SUBSTITUTE HOUSE BILL 1775

State of Washington 61st Legislature 2010 Regular Session

By House Transportation (originally sponsored by Representatives White, Carlyle, Nelson, Upthegrove, and Simpson)

READ FIRST TIME 02/03/10.

1 AN ACT Relating to the regulation of certain limousine carriers; 2 amending RCW 46.72A.010, 46.72A.020, 46.72A.030, 46.72A.040, 46.72A.050, 46.72A.060, 46.72A.080, 46.72A.090, 46.72A.100, and 3 46.72A.140; reenacting RCW 46.72A.120; adding a new section to chapter 4 46.72A RCW; creating a new section; prescribing penalties; 5 and 6 providing an effective date.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 Sec. 1. RCW 46.72A.010 and 1996 c 87 s 4 are each amended to read 9 as follows:

10 The legislature finds and declares that privately operated 11 limousine transportation service is a vital part of the transportation system within the state and provides prearranged transportation 12 13 services to state residents, tourists, and out-of-state business Consequently, the safety, reliability, and stability of 14 people. 15 privately operated limousine transportation services are matters of 16 statewide importance. The regulation of privately operated limousine 17 transportation services is thus an essential governmental function. 18 Therefore, it is the intent of the legislature to permit the department 19 and a port district in a county with a population of one million or

1 more to regulate limousine transportation services without liability 2 under federal antitrust laws. <u>It is further the intent of the</u> 3 <u>legislature to authorize a city with a population of five hundred</u> 4 <u>thousand or more to enforce this chapter through a joint agreement with</u> 5 <u>the department, and to direct the department to provide annual funding</u> 6 <u>from limousine regulation-related fees that provide sufficient funds to</u> 7 such a city to provide delegated enforcement.

8 Sec. 2. RCW 46.72A.020 and 1996 c 87 s 5 are each amended to read 9 as follows:

10 (1) All limousine carriers must operate from a main office and may 11 have satellite offices. However, no office may be ((solely)) in a 12 ((vehicle)) limousine of any type. All arrangements for the carrier's services must be made through its offices and dispatched to the 13 14 carrier's ((vehicles)) limousines. Under no circumstances may customers or customers' agents make arrangements for immediate rental 15 of a carrier's ((vehicle)) limousine with the ((driver)) chauffeur of 16 the ((vehicle)) limousine, even if the ((driver)) chauffeur is an owner 17 18 or officer of the company, with the single exception of stand-hail limousines only at a facility owned and operated by a port district in 19 20 a county with a population of one million or more that are licensed and 21 restricted by the rules and policies set forth by the port district.

(2) At the time of the conduct of the commercial limousine 22 23 business, the chauffeur of a limousine and the limousine carrier business must possess written or electronic records, including 24 passenger manifests and dispatch records, substantiating the 25 26 prearrangement of the carrier's services through its office for any customer carried for compensation, except for vehicles meeting the 27 requirements of the exception for stand-hail limousines described in 28 subsection (1) of this section. A limousine carrier must retain these 29 30 records for a minimum of one calendar year, and failure to do so is a class 3 civil infraction against the carrier for each record that is 31 missing or fails to include all of the information described in rules 32 adopted under subsection (3) of this section. 33

34 (3) The department shall adopt rules specifying the type, style,
 35 content, and retention schedule of the records, including passenger
 36 manifests and dispatch records, required for compliance with subsection
 37 (2) of this section.

(4) The failure of a chauffeur who is operating a limousine to 1 immediately provide, on demand by an enforcement officer, written or 2 electronic records required by the department substantiating the 3 arrangement of the carrier's services through its office for any 4 customer carried for compensation, except for limousines meeting the 5 requirements of the exception for stand-hail limousines described in 6 subsection (1) of this section, is a class 2 civil infraction and is 7 subject to monetary penalties under RCW 7.80.120. It is a class 1 8 civil infraction for a repeat offense under this subsection during the 9 10 same calendar year.

11 (5) The department shall define by rule conditions under which a 12 chauffeur is considered to be operating a limousine, including when the 13 limousine is parked in a designated passenger load zone.

14 **Sec. 3.** RCW 46.72A.030 and 1996 c 87 s 6 are each amended to read 15 as follows:

16 (1) The department, in conjunction with the Washington state 17 patrol, shall regulate limousine carriers with respect to entry, safety 18 of equipment, chauffeur qualifications, and operations. The department 19 shall adopt rules and require such reports as are necessary to carry 20 out this chapter.

