carrier operating under a license issued pursuant to section 9 of this act;

(20) (19) Residential care means care for a minor or a person who is physically, mentally, or developmentally disabled who resides in a residential home or facility regulated by the Department of Health and Human Services, including, but not limited to, a foster home, treatment facility, residential child-caring agency, or shelter;

(21) (20) Residential care transportation services means transportation services to persons in residential care when such residential care transportation services and residential care are provided as part of a services contract with the Department of Health and Human Services or pursuant to a subcontract entered into incident to a services contract with the department;

(22) (21) Supported transportation services means transportation services to a minor or for a person who is physically, mentally, or developmentally disabled when the person providing transportation services also assists and supervises the passenger or transportation services to a family member of a minor when it is necessary for provider staff to accompany or facilitate the transportation in order to provide necessary services and support to the minor. Supported transportation services must be provided as part of a services contract with the Department of Health and Human Services or pursuant to a subcontract entered into incident to a services contract with the department, and the driver must meet department requirements for (a) training or experience working with minors or persons who are physically, mentally, or developmentally disabled, (b) training with regard to the specific needs of the client served, (c) reporting to the department, and (d) age. Assisting and supervising the passenger shall not necessarily require the person providing transportation services to stay with the passenger after the transportation services have been provided; and

(23) (22) Transportation network company has the definition found in section 75-323. A transportation network company shall not own, control, operate, or manage drivers' personal vehicles.

Sec. 7. Section 75-303, Revised Statutes Supplement, 2019, is amended to read:

75-303 Sections 75-301 to 75-322 and sections 8 and 9 of this act shall apply to transportation by a motor carrier or the transportation of passengers and, until July 1, 2021, household goods, by a regulated motor carrier for hire in intrastate commerce except for the following:

(1) A motor carrier for hire in the transportation of school children and teachers to and from school;

(2) A motor carrier for hire operated in connection with a part of a streetcar system;

(3) A motor carrier for hire providing transportation services for passengers in vehicles with a rated seating capacity of eight or more passengers when (a) such services are incidental to agritourism activities as defined in section 82-603, (b) the destination for such agritourism activities is outside any incorporated city or village, and (c) the point of origination and termination is outside a county that includes a city of the metropolitan class or primary class;

(4) ~~(3)~~ An ambulance, ambulance owner, hearse, or automobile used exclusively as an incident to conducting a funeral;

(5) ~~(4)~~ A motor carrier exempt by subdivision (1) of this section which hauls for hire (a) persons of a religious, fraternal, educational, or charitable organization, (b) pupils of a school to athletic events, (c) players of American Legion baseball teams when the point of origin or termination is within five miles of the domicile of the carrier, and (d) the elderly as defined in section 13-1203 and their spouses and dependents under a contract with a municipality or county authorized in section 13-1208;

(6) ~~(5)~~ A motor carrier operated by a city and engaged in the transportation of passengers, and such exempt operations shall be no broader than those authorized in intrastate commerce at the time the city or other political subdivision assumed ownership of the operation;

(7) ~~(6)~~ A motor vehicle owned and operated by a nonprofit organization which is exempt from payment of federal income taxes, as provided by section 501(c)(4), Internal Revenue Code, transporting solely persons over age sixty, persons who are spouses and dependents of persons over age sixty, and handicapped persons;

(8) ~~(7)~~ A motor carrier engaged in the transportation of passengers operated by a transit authority or regional metropolitan transit authority established under and acting pursuant to the laws of the State of Nebraska;

(9) Except as provided in section 8 of this act, a motor carrier engaged in the transportation of household goods;

(10) Except as provided in section 9 of this act, a motor carrier engaged in the transportation of employees of a railroad carrier engaged in interstate commerce to or from their work locations;

(11) ~~(8)~~ A motor carrier operated by a municipality or county, as authorized in section 13-1208, in the transportation of elderly persons;

(12) ~~(9)~~ A motor vehicle having a seating capacity of twenty or less which is operated by a governmental subdivision or a qualified public-purpose organization as defined in section 13-1203 engaged in the transportation of passengers in the state;

(13) ~~(10)~~ A motor vehicle owned and operated by a nonprofit entity organized for the purpose of furnishing electric service;

(14) ~~(11)~~ A motor carrier engaged in attended services under contract or subcontract with the Department of Health and Human Services or with any agency organized under the Nebraska Community Aging Services Act;

(15) ~~(12)~~ A motor carrier engaged in residential care transportation services if the motor carrier complies with the requirements of the Department of Health and Human Services adopted, promulgated, and enforced to protect the safety and well-being of the passengers, including insurance, training, and age requirements;

(16) ~~(13)~~ A motor carrier engaged in supported transportation services if the motor carrier complies with the requirements of the Department of Health and Human Services adopted, promulgated, and enforced to protect the safety and well-being of the passengers, including insurance, training, and age requirements; and

(17) ~~(14)~~ A motor carrier engaged in licensed care transportation services if the motor carrier files a certificate with the commission that such provider meets the minimum driver standards, insurance requirements, and equipment standards prescribed by the commission. Insurance requirements established by the commission shall be consistent with the insurance requirements established by the Department of Health and Human Services for attended services, residential care transportation services, and supported transportation services.

