

CERTIFICATION OF ENROLLMENT
SUBSTITUTE SENATE BILL 5502

Chapter 374, Laws of 2011

62nd Legislature
2011 Regular Session

LIMOUSINE CARRIERS

EFFECTIVE DATE: 01/01/12 - Except section 14, which becomes effective 07/01/12.

Passed by the Senate April 18, 2011
YEAS 35 NAYS 11

BRAD OWEN

President of the Senate

Passed by the House April 6, 2011
YEAS 81 NAYS 15

FRANK CHOPP

Speaker of the House of Representatives

Approved May 16, 2011, 3:42 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5502** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

May 17, 2011

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5502

AS AMENDED BY THE HOUSE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

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

READ FIRST TIME 02/21/11.

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

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
12 system within the state and provides prearranged transportation
13 services to state residents, tourists, and out-of-state business
14 people. Consequently, the safety, reliability, and stability of
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. It is further the intent of the
3 legislature to authorize a city with a population of five hundred
4 thousand or more to enforce this chapter through a joint agreement with
5 the department, and to direct the department to provide annual funding
6 from limousine regulation-related fees that provide sufficient funds to
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 ~~((All limousine carriers must operate from a main office and may~~
11 ~~have satellite offices. However, no office may be solely in a vehicle~~
12 ~~of any type. All arrangements for the carrier's services must be made~~
13 ~~through its offices and dispatched to the carrier's vehicles.))~~

14 (1) Contact by a customer or customer's agent to engage the
15 services of a carrier's limousine must be initiated by a customer or
16 customer's agent at a time and place different from the customer's time
17 and place of departure. The fare for service must be agreed upon prior
18 to departure. Under no circumstances may customers or customers'
19 agents make arrangements ~~((for immediate rental of a carrier's vehicle~~
20 ~~with the driver of the vehicle))~~ to immediately engage the services of
21 a carrier's limousine with the chauffeur, even if the ~~((driver))~~
22 chauffeur is an owner or officer of the company, with the single
23 exception of stand-hail limousines only at a facility owned and
24 operated by a port district in a county with a population of one
25 million or more that are licensed and restricted by the rules and
26 policies set forth by the port district.

27 (2) At the time of the conduct of the commercial limousine
28 business, the chauffeur of a limousine and the limousine carrier
29 business must possess written or electronic records substantiating the
30 prearrangement of the carrier's services for any customer carried for
31 compensation, except for vehicles meeting the requirements of the
32 exception for stand-hail limousines described in subsection (1) of this
33 section. Limousine carriers and limousine chauffeurs operating as an
34 independent business must list a physical address on their master
35 business license where records substantiating the prearrangement of the
36 carrier's services may be reviewed by an enforcement officer. A
37 limousine carrier must retain these records for a minimum of one

1 calendar year, and failure to do so is a class 3 civil infraction
2 against the carrier for each record that is missing or fails to include
3 all of the information described in rules adopted under subsection (4)
4 of this section.

5 (3) Limousine carriers and limousine chauffeurs operating as an
6 independent business must list a telephone or pager number that is used
7 to prearrange the carrier's services for any customer carried for
8 compensation.

9 (4) The department shall adopt rules specifying the content and
10 retention schedule of the records required for compliance with
11 subsection (2) of this section.

12 (5) The failure of a chauffeur who is operating a limousine to
13 immediately provide, on demand by an enforcement officer, written or
14 electronic records required by the department substantiating the
15 prearrangement of the carrier's services for any customer carried for
16 compensation, except for limousines meeting the requirements of the
17 exception for stand-hail limousines described in subsection (1) of this
18 section, is a class 2 civil infraction and is subject to monetary
19 penalties under RCW 7.80.120. It is a class 1 civil infraction for a
20 repeat offense under this subsection during the same calendar year.

21 (6) The department shall define by rule conditions under which a
22 chauffeur is considered to be operating a limousine, including when the
23 limousine is parked in a designated passenger load zone.

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

26 (1) The department, in conjunction with the Washington state
27 patrol, shall regulate limousine carriers with respect to entry, safety
28 of equipment, chauffeur qualifications, and operations. The department
29 shall adopt rules and require such reports as are necessary to carry
30 out this chapter. The department may develop penalties for failure to
31 comply with this section.