21 (2) In addition, a port district in a county with a population of 22 one million or more may regulate limousine carriers with respect to 23 entry, safety of equipment, chauffeur qualifications, and operations. The county in which the port district is located may adopt ordinances 24 25 and rules to assist the port district in enforcement of limousine 26 regulations only at port facilities. In no event may this be construed to grant the county the authority to regulate limousines within its 27 jurisdiction. The port district may not set limousine rates, but the 28 29 limousine carriers shall file their rates and schedules with the port 30 district if requested.

31 (3) The department, a port district in a county with a population 32 of at least one million, or a county in which the port district is 33 located may enter into cooperative agreements for the joint regulation 34 of limousines.

35 (4) <u>The department and a city with a population of five hundred</u> 36 <u>thousand or more may enter into cooperative agreements as provided in</u>

section 12 of this act, subject to the limitations set forth in RCW
 46.72A.130.

(5) The Washington state patrol shall annually conduct a vehicle 3 inspection of each limousine licensed under this chapter, except when 4 a port district, or a city with a population of five hundred thousand 5 б or more, regulates limousine carriers under subsection (2) or (4) of this section, that port district or county in which the port 7 (([district])) district is located ((shall)), or a city with a 8 population of five hundred thousand or more, may conduct the annual 9 limousine vehicle inspection and conduct random limousine vehicle 10 inspections in conjunction with limousine regulation enforcement 11 activities, provided that the inspection criteria are substantially the 12 same regardless of the authority conducting the inspection. 13 The patrol, the city, or the port district((, or the county)) conducting 14 the limousine vehicle inspection may impose an annual vehicle 15 inspection fee and reinspection fee. A carrier must pay a reinspection 16 fee if a limousine fails inspection for compliance with vehicle 17 standards and is reinspected. While a limousine is licensed by the 18 department for commercial limousine use, failure to comply with vehicle 19 20 inspection standards, established by the department by rule, is a class 21 3 civil infraction against the carrier, with monetary penalties against the carrier as specified in RCW 7.80.120, for each violation of a 22 safety requirement. It is a class 4 civil infraction for each 23 violation of other vehicle standards, with monetary penalties against 24 the carrier as specified in RCW 7.80.120, and the limousine vehicle 25 26 certificate license must be summarily suspended until safety violations of vehicle standards are corrected and the limousine is reinspected. 27

28 **Sec. 4.** RCW 46.72A.040 and 1996 c 87 s 7 are each amended to read 29 as follows:

Except when a port district regulates limousine carriers under RCW 46.72A.030 or a city with a population of five hundred thousand or more is authorized under section 12 of this act to enforce state laws or rules applicable to limousine carriers, limousines, and chauffeurs, subject to the limitations set forth in section 12 of this act, the state of Washington fully occupies and preempts the entire field of regulation over limousine carriers as regulated by this chapter.

Cities, towns, and counties or other municipalities may enact only
 those laws and ordinances relating to limousine carriers that are
 consistent with this chapter.

4 Sec. 5. RCW 46.72A.050 and 1996 c 87 s 8 are each amended to read 5 as follows:

б (1) No limousine carrier may operate a limousine upon the highways 7 of this state without first ((obtaining a business license from the department. The applicant shall forward an application for a business 8 9 license to the department along with a fee established by rule. Upon 10 approval of the application, the department shall issue a business 11 license and unified business identifier authorizing the carrier to 12 operate limousines upon the highways of this state)) being properly registered as a business in Washington and having been issued a unified 13 14 business identifier.

(2) In addition, a limousine carrier shall ((annually)) obtain((7) 15 16 upon payment of the appropriate fee,)) from the department a limousine carrier license for the business and a ((vehicle)) limousine vehicle 17 18 certificate for each limousine operated by the carrier. The limousine carrier license and limousine vehicle certificates must be renewed 19 through the department annually or as may be required by the 20 department. The department shall establish by rule the procedure for 21 obtaining, and the fees for, the limousine carrier license and 22 23 limousine vehicle certificate. It is a class 1 civil infraction, with monetary penalties against the carrier as specified in RCW 7.80.120, 24 25 for each day that a limousine is operated without a valid limousine 26 carrier license or valid limousine vehicle certificate required under 27 this subsection.

