

HOUSE BILL REPORT

HB 1882

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: Representatives Moscoso, Orcutt, Kochmar, Farrell and Young; by request of Utilities & Transportation Commission.

Brief History:

Committee Activity:

Transportation: 2/16/15, 2/25/15 [DPS].

Brief Summary of Substitute Bill

- Prohibits the consumption of alcohol on excursion service carrier vehicles, and provides conditions on such consumption on charter party carrier vehicles and party buses.
- Prohibits smoking on charter party carrier 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: The substitute bill be substituted therefor and the substitute bill do pass. 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; Bergquist, Gregerson, Harmsworth, Hayes, Kochmar, McBride, Moeller, Morris, Ortiz-Self, Riccelli, Rodne, Sells, Takko, Tarleton, 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.

Minority Report: Do not pass. Signed by 3 members: Representatives Pike, Shea and Wilson.

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 by a gross misdemeanor citation. 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 Substitute 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 high requirements. Finally, a "permittee" is defined as the holder of a special permit issued by the Liquor Control Board, which relates to the service and consumption of alcohol.

Prohibited Activities.

Charter party carriers and excursion service carriers are prohibited from serving alcohol to customers, and excursion service carriers must prohibit all consumption of alcohol on vehicles. A charter party carrier, on the other hand, may allow passengers to consume alcohol. Additionally, if the vehicle is a party bus, the carrier must confirm that the permittee is present at all times during the trip, obtain a copy of the permittee's permit, require the permittee to check passengers' identification, and verify that the permittee assumes responsibility for complying with the terms of the permit. If these requirements are not met,

the charter party carrier must either cancel the trip or remove all alcoholic beverages and lock them in the trunk of the vehicle.

If a charter party carrier or excursion service carrier learns that passengers under 21 years of age have consumed alcohol in the passenger compartment, or if a charter party carrier learns that the special permit holder is not in the passenger compartment where alcoholic beverages are being served, the carrier must lock the alcohol in the trunk of the vehicle, and the carrier may terminate the service and return the passengers to the place of origin. Additionally, if at any time an excursion service carrier or charter party carrier believes conditions in the vehicle are unsafe, 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.

Substitute Bill Compared to Original Bill:

The substitute bill limits provisions regarding the service of alcohol and the presence of a permittee to only party buses and not other operations by charter party carriers. The substitute bill also clarifies the definition of a double-decker bus, requiring such buses to comply with height requirements, and it clarifies the definition of a party bus, exempting buses with forward-facing seats and a center aisle from the definition. The substitute bill requires the permittee to be present throughout the trip, while the original bill would have allowed the trip to continue without the permittee so long as there were no passengers under 21 years of age in the vehicle. Additionally, under the substitute bill, if an underage passenger is present, the party bus operator is not required to cancel the trip, as would have been required under the original bill; instead, the party bus operator may continue the trip after removing the alcohol and locking it in the trunk. Finally, the substitute bill requires that carriers verify that permittees understand the terms of the permit, but it does not require permittees to sign a separate form, which would have been required under the original bill.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute 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) There are a number of regulatory areas that need to be cleaned up regarding problems with these party buses.

This bill addresses the safety of a growing niche in the passenger transportation industry. Party buses are passenger vehicles available for charter, typically offering sound systems, bars, and comfortable seats. They are often chartered to take young people to events. Passengers often stand, dance, and move about freely while the vehicle is moving. The UTC is concerned with a growing number of safety incidents involving party buses. Over the last four years, 25 people have been killed and 55 have been injured while on party buses. Almost every one of these incidents was preventable. There are 33 companies that offer party buses in the state, and 14 did not have the proper certificate from the UTC.

Some of the governing statutes provide loopholes in the UTC's oversight. The UTC believes that carriers that operate within cities should be subject to the same standards as those operating between cities. It is also often difficult to prove when carriers are violating regulations, and the UTC would like advertisements to be evidence that the company is providing services. This bill would clarify that a bus company cannot provide alcohol. If alcohol is being consumed, the carrier must ensure that the Liquor Control Board permit holder complies with the permit.

(Opposed) None.

Persons Testifying: Representative Moscoso, prime sponsor; and Dave Danner, Washington Utilities and Transportation Commission.

Persons Signed In To Testify But Not Testifying: None.