

HOUSE BILL REPORT

SSB 5362

As Reported by House Committee On: Transportation

Title: An act relating to the regulation of passenger charter and excursion carriers.

Brief Description: Concerning the regulation of passenger charter and excursion carriers.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators King and Liias; by request of Utilities & Transportation Commission).

Brief History:

Committee Activity:

Transportation: 3/16/15, 3/19/15 [DPA].

**Brief Summary of Substitute Bill
(As Amended by Committee)**

- Provides conditions on the consumption of alcohol on charter party and excursion service carrier vehicles and party buses.
- Prohibits smoking on charter party carriers and excursion service carrier vehicles.
- Removes an exemption from regulation that applies to carriers operating wholly within the limits of incorporated cities.
- Changes when annual fees from charter party carriers and excursion service carriers must be paid.
- Amends the carrier-related activities for which a certificate is required.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 22 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Gregerson, Harmsworth, Hayes, Kochmar, McBride, Morris, Ortiz-Self, Pike, Riccelli, Rodne, Sells, Shea, Takko, Wilson, Young and Zeiger.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Andrew Russell (786-7143).

Background:

The Washington Utilities and Transportation Commission (UTC) regulates various passenger transportation service providers, including charter party carriers and excursion service carriers. A "charter party carrier" is defined as a person who transports a group of persons traveling pursuant to a common purpose or under a single contract to a specified destination or for a particular itinerary. An "excursion service carrier" is defined as a person who transports passengers for compensation from points of origin within the incorporated limits of any city or town to any other location in the state and returning to that origin. These carriers do not include persons operating wholly within the limits of an incorporated city, the operation of taxicabs, hotel buses, school buses, or limousine operators.

Charter party carriers and excursion service carriers must obtain a certificate from the UTC, and the carriers must pay an annual fee, which is due by December 31. Operating without the required certificate is punishable as a gross misdemeanor. In applying for a certificate, an applicant must provide information required by the UTC and must provide proof that it meets the minimum insurance requirement. These carriers must hold an insurance policy with minimum limits, determined by the size of the vehicle the carrier operates: for vehicles with a seating capacity for 15 or fewer passengers, the operator must hold \$1.5 million combined single-limit coverage; and for vehicles with a seating capacity for 16 or more passengers, the operator must hold \$5 million combined single-limit coverage.

Summary of Amended Bill:

Definitions.

A party bus is defined as "any motor vehicle whose interior enables passengers to stand and circulate throughout the vehicle and in which food, beverages, or entertainment may be provided." A party bus, however, does not include vehicles with forward-facing seats and a center aisle. Additionally, a double-decker bus is defined as a vehicle with more than one passenger deck, which must comply with maximum height requirements. Finally, a "permit holder" is defined as the holder of a special permit issued by the Liquor Control Board (LCB), which relates to the service and consumption of alcohol.

Prohibited Activities.

If a charter party carrier or excursion service carrier operates a party bus, the carrier must determine if alcoholic beverages will be served or consumed on the vehicle. If so, the proper permit must be obtained from the LCB, the copy of the permit must be provided to the carrier in advance of the trip, and the permit holder must be on the vehicle or reasonably proximate to the vehicle during the transportation service. The permit holder must also monitor and control party activities to prevent driver distraction, and assume responsibility for complying with the terms of the permit. Additionally, if the carrier operating the party bus is the permit holder, it must have a person in addition to the driver who is responsible for the requirements of the permit holder. If these requirements are not met, the carrier must either cancel the trip or remove all alcoholic beverages and lock them in the trunk of the vehicle. If at any time an

excursion service carrier or charter party carrier believes conditions in the vehicle are unsafe due to party activities involving alcohol, the carrier must remove all alcoholic beverages and lock them in the trunk or other compartment of the party bus. Additionally, the carrier may cancel the trip and return the passengers to the place of origin. A carrier that violates these requirements is subject to a penalty of up to \$5,000 for each violation.

A charter party carrier and an excursion service carrier may not knowingly allow any passenger to smoke any kind of lighted pipe, cigar, cigarette, or any other lighted smoking equipment aboard the carrier's vehicle.

Operating Without a Certificate.

The advertisement or solicitation for, and the offering or entering into, any agreement to provide charter party or excursion service carriage is included in the definition of service for which a certificate issued by the UTC is required. Generally, a violation of this section may be punished by a penalty of up to \$5,000 for each violation.

Removing Exemption from Regulation.

Charter party and excursion service carrier regulations are applied to carriers operating wholly within limits of incorporated cities.

Annual Fee Payments.

Charter party carriers and excursion service carriers must pay the applicable annual fees before May 1 of each year to cover operations during that year.

Amended Bill Compared to Substitute Bill:

The substitute bill prohibited charter party carriers and excursion service carriers from serving alcohol on their vehicles, while the amended bill allows these carriers to serve alcohol. Additionally, the substitute bill prohibited alcohol on an excursion service carrier's vehicle, while the amended bill does not prohibit it. The substitute bill required the permit holder to be present at all times during the transportation service, while the bill as amended requires instead that the permit holder be on the vehicle or reasonable proximate to the vehicle. The substitute bill provided specific situations in which the charter party carrier or excursion service carrier was required to remove the alcohol and permitted to cancel the trip, while the amended bill provides that the carrier must remove the alcohol and may cancel the trip if the carrier believes the conditions aboard the vehicle are unsafe. Finally, the amended bill changes the term "permittee" to "permit holder."

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a good bill and it addresses an area that needs some defining and some regulation.

The UTC conducted a study and learned that there have been a number of injuries and deaths on party buses across the country, that the UTC believes were preventable. The UTC has stepped up its enforcement, but there are some loopholes in the law. This bill closes a loophole that allows companies to operate without UTC regulation if they are operating only within incorporated cities. The bill also would allow the UTC to use advertising to show that a company is offering a specific service. This allows the UTC to get a handle on how alcohol is provided on party buses, including requiring a person to be responsible if alcohol is going to be served. This focuses on the problems without inhibiting the development of this industry.

(Opposed) None.

Persons Testifying: Senator King, prime sponsor; and Dave Danner, Utilities and Transportation Commission.

Persons Signed In To Testify But Not Testifying: None.