32 (2) In addition, a port district in a county with a population of
33 one million or more may regulate limousine carriers with respect to
34 entry, safety of equipment, chauffeur qualifications, and operations.
35 The county in which the port district is located may adopt ordinances
36 and rules to assist the port district in enforcement of limousine
37 regulations only at port facilities. In no event may this be construed

1 to grant the county the authority to regulate limousines within its
2 jurisdiction. The port district may not set limousine rates, but the
3 limousine carriers shall file their rates and schedules with the port
4 district if requested.

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

9 (4) The department and a city with a population of five hundred
10 thousand or more may enter into cooperative agreements as provided in
11 section 12 of this act, subject to the limitations set forth in RCW
12 46.72A.130.

13 (5) The Washington state patrol shall annually conduct a vehicle
14 inspection of each limousine licensed under this chapter, except when
15 a port district (~~((regulates))~~), or a city with a population of five
16 hundred thousand or more, enforces limousine carrier(~~((s))~~) regulations
17 under subsection (2) or (4) of this section, that port district or
18 county in which the port (~~((district))~~) district is located (~~((shall))~~),
19 or a city with a population of five hundred thousand or more, may
20 conduct the annual limousine vehicle inspection and random limousine
21 vehicle inspections in conjunction with limousine regulation
22 enforcement activities, provided that the inspection criteria and fees
23 are substantially the same regardless of the authority conducting the
24 inspection. Random limousine vehicle inspections may not be conducted
25 while the limousine contains customers. The state patrol, the city, or
26 the port district(, or the county) conducting the annual limousine
27 vehicle inspection may impose an annual vehicle inspection fee and
28 reinspection fee. A carrier must pay a reinspection fee if a limousine
29 fails inspection for compliance with vehicle standards and is
30 reinspected. If the limousine passes the first reinspection within
31 thirty days of failing the original inspection, all of the reinspection
32 fee must be refunded to the carrier. However, refunds are not
33 available for subsequent reinspections. While a limousine is licensed
34 by the department for commercial limousine use, failure to comply with
35 vehicle inspection standards, established by the department by rule, is
36 a class 3 civil infraction against the carrier, with monetary penalties
37 against the carrier as specified in RCW 7.80.120, for each violation of
38 a safety requirement. It is a class 4 civil infraction for each

1 violation of other vehicle standards, with monetary penalties against
2 the carrier as specified in RCW 7.80.120, and the limousine vehicle
3 certificate must be summarily suspended until safety violations of
4 vehicle standards are corrected and the limousine is reinspected.

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

7 Except when a port district regulates limousine carriers under RCW
8 46.72A.030 or a city with a population of five hundred thousand or more
9 is authorized under section 12 of this act to enforce state laws or
10 rules applicable to limousine carriers, limousines, and chauffeurs,
11 subject to the limitations set forth in section 12 of this act, the
12 state of Washington fully occupies and preempts the entire field of
13 regulation over limousine carriers as regulated by this chapter.
14 Cities, towns, and counties or other municipalities may enact only
15 those laws and ordinances relating to limousine carriers that are
16 consistent with this chapter.

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

19 (1) No limousine carrier may operate a limousine upon the highways
20 of this state without first (~~obtaining a business license from the~~
21 department. ~~The applicant shall forward an application for a business~~
22 license to the department along with a fee established by rule. Upon
23 approval of the application, the department shall issue a business
24 license and unified business identifier authorizing the carrier to
25 operate limousines upon the highways of this state)) being properly
26 registered as a business in Washington and having been issued a unified
27 business identifier.

28 (2) In addition, a limousine carrier shall (~~annually~~) obtain(~~,~~
29 ~~upon payment of the appropriate fee,~~) from the department a limousine
30 carrier license for the business and a (~~vehiele~~) limousine vehicle
31 certificate for each limousine operated by the carrier. The limousine
32 carrier license and limousine vehicle certificates must be renewed
33 through the department annually or as may be required by the
34 department. The department shall establish by rule the procedure for
35 obtaining, and the fees for, the limousine carrier license and
36 limousine vehicle certificate. It is a class 1 civil infraction, with

1 monetary penalties against the carrier as specified in RCW 7.80.120,
2 for each day that a limousine is operated without a valid limousine
3 carrier license or valid limousine vehicle certificate required under
4 this subsection.