Sec. 8. (1) Beginning July 1, 2021, any mover of household goods operating in this state and engaged in the intrastate transportation for hire of household goods shall apply to the commission for a license prior to transporting household goods in intrastate commerce. A license shall be issued by the commission to any qualified applicant upon payment of a license fee of two hundred fifty dollars and receipt of a completed application in which the principal place of business of the applicant in the State of Nebraska is identified and the applicant agrees and affirms to perform the service in conformance with applicable sections 75-301 to 75-322 and the rules and regulations of the commission adopted and promulgated under such sections. Otherwise the application shall be denied. Applications for initial and renewal licenses shall be on forms prescribed by the commission. A license issued under this section shall be valid for one year and may be renewed annually for a fee

of two hundred fifty dollars. A license may be suspended or revoked by the commission after notice and hearing for failure to comply with applicable sections 75-101 to 75-801, any rule or regulation adopted and promulgated under such sections, or any lawful order of the commission.

(2) Any person who applies for a license pursuant to this section shall comply with the requirements of section 75-307. The commission shall have no authority to regulate the rates of any motor carrier who is issued a license under this section.

Sec. 9. (1) Any motor carrier operating in this state engaged in the intrastate transportation for hire of employees of a railroad carrier engaged in interstate commerce to or from their work locations shall apply to the commission for a license prior to transporting such employees in intrastate commerce. A license shall be issued by the commission to any qualified applicant upon payment of a license fee of two hundred fifty dollars and receipt of a completed application in which the principal place of business of the applicant in the State of Nebraska is identified and the applicant agrees and affirms to perform the service in conformance with section 75-307 and the rules and regulations adopted and promulgated by the commission relating to driver qualifications, equipment, operating standards, and recordkeeping. Otherwise the application shall be denied. Applications for initial and renewal licenses shall be on forms prescribed by the commission. A license issued under this section shall be valid for one year and may be renewed annually for a fee of two hundred fifty dollars. A license may be suspended or revoked by the commission after notice and hearing for failure to comply with section 75-307, and any rule or regulation adopted and promulgated under this section, or any lawful order of the commission.

(2) Any person who applies for a license pursuant to this section shall comply with the requirements of section 75-307. The commission shall have no authority to regulate the rates of any motor carrier who is issued a license under this section.

Sec. 10. Section 75-307, Reissue Revised Statutes of Nebraska, is amended to read:

75-307 (1) Certificated intrastate motor carriers, including common and contract carriers, any motor carrier transporting household goods under a license issued pursuant to section 8 of this act, and any motor carrier transporting employees of a railroad carrier under a license issued pursuant to section 9 of this act shall comply with reasonable rules and regulations prescribed by the commission governing the filing with the commission, the approval of the filings, and the maintenance of proof at such carrier's principal place of business of surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in such reasonable amount as required by the commission, conditioned to pay, within the amount of such surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, any final judgment recovered against such motor carrier for bodily injuries to or the death of any person resulting from the negligent operation, maintenance, or use of motor vehicles under such certificate, ~~or~~ permit, or license or for loss or damage to property of others. No certificate or permit shall be issued to a common or contract carrier, no license shall be issued to a motor carrier transporting household goods under section 8 of this act or employees of a railroad carrier under section 9 of this act, nor shall such certificate, permit, or license ~~or~~ remain in force unless such carrier complies with this section and the rules and regulations prescribed by the commission pursuant to this section.

(2) The commission may, in its discretion and under its rules and regulations, require any certificated carrier, any motor carrier transporting household goods under a license issued pursuant to section 8 of this act, and any motor carrier transporting employees of a railroad carrier under a license issued pursuant to section 9 of this act to file a surety bond, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in a sum to be determined by the commission, to be conditioned upon such carrier making compensation to shippers or consignees for all property belonging to shippers or consignees and coming into the possession of such carrier in connection with its transportation service. Any carrier which may be required by law to compensate a shipper or consignee for any loss, damage, or default for which a connecting motor common carrier is legally responsible shall be subrogated to the rights of such shipper or consignee under any such bond, policies of insurance, or other securities or agreements to the extent of the sum so paid.