28 **Sec. 6.** RCW 46.72A.060 and 2003 c 53 s 251 are each amended to 29 read as follows:

30 (1) The department shall require limousine carriers to obtain and 31 continue in effect, liability and property damage insurance from a 32 company licensed to sell liability insurance in this state for each 33 limousine used to transport persons for compensation.

34 (2) The department shall fix ((the amount of)) by rule coverages
 35 and limits, and prohibit provisions that limit coverage, for the
 36 insurance policy or policies, giving consideration to the character and

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amount of traffic, the number of persons affected, and the degree of danger that the proposed operation involves. The limousine carrier must maintain the liability and property damage insurance in force on each motor-propelled vehicle while so used <u>in the conduct of a</u> <u>commercial limousine business</u>.

6 (3) Failure to file and maintain in effect the insurance required 7 under this section is a gross misdemeanor <u>and the limousine vehicle</u> 8 <u>certificate must be summarily suspended. It is a class 1 civil</u> 9 <u>infraction, with monetary penalties against the carrier as specified in</u> 10 <u>RCW 7.80.120, for each day that a carrier operates a limousine with a</u> 11 <u>summarily suspended limousine vehicle certificate</u>.

12 Sec. 7. RCW 46.72A.080 and 1997 c 193 s 1 are each amended to read 13 as follows:

14 (1) No limousine carrier may advertise without listing the 15 carrier's unified business identifier issued by the department in the 16 advertisement and specifying the type of service offered as provided in 17 RCW 46.04.274. No limousine carrier may advertise or hold itself out 18 to the public as providing taxicab transportation services.

19 (2) All advertising, contracts, correspondence, cards, signs, 20 posters, papers, and documents that show a limousine carrier's name or 21 address shall list the carrier's unified business identifier and the 22 type of service offered. The alphabetized listing of limousine 23 carriers appearing in the advertising sections of telephone books or 24 other directories and all advertising that shows the carrier's name or 25 address must show the carrier's current unified business identifier.

26 (3) Advertising in the alphabetical listing in a telephone
 27 directory need not contain the carrier's certified business identifier.

(4) ((Advertising by electronic transmission need not contain the carrier's unified business identifier if the carrier provides it to the person selling the advertisement and it is recorded in the advertising contract.

32 (5)) It is a ((gross misdemeanor)) violation, subject to a fine of 33 up to five thousand dollars per violation, for a person to (a) falsify 34 a unified business identifier or use a false or inaccurate unified 35 business identifier; (b) fail to specify the type of service offered; 36 ((or)) (c) advertise or otherwise hold itself out to the public as 37 providing taxicab transportation services in connection with a 1 solicitation or identification as an authorized limousine carrier; or 2 (d) conduct commercial limousine business without a valid limousine 3 carrier license or valid limousine vehicle certificate as required 4 under this chapter, unless licensed as a charter party carrier under 5 chapter 81.70 RCW. 6 (5) If the basis for the violation is advertising, each

7 <u>advertisement reproduced, broadcast, or displayed via a particular</u>
8 <u>medium constitutes a separate violation.</u>

9 (6) In deciding the amount of penalty to be imposed per violation,
 10 the department shall consider the following factors:

11 (a) The carrier's willingness to comply with the department's rules 12 under this chapter; and

13 (b) The carrier's history with respect to compliance with this 14 section.

15 (7) It is a class 1 civil infraction, with monetary penalties 16 against the chauffeur as specified in RCW 7.80.120, for a chauffeur to: 17 (a) Solicit customers for limousine service; or

18 (b) Offer payment to a third party, not the carrier's business 19 office, to solicit customers for limousine service.

20 Sec. 8. RCW 46.72A.090 and 1996 c 87 s 12 are each amended to read 21 as follows:

(1) The limousine carrier shall ((certify)), before a chauffeur 22 23 operates a limousine, provide proof in a form approved by the <u>department</u> to the appropriate regulating authority that each chauffeur 24 25 hired to operate a limousine meets the following criteria: (((+))) (a) 26 Is at least twenty-one years of age; (((2))) (b) holds a valid Washington state driver's license; (((3))) <u>(c)</u> has successfully 27 28 completed a training course approved by the department; $\left(\left(\frac{4}{4}\right)\right)$ (d) has 29 successfully passed a written examination; (((5))) (e) has successfully 30 completed a background check performed by the Washington state patrol or a credentialing authority approved by the department that meets 31 standards adopted by rule by the department; (f) has passed an initial 32 test and is participating in a random testing program designed to 33 detect the presence of any controlled substances determined by the 34 35 department; (g) has a satisfactory driving record that meets moving accident and moving violation conviction standards adopted by rule by 36 <u>the department</u>; and $\left(\left(\frac{1}{6}\right)\right)$ <u>(h)</u> has submitted a medical certificate 37