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

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

11 (2) The department shall fix ~~((the amount of))~~ by rule coverages
12 and limits, and prohibit provisions that limit coverage, for the
13 insurance policy or policies, giving consideration to the character and
14 amount of traffic, the number of persons affected, and the degree of
15 danger that the proposed operation involves. The limousine carrier
16 must maintain the liability and property damage insurance in force on
17 each ~~((motor propelled vehicle while so used))~~ limousine while licensed
18 by the department.

19 (3) Failure to file and maintain in effect the insurance required
20 under this section is a gross misdemeanor and the limousine vehicle
21 certificate must be summarily suspended. It is a class 1 civil
22 infraction, with monetary penalties against the carrier as specified in
23 RCW 7.80.120, for each day that a carrier operates a limousine with a
24 summarily suspended limousine vehicle certificate.

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

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

32 (2) All advertising, contracts, correspondence, cards, signs,
33 posters, papers, and documents that show a limousine carrier's name or
34 address shall list the carrier's unified business identifier and the
35 type of service offered. The alphabetized listing of limousine

1 carriers appearing in the advertising sections of telephone books or
2 other directories and all advertising that shows the carrier's name or
3 address must show the carrier's current unified business identifier.

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

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

10 ~~(5))~~ It is a ~~((gross misdemeanor))~~ violation, subject to a fine of
11 up to five thousand dollars per violation, for a person to (a) falsify
12 a unified business identifier or use a false or inaccurate unified
13 business identifier; (b) fail to specify the type of service offered;
14 ~~((or))~~ (c) advertise or otherwise hold itself out to the public as
15 providing taxicab transportation services in connection with a
16 solicitation or identification as an authorized limousine carrier; or
17 (d) conduct commercial limousine business without a valid limousine
18 carrier license or valid limousine vehicle certificate as required
19 under this chapter, unless licensed as a charter party carrier under
20 chapter 81.70 RCW.

21 (5) If the basis for the violation is advertising, each
22 advertisement reproduced, broadcast, or displayed via a particular
23 medium constitutes a separate violation.

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

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

28 (b) The carrier's history with respect to compliance with this
29 section.

30 (7) It is a class 1 civil infraction, with monetary penalties
31 against the chauffeur as specified in RCW 7.80.120, for a chauffeur to:

32 (a) Solicit or assign customers directly or through a third party
33 for immediate, nonprearranged limousine service pick up as described in
34 section 2(1) of this act; or

35 (b) Offer payment to a third party to solicit customers for
36 limousine service pick up without current copies of a written contract
37 regarding such services on file at the third party's business. Copies
38 of the current written contract must be stored and made available on

1 both the third party's and limousine carrier's business premises.
2 Limousine vehicles engaged in the services detailed in the contract
3 must carry a certificate verifying existence of a current contract
4 between the parties. The certificate must contain a general
5 description of the agreement, including initial and expiration dates.
6 A written contract may not allow for immediate, nonprearranged
7 limousine service pick up.

8 (8) It is a class 1 civil infraction, with monetary penalties
9 against the individual as specified in RCW 7.80.120, for an individual
10 to:

11 (a) Accept payment to solicit or assign customers on the behalf of
12 a chauffeur for immediate, nonprearranged limousine service pick up as
13 described in section 2(1) of this act; or

14 (b) Accept payment to solicit customers for limousine service pick
15 up without current copies of a written contract regarding such services
16 on file at the third party's business. Copies of the current written
17 contract must be stored and made available on the third party's
18 business premises and in any limousine engaged in the services detailed
19 in the contract. A written contract may not allow for immediate,
20 nonprearranged limousine service pick up.

