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ENGROSSED SUBSTITUTE HOUSE BILL 1775

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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,  
3 46.72A.050, 46.72A.060, 46.72A.080, 46.72A.090, 46.72A.100, 46.72A.120,  
4 and 46.72A.140; adding a new section to chapter 46.72A RCW; creating a  
5 new section; prescribing penalties; and providing an effective date.

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

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

9 The legislature finds and declares that privately operated  
10 limousine transportation service is a vital part of the transportation  
11 system within the state and provides prearranged transportation  
12 services to state residents, tourists, and out-of-state business  
13 people. Consequently, the safety, reliability, and stability of  
14 privately operated limousine transportation services are matters of  
15 statewide importance. The regulation of privately operated limousine  
16 transportation services is thus an essential governmental function.  
17 Therefore, it is the intent of the legislature to permit the department  
18 and a port district in a county with a population of one million or  
19 more to regulate limousine transportation services without liability

1 under federal antitrust laws. It is further the intent of the  
2 legislature to authorize a city with a population of five hundred  
3 thousand or more to enforce this chapter through a joint agreement with  
4 the department, and to direct the department to provide annual funding  
5 from limousine regulation-related fees that provide sufficient funds to  
6 such a city to provide delegated enforcement.

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

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

21 (2) At the time of the conduct of the commercial limousine  
22 business, the chauffeur of a limousine and the limousine carrier  
23 business must possess written or electronic records, including  
24 passenger manifests and dispatch records, substantiating the  
25 prearrangement of the carrier's services through its office for any  
26 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 records for a minimum of one calendar year, and failure to do so is a  
30 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 (3) The department shall adopt rules specifying the content and  
34 retention schedule of the records, including passenger manifests and  
35 dispatch records, required for compliance with subsection (2) of this  
36 section.

1       (4) The failure of a chauffeur who is operating a limousine to  
2 immediately provide, on demand by an enforcement officer, written or  
3 electronic records required by the department substantiating the  
4 arrangement of the carrier's services through its office for any  
5 customer carried for compensation, except for limousines meeting the  
6 requirements of the exception for stand-hail limousines described in  
7 subsection (1) of this section, is a class 2 civil infraction and is  
8 subject to monetary penalties under RCW 7.80.120. It is a class 1  
9 civil infraction for a repeat offense under this subsection during the  
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.  
24 The county in which the port district is located may adopt ordinances  
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  
27 to grant the county the authority to regulate limousines within its  
28 jurisdiction. The port district may not set limousine rates, but the  
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) The department and a city with a population of five hundred  
36 thousand or more may enter into cooperative agreements as provided in

1 section 12 of this act, subject to the limitations set forth in RCW  
2 46.72A.130.

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

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

30 Except when a port district regulates limousine carriers under RCW  
31 46.72A.030 or a city with a population of five hundred thousand or more  
32 is authorized under section 12 of this act to enforce state laws or  
33 rules applicable to limousine carriers, limousines, and chauffeurs,  
34 subject to the limitations set forth in section 12 of this act, the  
35 state of Washington fully occupies and preempts the entire field of  
36 regulation over limousine carriers as regulated by this chapter.

1 Cities, towns, and counties or other municipalities may enact only  
2 those laws and ordinances relating to limousine carriers that are  
3 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:

6 (1) No limousine carrier may operate a limousine upon the highways  
7 of this state without first (~~obtaining a business license from the~~  
8 department. ~~The applicant shall forward an application for a business~~  
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  
13 registered as a business in Washington and having been issued a unified  
14 business identifier.

15 (2) In addition, a limousine carrier shall (~~annually~~) obtain(~~on~~  
16 upon payment of the appropriate fee,)) from the department a limousine  
17 carrier license for the business and a (~~vehicle~~) limousine vehicle  
18 certificate for each limousine operated by the carrier. The limousine  
19 carrier license and limousine vehicle certificates must be renewed  
20 through the department annually or as may be required by the  
21 department. The department shall establish by rule the procedure for  
22 obtaining, and the fees for, the limousine carrier license and  
23 limousine vehicle certificate. It is a class 1 civil infraction, with  
24 monetary penalties against the carrier as specified in RCW 7.80.120,  
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

1 amount of traffic, the number of persons affected, and the degree of  
2 danger that the proposed operation involves. The limousine carrier  
3 must maintain the liability and property damage insurance in force on  
4 each (~~motor propelled vehicle while so used~~) limousine while licensed  
5 by the department.

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

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.

28 (4) (~~Advertising by electronic transmission need not contain the~~  
29 ~~carrier's unified business identifier if the carrier provides it to the~~  
30 ~~person selling the advertisement and it is recorded in the advertising~~  
31 ~~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 advertisement reproduced, broadcast, or displayed via a particular  
8 medium constitutes a separate violation.

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 (8) It is a class 1 civil infraction, with monetary penalties  
21 against the individual as specified in RCW 7.80.120, for an individual  
22 to accept payment to solicit or assign customers on the behalf of a  
23 chauffeur.

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

26 (1) The limousine carrier shall ((certify)), before a chauffeur  
27 operates a limousine, provide proof in a form approved by the  
28 department to the appropriate regulating authority that each chauffeur  
29 hired to operate a limousine meets the following criteria: ((+1)) (a)  
30 Is at least twenty-one years of age; ((+2)) (b) holds a valid  
31 Washington state driver's license; ((+3)) (c) has successfully  
32 completed a training course approved by the department; ((+4)) (d) has  
33 successfully passed a written examination; ((+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.

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

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

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

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

33 The department may adopt and enforce such rules, including the  
34 setting of fees, as may be consistent with and necessary to carry out  
35 this chapter. The fees must approximate the cost of administration.  
36 Any fee related to limousine vehicle certificates must not exceed

1 seventy-five dollars. Any fee related to a limousine carrier license  
2 for a business must not exceed three hundred fifty dollars in 2011 and  
3 four hundred fifty dollars in the following years.

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

6 The uniform regulation of business and professions act, chapter  
7 18.235 RCW, governs unlicensed practice, the issuance and denial of  
8 licenses, and the discipline of licensees under this chapter by the  
9 department.

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

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

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

21 (a) City enforcement officers may conduct street enforcement  
22 activity consistent with this chapter;

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

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

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

6           NEW SECTION.   **Sec. 13.** The department of licensing shall convene  
7 an internal work group regarding the issuance of chauffeur licenses.  
8 The department shall provide a report on its recommendations on this  
9 issue to the transportation committees of the legislature by November  
10 15, 2010.

11           NEW SECTION.   **Sec. 14.** Sections 1 through 12 of this act take  
12 effect January 1, 2011.

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