certifying the individual's fitness as a chauffeur. Upon initial application and every ((three)) two years thereafter, a chauffeur must file a physician's certification with the limousine carrier validating the individual's fitness to drive a limousine. The department shall determine by rule the scope of the examination and standards for denial based upon the chauffeur's physical examination. The director may require a chauffeur to be reexamined at any time.

8 (2) The limousine carrier shall keep on file and make available for 9 inspection all documents required by this section.

10 **Sec. 9.** RCW 46.72A.100 and 2002 c 86 s 295 are each amended to 11 read as follows:

12 The director may impose any of the sanctions specified in RCW 18.235.110 for unprofessional conduct as described in RCW 18.235.130 or 13 14 if one of the following is true of a chauffeur hired to drive a limousine, including where such a chauffeur is also the carrier: (1) 15 16 The person has been convicted of an offense of such a nature as to 17 indicate that he or she is unfit to qualify as a chauffeur; (2) the 18 person is guilty of committing ((two or more)) an offense((s)) for which mandatory revocation of a driver's license is provided by law; 19 20 (3) the person has been convicted of vehicular homicide or vehicular 21 assault; (4) the person is intemperate or addicted to narcotics; or (5) 22 the person, while participating in a random testing program designed to 23 detect the presence of any controlled substances determined by the department under RCW 46.72A.090, is found to have taken one of the 24 25 controlled substances determined by the department without a valid and 26 current prescription from a licensed physician.

27 Sec. 10. RCW 46.72A.120 and 1996 c 87 s 15 are each reenacted to 28 read as follows:

The department may adopt and enforce such rules, including the setting of fees, as may be consistent with and necessary to carry out this chapter. The fees must approximate the cost of administration.

32 **Sec. 11.** RCW 46.72A.140 and 2002 c 86 s 296 are each amended to 33 read as follows:

34 The uniform regulation of business and professions act, chapter

1 18.235 RCW, governs unlicensed practice, the issuance and denial of 2 licenses, and the discipline of licensees under this chapter <u>by the</u> 3 department.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 46.72A
RCW to read as follows:

6 (1) The department may enter into cooperative agreements with 7 cities with populations of five hundred thousand or more for the 8 purpose of enforcing state laws or rules applicable to limousine 9 carriers and chauffeurs. This power to enforce includes the right to 10 adopt local limousine laws by city ordinance that are consistent with 11 this chapter and the right to impose monetary penalties by civil 12 infraction as provided in this chapter.

(2) In addition, the following specific authority and limitationsto city enforcement must be included:

15 (a) City enforcement officers may conduct street enforcement 16 activity consistent with this chapter;

(b) City enforcement officers may conduct inspections of limousines to verify compliance with limousine standards adopted by rule by the department and, if the carrier requests, conduct annual limousine vehicle inspections in lieu of an inspection conducted by the Washington state patrol. The city may receive all limousine inspection or reinspection fees for inspections conducted by city enforcement officers;

(c) A city may require that any limousine carrier dispatching a limousine to pick up passengers within the incorporated area of the city to maintain on file with the city insurance documents that meet the requirements adopted by rule by the department. The city may issue civil infractions to carriers and summarily suspend limousine vehicle certificates for failure to maintain on file valid insurance documents with the city.

31 (3) A cooperative agreement with the department for delegated 32 enforcement must specify the schedule and amount of funds derived from 33 limousine carrier license, limousine vehicle certificate, and chauffeur 34 license fee revenue to be provided to the city to allow the city to 35 provide the agreed upon level of enforcement.

<u>NEW SECTION.</u> Sec. 13. The department of licensing shall convene
 an internal work group regarding the issuance of chauffeur licenses.
 The department shall provide a report on its recommendations on this
 issue to the transportation committees of the legislature by November
 15, 2010.

6 <u>NEW SECTION.</u> Sec. 14. This act takes effect January 1, 2011.

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