

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 Appropriations

BILL: CS/SB 1452

INTRODUCER: Transportation Committee and Senator Book

SUBJECT: Taximeters

DATE: April 19, 2017

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|-----------------|----------------|------------|-----------------------------|
| 1. | <u>Jones</u> | <u>Miller</u> | <u>TR</u> | Fav/CS |
| 2. | <u>Blizzard</u> | <u>Betta</u> | <u>AEN</u> | Recommend: Favorable |
| 3. | <u>Blizzard</u> | <u>Hansen</u> | <u>AP</u> | Pre-meeting |

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1452 excludes taximeters and transportation measurement systems from the definition of “weights and measures” for purposes of state regulation by the Department of Agriculture and Consumer Services (DACs). A taximeter is a device that automatically calculates at a predetermined rate or rates and indicates the charge for hire of a vehicle.

As conforming changes, the bill deletes provisions that:

- Exempt such devices from state permit requirements if regulated by a local government, and
- Subject taximeters to a \$50 maximum state permit fee.

In effect, the bill will no longer require taximeters or other devices that measure time and distance to charge a fare for the transportation of persons in a motor vehicle, to be inspected or permitted by the DACs.

The bill will reduce revenues deposited into the General Inspection Trust Fund within the DACs by \$129,500 due to the elimination of taximeter permit fees. However, the trust fund can sustain the revenue reduction associated with the elimination of the costs of regulation of the taximeters.

The bill takes effect July 1, 2017.

II. Present Situation:

Currently, the Bureau of Standards within the Department of Agriculture and Consumer Services (DACS) is generally responsible for the inspection of weights and measures devices or instruments in Florida.¹ Section 531.37(1), F.S., defines “weights and measures” as all weights and measures of every kind, instruments, and devices for weighing and measuring, and any appliance and accessories associated with any or all such instruments and devices. The definition excludes those weights and measures used to inspect the accuracy of devices used in conjunction with aviation fuel.²

The DACS’ responsibilities concerning weights and measures includes, but are not limited to:

- Establishing standards of weight, measure, or count and reasonable standards of fill for packaged commodities, as necessary;
- Providing exemptions to ch. 531, F.S., when appropriate to maintain good commercial practices within the state;
- Conducting investigations necessary to ensure compliance with ch. 531, F.S.;
- Testing annually the standards of weight and measure used by any city or county; and
- Inspecting and testing weights and measures commercially used to determine weight, measure, or count of goods being sold, or in computing the charge or payment for services rendered on the basis of weight, measure, or count.³

For the purpose of consumer protection, the Bureau of Standards within the DACS is also empowered under s. 531.42, F.S., to enforce the proper use of weights and measuring instruments or devices and the advertisement of the correct weight or measurement on a good for sale.

Taximeters

A taximeter is a device that automatically calculates at a predetermined rate or rates and indicates the charge for hire of a vehicle.⁴

A weights and measures instrument or device, which includes taximeters, may not be used for commercial purposes within the state without first being permitted by the DACS.⁵ Section 531.63, F.S., provides that the commercial use permit fee, which is issued annually, for a taximeter may not exceed \$50. Currently, the annual permit fee for such taximeters is \$35.⁶ According to the DACS, it currently permits approximately 3,700 taximeters annually.⁷

¹ See ch. 531, F.S., “Weights and Measures Act of 1971.”

² Section 531.37(1), F.S.

³ Section 531.41, F.S.

⁴ U.S. Department of Commerce, National Institute of Standards and Technology, *Handbook 44, Section 5.54 Taximeters* (2012), <https://www.nist.gov/sites/default/files/documents/pml/wmd/pubs/2011/10/26/5-54-12-hb44-final.pdf> (last visited Mar. 24, 2017).

⁵ Section 531.60, F.S.

⁶ DACS, *Laws and Rules – Bureau of Standards* (January 2015), available at http://www.freshfromflorida.com/content/download/42262/890253/2015_STANDARDS_LAWS_&_RULES.pdf at p. 33 (last visited Mar. 24, 2017).

⁷ DACS, *SB 1452 Agency Analysis* (Mar. 13, 2017) (on file with the Senate Committee on Transportation).

However, taximeters are exempt from such state permitting requirements if the taximeter is tested for accuracy and compliance with state standards by a local government and licensed, permitted, or registered by such local government.⁸ The extent of local government regulation and permitting of taximeters is unknown.

III. Effect of Proposed Changes:

Section 1 amends s. 531.37, F.S., to exclude taximeters and transportation measurement systems from the definition of “weights and measures” provided in s. 531.37(1), F.S.

Because taximeters would no longer be subject to state regulation, section 2 amends s. 531.61, F.S., to delete language that exempts taximeters from state weights and measures permit requirements if the device is locally regulated.

In addition, section 3 amends s. 561.63, F.S., to remove taximeters from a list of weights and measure instruments subject to a commercial use permit fee (of up to \$50 in this case).

In effect, the bill will no longer require taximeters or other transportation measurement systems to be inspected or permitted by the DACS.

The bill takes effect July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Taxi drivers and other individuals who are currently required to have their weights and measures device permitted by DACS to transport persons in a motor vehicle for a fare

⁸ Section 531.61(1), F.S.

will save the fees associated with the DACS permitting process. However, these savings may be offset to the extent local governments increase regulation of these devices.

C. **Government Sector Impact:**

The DACS expects to lose roughly \$129,500 annually beginning in Fiscal Year 2017-2018 due to the loss of taximeter permit fees.⁹ However, as an offset to the lost revenues, the DACS will no longer incur administrative costs or expenses related to the regulation and permitting of taximeters. The General Inspection Trust Fund can sustain the reduction in permit fee revenues and the expenditures related to the regulation of taximeters.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 531.37, 531.61, and 531.63.

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 March 28, 2017:

The CS removes that “any device that measures time and distance for the purpose of charging a fare for the transportation of persons in a motor vehicle” is excluded from the definition of “weights and measures,” and instead provides that “taximeters and transportation measurement systems” are excluded.

B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill’s introducer or the Florida Senate.

⁹ DACS, *SB 1452 Agency Analysis* (Mar. 13, 2017) (on file with the Senate Committee on Transportation).