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

23 (1) The limousine carrier shall ~~((certify))~~, before a chauffeur
24 operates a limousine, provide proof in a form approved by the
25 department to the appropriate regulating authority that each chauffeur
26 hired to operate a limousine meets the following criteria administered
27 or monitored by the department or an authority approved by the
28 department: ~~((+1))~~ (a) Is at least twenty-one years of age; ~~((+2))~~
29 (b) holds a valid Washington state driver's license; ~~((+3))~~ (c) has
30 successfully completed a training course approved by the department;
31 ~~((+4))~~ (d) has successfully passed a written examination which, to the
32 greatest extent practicable, the department must administer in the
33 applicant's language of preference; ~~((+5))~~ (e) has successfully
34 completed a background check performed by the Washington state patrol
35 or a credentialing authority approved by the department that meets
36 standards adopted by rule by the department; (f) has passed an initial
37 test and is participating in a random testing program designed to

1 detect the presence of any controlled substances determined by the
2 department; (g) has a satisfactory driving record that meets moving
3 accident and moving violation conviction standards adopted by rule by
4 the department; and ((+6)) (h) has submitted a medical certificate
5 certifying the individual's fitness as a chauffeur. Upon initial
6 application and every ((three)) two years thereafter, a chauffeur must
7 file a physician's certification with the limousine carrier validating
8 the individual's fitness to drive a limousine. The department shall
9 determine by rule the scope of the examination and standards for denial
10 based upon the chauffeur's physical examination. The director may
11 require a chauffeur to ((be-reexamined-at-any-time)) undergo an
12 additional controlled substance test or physical examination if the
13 chauffeur has failed a controlled substance test or his or her physical
14 fitness has been called into question.

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

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

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

34 **Sec. 10.** RCW 46.72A.120 and 1996 c 87 s 15 are each amended to
35 read as follows:

36 The department may adopt and enforce such rules, including the

1 setting of fees, as may be consistent with and necessary to carry out
2 this chapter. The fees must approximate the cost of administration.
3 Any fee related to limousine vehicle certificates must not exceed
4 seventy-five dollars. Any fee related to a limousine carrier license
5 for a business must not exceed three hundred fifty dollars. Any fee
6 related to limousine vehicle inspections must not exceed twenty-five
7 dollars.

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

10 The uniform regulation of business and professions act, chapter
11 18.235 RCW, governs unlicensed practice, the issuance and denial of
12 licenses, and the discipline of licensees under this chapter by the
13 department.

14 NEW SECTION. **Sec. 12.** A new section is added to chapter 46.72A
15 RCW to read as follows:

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

23 (2) In addition, the following specific authority and limitations
24 to city enforcement must be included:

25 (a) City enforcement officers may conduct street enforcement
26 activity consistent with this chapter;

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

34 (c) A city may require that any limousine carrier dispatching a
35 limousine to pick up passengers within the incorporated area of the
36 city to maintain on file with the city insurance documents that meet

1 the requirements adopted by rule by the department. The city may issue
2 civil infractions to carriers and summarily suspend limousine vehicle
3 certificates for failure to maintain on file valid insurance documents
4 with the city.

5 (3) A cooperative agreement with the department for delegated
6 enforcement must specify the schedule and amount of funds derived from
7 limousine carrier license, limousine vehicle certificate, and chauffeur
8 license fee revenue to be provided to the city to allow the city to
9 provide the agreed upon level of enforcement. In addition, the
10 cooperative agreement must restrict the fee revenue use by a city to
11 the costs of enforcing state laws or rules applicable to limousine
12 carriers and chauffeurs.

13 NEW SECTION. **Sec. 13.** The department of licensing shall convene
14 an internal work group regarding the issuance of chauffeur licenses.
15 The department shall provide a report on its recommendations on this
16 issue to the transportation committees of the legislature by November
17 15, 2012.

18 NEW SECTION. **Sec. 14.** A new section is added to chapter 46.72A
19 RCW to read as follows:

20 (1) The limousine carriers account is created in the state
21 treasury. Notwithstanding any other provision of law, all receipts
22 from each civil infraction and violation imposed by this chapter must
23 be deposited into the account. Moneys in the account must be spent
24 only after appropriation.

25 (2) Expenditures from the account may be used only for regulation
26 and enforcement under this chapter, including regulation and
27 enforcement through a cooperative agreement as described in section 12
28 of this act.

29 NEW SECTION. **Sec. 15.** Sections 1 through 12 of this act take
30 effect January 1, 2012.

31 NEW SECTION. **Sec. 16.** Section 14 of this act takes effect July 1,
32 2012.

Passed by the Senate April 18, 2011.

Passed by the House April 6, 2011.

Approved by the Governor May 16, 2011.

Filed in Office of Secretary of State May 17, 2011.