

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1389 Limousines For Hire
SPONSOR(S): Economic Affairs Committee; Grant and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1618

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Highway Safety Subcommittee	8 Y, 6 N	Davy	Miller
2) Economic Affairs Committee	9 Y, 8 N, As CS	Davy	Creamer

SUMMARY ANALYSIS

Currently, taxi and limousine regulation is governed by local governments in the state. In some instances, there are special districts with transit authority to manage such regulation. All local governments and special districts created with transit authority in the city or county may require minimum wait times, minimum fares, and may limit the total number of permits issued to operate taxis, jitneys, limousines for hire, rental cars, and other passenger vehicles for hire.

The bill provides that a special district may not discriminate or restrict the use of limousines for hire using digital transportation request services by requiring a minimum wait time, requiring a minimum fare, restricting the number of permits issued to operate limousines for hire. Limousines must meet the minimum commercial insurance responsibility requirements of s. 324.032, F.S.

The bill is expected to have an indeterminate impact on local government's revenues and expenditures due to the bill's ban of certain regulations. See fiscal comments.

The act has an effective date of October 1, 2014.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

“Paratransit” means those elements of public transit which provide service between specific origins and destinations selected by the individual user with such service being provided at a time that is agreed upon by the user and provider of the service. Paratransit service is provided by taxis, limousines, “dial-a-ride,” buses, and other demand-responsive operations that are characterized by their nonscheduled, non-fixed route nature.¹

Currently, the majority of taxi regulation in the State of Florida is controlled by local governments. Florida law currently provides the following relating to limousines and taxis to:

- require that taxis and limousines must maintain a motor vehicle liability policy with minimum limits of \$125,000 per person for bodily injury, up to \$250,000 per incident for bodily injury, and \$50,000 for property damage;²
- qualify an owner or lessee who is 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 fulfill the requirement through self-insurance as provided by s. 324.171, F.S.;³
- define that with respect to workers’ compensation an “employee” is not a taxicab, limousine, or other passenger vehicle-for-hire driver who operates said vehicles pursuant to a written agreement with a company which provides any dispatch, marketing, insurance, communications, or other services under which the driver and any fees or charges paid by the driver to the company for such services are not conditioned upon, or expressed as a proportion of, fare revenues;⁴
- provide that the child restraint requirements imposed by s. 316.613, F.S., do not apply to a chauffeur-driven taxi, limousine, sedan, van, bus, motor coach, or other passenger vehicle if the operator and the motor vehicle are hired and used for the transportation of persons for compensation;
- provide that, to the extent not inconsistent with general or special law, the legislative and governing body of a county must have the power to carry on county government, including, but not restricted to, the power to license and regulate taxis, jitneys, limousines for hire, rental cars, and other passenger vehicles for hire that operate in the unincorporated areas of the county; except that any constitutional charter county as defined in s. 125.011(1), F.S.,⁵ must on July 1, 1988, have been authorized to have issued a number of permits to operate taxis which is no less than the ratio of one permit for each 1,000 residents of said county, and any such new permits issued after June 4, 1988, must be issued by lottery among individuals with such experience as a taxi driver as the county may determine.⁶

Statewide there are 10 special districts with authority to regulate transportation. The 10 districts are the:

- Calhoun County Transportation Authority;
- Central Florida Regional Transportation Authority;
- East Volusia Transportation District;
- Hillsborough County Public Transportation Commission;
- Jacksonville Transportation Authority;

¹ Section 427.011(9), F.S.

² Section 324.032(1), F.S.

³ Section 324.032(2), F.S.

⁴ Section 440.02, F.S.

⁵ “County” means any county operating under a home rule charter adopted pursuant to ss. 10, 11, and 24, Art. VIII of the Constitution of 1885, as preserved by Art. VIII, s. 6(e) of the Constitution of 1968, which county, by resolution of its board of county commissioners, elects to exercise the powers herein conferred. Use of the word “county” within the above provisions must include “board of county commissioners” of such county.

⁶ Section 125.01 (1)(n), F.S.

- Northeast Florida Regional Transportation Commission;
- Northwest Florida Transportation Corridor Authority;
- South Florida Regional Transportation Authority;
- Tampa Bay Area Regional Transportation Authority; and
- Tampa Palms Open Space and Transportation Community development district.⁷

Effect of Proposed Changes

The bill provides that a special district may not discriminate or restrict the use of limousines for hire using digital transportation request services by requiring a minimum wait time, requiring a minimum fare, or restricting the number of permits issued to operate limousines for hire. Limousines must meet the minimum commercial insurance responsibility requirements of s. 324.032, F.S.

Currently the only special district that appears to be affected by this bill's language is the Hillsborough County Public Transportation Commission.

B. SECTION DIRECTORY:

Section 1: amends s. 125.01, F.S., providing that local governments may not discriminate or restrict the use of limousines for hire using digital transportation request services through certain regulations.

Section 2: provides an effective date of October 1, 2014.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See fiscal comments.

2. Expenditures:

See fiscal comments..

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See fiscal comments.

2. Expenditures:

See fiscal comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will provide that within special districts, limousine transportation markets using digital transportation request services will have more freedom to adapt to fluctuating economic conditions in the local economy with respect to prices, wait times, and the total number of limousines available for hire. To the extent that such limousine transportation services have been artificially restricted there is likely to be an increase in limousine services bought and sold in the transportation market. In addition, to the extent that prices for such services have been artificially inflated as a result of required minimum prices, the bill will result in lower prices for such limousine services.

⁷ Florida Department of Economic Opportunity, Division of Community development, <http://dca.deo.myflorida.com/fhcd/sdip/OfficialListdeo/websitelist.cfm>. (Last visited April 7, 2014.).

The potential increase in limousine services and the concomitant potential decrease in prices is likely to provide greater convenience and enhanced personal mobility for the service providers and consumers to freely enter into market transactions.

D. FISCAL COMMENTS:

To the extent that the bill results in a greater number of limousine services, special districts may see an increase in fee revenue associated with licensing such services. However, such an increase in limousine services may result in greater special district expenditures relating to expanded workload and enforcement of limousine regulations. As a result, the bill is expected to have an indeterminate impact on special district expenditures and fee revenues associated with regulating and licensing limousine services.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Fee revenue associated with special districts' regulation of limousine services and drivers may increase as a result of the bill. Likewise the bill would result in a corresponding increase in special district expenditures relating to the regulation of limousine services and drivers. The net result of the bill is an indeterminate, insignificant fiscal impact to local governments therefore the bill appears to be exempt from the mandates provisions. The bill appears only affect one special district, the Hillsborough County Public Transportation Commission.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On April 4, 2014, there was one strike-all amendment adopted providing that a special district may not discriminate or restrict the use of limousines for hire using digital transportation request services by requiring a minimum wait time, requiring a minimum fare, or restricting the number of permits issued to operate limousines for hire. Limousines must meet the minimum commercial insurance responsibility requirements of s. 324.032, F.S. This analysis is drafted to the committee substitute as reported by the Economic Affairs Safety Committee.