

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Transportation

BILL: CS/SB 1618

INTRODUCER: Senator Brandes

SUBJECT: Chauffeured Limousines

DATE: April 10, 2014

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|--------|
| 1. | Price | Eichin | TR | Fav/CS |
| 2. | | | CA | |

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1618 defines the term “chauffeured limousine” and prohibits a special district that regulates such limousines from:

- Requiring a minimum wait time or minimum fare;
- Restricting the number of permits issued to operate limousines in a county; or
- Restricting access across county lines from limousines for hire.

The bill also requires chauffeured limousines to meet certain minimum financial responsibility requirements, or greater requirements set by the county if those same requirements apply to individuals and businesses that provide the same or similar service.

II. Present Situation:

For-hire vehicle services are undergoing changes with respect to models most often associated with the provision of transportation to individuals, such as by taxi. Technological advances are resulting in new methods for consumers to arrange and pay for transportation, including software applications that make use of mobile smartphone applications, Internet web pages, and email and text messages.

In some geographic locations, local regulatory entities are requiring businesses that utilize these new technologies and methods for providing transportation to consumers to impose minimum

fares,¹ minimum wait times between the reservation and delivery of the service, and restricting access across county lines by imposing limitations on the number of permits issued to operate limousines.²

Current State Law

Local Regulation

Local governmental entities primarily control regulation of for-hire vehicles in Florida. The legislative and governing body of a county is granted the authority to license and regulate taxis, jitneys, limousines for hire,³ rental cars, and other passenger vehicles for hire that operate in the unincorporated areas of the county.⁴ “For-hire vehicle” is currently defined to mean:

Any motor vehicle, when used for transporting persons or goods for compensation; let or rented to another for consideration; offered for rent or hire as a means of transportation for compensation; advertised in a newspaper or generally held out as being for rent or hire; used in connection with a travel bureau; or offered or used to provide transportation for persons solicited through personal contact or advertised on a “share-expense” basis. When goods or passengers are transported for compensation in a motor vehicle outside a municipal corporation of this state, or when goods are transported in a motor vehicle not owned by the person owning the goods, such transportation is “for hire.” The carriage of goods and other personal property in a motor vehicle by a corporation or association for its stockholders, shareholders, and members, cooperative or otherwise, is transportation “for hire.”⁵

Insurance Requirements

An owner or lessee who operates one or more taxicabs, jitneys, or any other for-hire passenger transportation vehicles excluding limousines may prove financial responsibility by holding a motor vehicle liability policy with minimum limits of \$125,000 per person for bodily injury, up to \$250,000 per person for bodily injury, and \$50,000 for property damage.⁶

An owner or lessee required to maintain insurance under s. 324.021(9)(b), F.S., and who operates limousines, jitneys, or any other for-hire passenger vehicle other than taxicabs may prove

¹ See, i.e.: <http://www.usnews.com/news/blogs/washington-whispers/2012/08/24/no-one-wants-to-take-credit-for-bers-50-minimum-in-tampa> and http://news.cnet.com/8301-1023_3-57589869-93/miami-officials-propose-law-changes-to-allow-uber-service/. (Last visited March 21, 2014.)

² See, i.e.: http://blogs.miaminewtimes.com/cultist/2013/09/luxury_car_app_uber_takes_miam.php. (Last visited March 21, 2014.)

³ Because limousines are not commercial motor vehicles as defined in s. 320.01(25), F.S., drivers operating a limousine are not required to have a commercial driver license.

⁴ Section 125.01(1)(n), F.S.

⁵ Section 320.01(15)(a), F.S.

⁶ Section 324.032(1)(a), F.S.

financial responsibility by holding a motor vehicle liability policy with minimum limits of \$100,000/\$300,000/\$50,000.^{7,8}

III. Effect of Proposed Changes:

The bill creates s. 316.901, F.S., defining “chauffeured limousine” for purposes of that section to mean:

[A] chauffeured, nonmetered motor vehicle with four or more doors, designed to carry fewer than nine passengers excluding the chauffeur, and operated for hire pursuant to an advance reservation, the fare for which is calculated on the basis of time and distance, except for trips to airports or other point-to-point trips based on well-traveled routes or for event-related trips such as sporting events, which may be charged on a flat-fee basis. The term does not include a taxicab; a vehicle used for not-for-profit, tax-exempt operations; or a vehicle used for transportation of persons between home and work locations or of persons having a common work-related trip when ridesharing is incidental to another purpose of the driver.

The bill prohibits a special district from discriminating or restricting the use of chauffeured limousines for hire using digital transportation request services by:

- Requiring a minimum wait time or minimum fare;
- Restricting the number of permits that may be issued to operate limousines in a county; or
- Restricting access across county lines from limousines for hire.

The bill also requires chauffeured limousines to meet current minimum financial responsibility requirements, or greater requirements set by the county if those same requirements apply to individuals and businesses that provide the same or similar service.

The bill takes effect October 1, 2014.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

⁷ Section 324.032(1)(b), F.S. *See also* s. 324.021(9)(b), F.S.

⁸ Section 324.032(2), F.S., authorizes an owner or lessee required to maintain insurance under s. 324.021(9)(b), F.S., and who operates at least 300 taxicabs, limousines, jitneys, or any other for-hire passenger vehicles to prove financial responsibility through self-insurance as provided by s. 324.171, F.S.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill may provide greater stability and predictability to businesses seeking to implement emerging transportation technology, may provide increased consumer choice, and may enhance personal mobility. Businesses previously unable to obtain operating permits due to caps on the number of available permits will incur expenses associated with obtaining such permits.

C. Government Sector Impact:

Revenues of local regulating entities may increase as a result of issuing more operating permits.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following sections of the Florida Statutes: 316.901.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Transportation on April 10, 2014:**

The CS removes from the bill creation of the “Chauffeured Limousines and Services Safety Act,” which preempted to the state the licensure and regulation of chauffeured limousines, services, and drivers, including:

- Definitions and legislative intent;
- Rules of operation for chauffeured limousine services;
- Vehicle standards;
- Requirements for chauffeured limousine drivers;
- Compliance reviews, penalties, appeal, and disposition of such penalties;
- Authorization of the Department of Highway Safety & Motor Vehicles to adopt or revise rules to implement and administer the Act; and

- Revisions to proof of insurance requirements for owners or operators of chauffeured limousines and chauffeured limousine service.

The strike-all amendment adopted by the committee and incorporated into the CS:

- Defines the term “chauffeured limousine;”
- Prohibits a special district that regulates such limousines from:
 - Requiring a minimum wait time or minimum fare;
 - Restricting the number of permits issued to operate limousines in a county; or
 - Restricting access across county lines from limousines for hire; and
- Requires chauffeured limousines to meet certain minimum financial responsibility requirements, or greater requirements set by the county if those same requirements apply to individuals and businesses that provide the same or similar service.

B. Amendments:

None.