

SENATE BILL REPORT

SSB 5502

As Amended by House, April 6, 2011

Title: An act relating to the regulation, operations, and safety of limousine carriers.

Brief Description: Concerning the regulation, operations, and safety of limousine carriers.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators White, Nelson, Keiser, Ranker, Kohl-Welles, Rockefeller, Murray, Litzow, Harper, Fain, Swecker, Delvin and Shin).

Brief History:

Committee Activity: Transportation: 2/09/11, 2/17/11 [DPS].

Passed Senate: 3/01/11, 37-12.

Passed House: 4/06/11, 81-15.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5502 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; White, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Hill, Hobbs, Litzow, Nelson, Ranker, Sheldon and Shin.

Staff: Katherine Taylor (786-7434)

Background: Currently, all limousine carriers must operate from a main office. However, no office may be solely in a vehicle. All arrangements for the carrier's services must be made through its offices and dispatched to the carrier's vehicles.

The Department of Licensing and/or the Washington State Patrol must regulate limousine carriers with respect to entry, safety equipment inspections, chauffeur qualifications, and operations. Under certain circumstances, a port district, city, or county may regulate limousines.

A limousine carrier may advertise its services with a number of limitations.

A chauffeur may not operate a limousine unless he or she is at least 21 years of age, holds a valid driver's license, has successfully completed a training course approved by the

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department, has successfully passed a written examination, has successfully completed a background check, and has submitted a medical certificate certifying his or her fitness as a chauffeur.

The department may adopt and enforce fee setting rules.

Summary of Substitute Bill: Contact by a customer or customer's agent to engage the services of a carrier's limousine must be initiated by a customer or customer's agent at a time and place different from the customer's time and place of departure. Under no circumstances may customers or customers' agents make arrangements to immediately engage the services of a carrier's limousine with the chauffeur. However, a limousine carrier is no longer required to operate from a main office.

Further, chauffeurs are required to do the following:

- generally substantiate the prearrangement of business through written electronic records;
- list a physical address on their master business license where records may be reviewed; and
- list a telephone number or pager number on their master business license that is used to prearrange the carrier's services.

The Washington State Patrol, and in some instances a port district or city, must conduct annual limousine safety inspections, random records inspections, and other law enforcement activities relating to state laws or rules applicable to limousine carriers and chauffeurs.

No limousine carrier may operate a limousine upon the highways of this state without the following:

- registration as a business in Washington;
- a unified business identifier;
- a limousine carrier license;
- liability and property damage insurance;
- a limousine vehicle certificate for each limousine operated by a carrier.

A number of penalties may be incurred by a carrier, chauffeur, or a third party for not complying with rules regarding proper advertisement.

Among other requirements for a chauffeur to operate a limousine, the chauffeur must have passed an initial controlled substance test, participate in random controlled substance testing, and have a satisfactory driving record.

Any fee related to limousine vehicle certificates must not exceed \$75; any fee related to a limousine carrier license for a business must not exceed \$350; and any fee related to limousine vehicle inspections must not exceed \$25.

The department must convene an internal workgroup regarding the issuance of chauffeur licenses. The department must provide a report on its recommendations on this issue to the legislature.

A limousine carriers account is created in the state treasury where all receipts from each civil infraction and violation regarding limousine regulations must be deposited.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on Proposed Substitute as Heard in Committee:

PRO: Gives the city the tools to enforce regulations, increases public safety, decreases solicitation issues, reduces altercations, helps regulate applicable transportation altercations in cruise areas, helps limo drivers who operate legally, promotes fairness, helps customers, punishes limo drivers who do not carry insurance, prevents limo drivers with criminal records from driving, and supports prearrangement of limo services.

CON: Decreases business competition, favors big carriers, and hurts independent drivers. The free market should not be regulated, jobs will be lost, families of limo drivers will be hurt, as it prevents tipping hotel employees; reinspection fees are too costly, fee amounts should be changed. Some limo companies already require criminal background checks and other requirements, and random inspections are harmful.

Persons Testifying: PRO: Denise Movius, City of Seattle; Bruce Deans, Puget Sound Limo LLC; Priscilla Bunch, Alexander Samuel, Limo Assn. of Washington State; Guscharan Dhalind, Clare Gallagher, Port of Seattle; Joe Blando, Alliance of Taxi Assn.; G. Kahlon, Seattle Taxi Owner Assn.; Aram Matevosov, Washington State Town Car Service Assn.; Steve Salins, Puget Sound Limousine Assn., Shuttle Express; Chris Vandyk, BYG Taxi Cooperation; Sandhu Sukhwinder, Kewals Bhandal, Yellow Cab.

CON: Yusuf Cabdi, Abdifatah Samatar, SDA CORR; Yusuf Warsame, Frontline Limo; Hussein Uogs, Tim Limo Service.

House Amendment(s):

- A cooperative agreement is required that allows for local enforcement of limousine laws to restrict the fee revenue use by a city to the costs of enforcing state laws or rules applicable to limousine carriers and chauffeurs.
- The requirement that a copy of a contract for payment to a third party to solicit customers for limousine service be stored in the limousine engaged in the services detailed in the contract is removed.
- A contract for payment to a third party to solicit customers is required to be stored at the limousine carrier's business premises and requires limousines engaged in the services detailed in the contract to carry a certificate verifying the existence of a current contract.
- A limousine chauffeur is required to file a physician's certification with the limousine carrier upon initial application and every two years thereafter.

- The effective date of sections 1 through 12 is changed from January 1, 2013, to January 1, 2012.