(3) In carrying out this section, the commission may classify motor carriers and regulated motor carriers taking into consideration the hazards of the operations of such carriers and the value of the household goods carried. Nothing contained in this section shall be construed to authorize the commission to compel motor carriers other than those transporting common carriers of household goods under section 75-309 or under a license issued pursuant to section 8 of this act to carry cargo insurance.

(4) This section does not apply to transportation network companies.

Sec. 11. Section 75-308, Reissue Revised Statutes of Nebraska, is amended to read:

75-308 It is unlawful for a regulated motor carrier to engage in the transportation of passengers or, until July 1, 2021, household goods, in intrastate commerce unless the motor carrier has filed, published, and kept open for inspection its tariff schedule as provided in section 75-124 in the manner prescribed by the commission pursuant to such section. Until July 1,

~~2021, no regulated~~ ~~No~~ such motor carrier shall engage in the transportation of household goods in intrastate commerce unless it has obtained a copy of the most current applicable tariff, or a tariff prepared by a tariff publishing bureau or an individual, which conforms with the rates and charges prescribed by the commission.

Sec. 12. Section 75-311, Reissue Revised Statutes of Nebraska, is amended to read:

75-311 (1) A certificate shall be issued to any qualified applicant authorizing the whole or any part of the operations covered by the application if it is found after notice and hearing that (a) the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of sections 75-301 to 75-322 and the requirements, rules, and regulations of the commission under such sections and (b) the proposed service, to the extent to be authorized by the certificate, whether regular or irregular, ~~passenger or household goods~~, is or will be required by the present or future public convenience and necessity. Otherwise the application shall be denied.

(2) A permit shall be issued to any qualified applicant therefor authorizing in whole or in part the operations covered by the application if it appears after notice and hearing from the application or from any hearing held on the application that (a) the applicant is fit, willing, and able properly to perform the service of a contract carrier by motor vehicle and to conform to the provisions of such sections and the lawful requirements, rules, and regulations of the commission under such sections and (b) the proposed operation, to the extent authorized by the permit, will be consistent with the public interest by providing services designed to meet the distinct needs of each individual customer or a specifically designated class of customers as defined in subdivision (7) of section 75-302. Otherwise the application shall be denied.

(3) A designation of authority shall be issued to any regulated motor carrier holding a certificate under subsection (1) of this section or a permit under subsection (2) of this section authorizing such carrier to provide medicaid nonemergency medical transportation services pursuant to a contract with (i) the Department of Health and Human Services, (ii) a medicaid-managed care organization under contract with the department, or (iii) another agent working on the department's behalf as provided under section 75-303.01, if it is found after notice and hearing from the application or from any hearing held on the application that the authorization is or will be required by the present or future convenience and necessity to serve the distinct needs of medicaid clients. In determining whether the authorization is or will be required by the present or future convenience and necessity to serve the distinct needs of medicaid clients, the commission shall consult with the Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care of the department or his or her designee.

(4) ~~Until July 1, 2021, no~~ ~~No~~ person shall at the same time hold a certificate as a common carrier and a permit as a contract carrier for transportation of household goods by motor vehicles over the same route or within the same territory unless the commission finds that it is consistent with the public interest and with the policy declared in section 75-301.

(5) ~~Until July 1, 2021, after~~ ~~After~~ the issuance of a certificate or permit, the commission shall review the operations of all common or contract carriers who hold authority from the commission to determine whether there are insufficient operations in the transportation of household goods to justify the commission's finding that such common or contract carrier has willfully failed to perform transportation under sections 75-301 to 75-322 and rules and regulations promulgated under such sections. If the commission determines that there are insufficient operations, then the commission shall commence proceedings under section 75-315 to revoke the certificate or permit involved.

(6) This section shall not apply to transportation network companies holding a permit under section 75-324 or operations pursuant to a contract authorized by sections 75-303.02 and 75-303.03.

Sec. 13. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 14 of this act become operative on January 1, 2021. Section 15 of this act becomes operative on July 1, 2021. The other section of this act becomes operative on its effective date.

Sec. 14. Original sections 75-109.01, 75-118, 75-124, 75-156, 75-301, 75-302, 75-307, 75-308, and 75-311, Reissue Revised Statutes of Nebraska, and section 75-303, Revised Statutes Supplement, 2019, are repealed.

Sec. 15. The following section is outright repealed: Section 75-304.02, Reissue Revised Statutes of Nebraska.