

# HOUSE BILL REPORT

## HB 2551

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### As Passed House:

February 5, 1996

**Title:** An act relating to the regulation of limousines and for hire vehicles carrying passengers.

**Brief Description:** Regulating limousines.

**Sponsors:** By House Committee on Transportation (originally sponsored by Representatives Cairnes, Patterson, Ogden, Romero, Tokuda, Mitchell, Quall and K. Schmidt).

### Brief History:

#### Committee Activity:

Transportation: 1/18/96 [DP].

#### Floor Activity:

Passed House: 2/5/96, 97-0.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 25 members: Representatives K. Schmidt, Chairman; Benton, Vice Chairman; Mitchell, Vice Chairman; R. Fisher, Ranking Minority Member; Hatfield, Assistant Ranking Minority Member; Backlund; Blanton; Brown; Buck; Cairnes; Chandler; Chopp; Elliot; Hankins; Johnson; McMahan; Ogden; Patterson; Quall; Robertson; Romero; D. Schmidt; Scott; Sterk and Tokuda.

**Staff:** Mary McLaughlin (786-7309).

**Background:** In 1989 the Utilities and Transportation Commission (UTC) was given exclusive regulatory authority over limousines. The commission is charged with safety, equipment, and insurance requirements. Entry into the field is unlimited if the applicant can prove financial responsibility; no rate or route regulation may be imposed. Because of the broad statutory definition of limousines and the lack of enforcement by the UTC due to severe cutbacks in the agency, there is concern over the public safety of the passengers, the qualifications of the drivers, the conditions of the vehicles, and the types of vehicles being used as limousines.

Cities, counties, and port districts may regulate taxicab companies operating within their jurisdictions, and may control entry, rate, route, licensing, and safety. Both

King County and the city of Seattle have chosen to regulate taxicabs and have imposed a moratorium on the number of taxicabs that may operate within their jurisdictions in order to stabilize the market. The city and county have developed stringent guidelines to enforce licensing, rates, routes, driver qualifications, safety and vehicle inspection provisions. Because limousines may be operated in King County in a more relaxed regulatory environment than taxicabs, there has been a dramatic rise in the number of limousines in the city, county, and at SeaTac International Airport.

At the end of 1989 there were 94 limousine permits issued for use at SeaTac Airport; by 1995 the number had risen to 410 permits. At SeaTac this increase in limousine traffic has resulted in frequent solicitation of passengers within the terminal and inconsistency in the type of vehicles used. There is evidence that some vehicles lack the proper insurance and operating authority required by the UTC.

**Summary of Bill:** The regulation of limousines is transferred from the Utilities and Transportation Commission (UTC) to the Department of Licensing (DOL). The department regulates entry, equipment, chauffeur qualifications, and operations. In addition, the Port of Seattle may regulate limousines with regard to entry, chauffeur qualifications, operations, and equipment at SeaTac International Airport. No rate regulation may be imposed, but the carrier must file its rates and schedules with the port. King County may adopt ordinances to assist the port in enforcement at SeaTac Airport; this does not grant King County the authority to regulate limousines within its jurisdiction.

A new definition of limousine service is created, which divides the vehicles into four categories. A limousine is a for-hire, chauffeur-driven, unmetered, unmarked luxury motor vehicle that meets one of the following definitions:

- (1) "stretch limousine" is an automobile whose wheelbase has been altered, has a seating capacity of no more than 12 passengers, and is equipped with amenities;
- (2) "executive sedan" is a four-door sedan with a minimum wheelbase of 114.5 inches, a seating capacity of no more than three passengers behind the driver, and standard factory amenities;
- (3) "executive van" is a van, minivan, or minibus with a seating capacity of seven to 14 passengers behind the driver; or
- (4) "classic" is a fine and distinctive automobile that is 30 years old or older.

A limousine carrier must have an office; a vehicle cannot solely be used as an office. Arrangements for service are prearranged through the carrier's office and dispatched to the limo. Customers cannot make arrangements with the driver for immediate rental of a limousine, even if the driver is the owner. The single exception is stand-hail limousines at SeaTac Airport that are licensed by the port.

The Washington State Patrol (WSP) annually inspects each limousine licensed by DOL, except if the Port of Seattle chooses to regulate limousines within its jurisdiction; in that case, it is the port or King County (rather than the WSP) that is responsible for the annual inspection.

A limousine carrier must certify that each chauffeur (1) is 21 years of age, (2) holds a valid Washington driver's license, (3) has successfully completed a training course and written exam approved by DOL, (4) has passed a background check performed by the WSP, and (5) submits a medical certificate upon initial application and every three years thereafter validating the driver's fitness.

DOL may refuse, suspend, or revoke a license of a limousine carrier if it has good reason to believe that the carrier hired a chauffeur that (1) has been convicted of an offense that makes the driver unfit to qualify as a chauffeur, (2) has been found guilty of two or more offenses resulting in revocation of the driver's license, (3) has been convicted of vehicular homicide or assault, or (4) is intemperate or addicted to narcotics.

Limousine carriers must list their unified business identifier when advertising and specify the type of service offered (stretch limo, executive sedan or van, or classic auto). A limousine carrier cannot advertise as a taxicab company.

A vehicle operated as a limousine before April 1, 1996, is grandfathered into the new regulatory process if the owner is the same as the registered owner on April 1, 1996, and the vehicle and carrier otherwise comply with the new limousine statutes.

Unlawful operation of a limousine without a certificate is a misdemeanor on first offense and a gross misdemeanor thereafter. Violation of the insurance provisions and false advertising are gross misdemeanors.

Cities, counties, and port districts may regulate for-hire vehicles within their respective jurisdictions with regard to entry, rates, routes, safety, and licensing. (This is in addition to DOL's current licensing and insurance regulations.)

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The new regulations governing limousines will level the playing field between the taxicab and limousine industries, and will promote the safety of the drivers, vehicles, and passengers.

**Testimony Against:** None.

**Testified:** Representative Jack Cairnes, prime sponsor; Mike Zawaideh, Limousine Association of Washington; Robert Long, Limousine Association of Washington; Mel McDonald, city of Seattle; Richard Irvin, Limousine Association of Washington; Peter Bailey, Evergreen Towncar Service; Jayelyn Thresher, Limousine Association of Washington; Carmen Bullard, representing towncar operators; Doug Bohlke, Evergreen State Taxi Association; Ed Stemkoski, Farwest Taxi; Jack Blunk, North End Taxi; Tom Tanaka, Port of Seattle; Vazgen Abramyan, United Towncars; Jim Fricke, Pacific Northwest Transportation Services; and John Ruhl, Seattle-Tacoma International Taxi Association.