

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 684 (as enrolled)
Sponsor: Senator Michael J. Bouchard
Senate Committee: Transportation and Tourism
House Committee: Transportation

PUBLIC ACT 329 of 1998

Date Completed: 8-13-98

RATIONALE

Under the Michigan Vehicle Code, a person may not drive a motor vehicle as a chauffeur unless he or she holds a valid chauffeur's license. Unless a person is exempt, a chauffeur license is required for someone who does one of the following: is employed for the principal purpose of operating a motor vehicle with a gross vehicle weight of at least 10,000 pounds; operates a motor vehicle as a carrier of passengers or as a common or contract carrier of property; operates a pupil transportation vehicle used for the regularly scheduled transportation of pupils between school and home, such as a bus or a school bus; or, operates a taxi or limousine. Despite these requirements, concerns about the driving records of persons who hold a chauffeurs license and are employed as limousine drivers arose following a June 13, 1997, accident in which two players for the Detroit Red Wings hockey team and another team employee suffered severe injuries after their limousine slammed head-on into a tree. Upon investigation of the accident, it was shown that the driver's license of the limousine driver had been revoked in January 1996, for a number of driving infractions. Nevertheless, the person still was employed as a limousine driver.

The Federal Commercial Motor Vehicle Safety Act of 1986 requires employers of commercial drivers, such as truckers, to check yearly the driving record of their drivers, and drivers are required to report any violations. Michigan adopted the Federal regulations and since April 1992, the Department of State has offered commercial trucking companies a subscription service that monitors employee driving records. The service provides companies with a yearly review of the driving records of their employees at a cost of \$6.55 for each record. The Department also reviews the records weekly and informs employers of any

violations, restrictions, suspensions, or revocations that have been posted. Although there are State and Federal requirements that companies employing persons who hold commercial driver licenses check the records of their drivers, there has been no similar requirement for limousine drivers. Some people believe that limousine companies should be required to subscribe to the commercial look-up service and that prospective passengers should be able to review this information.

CONTENT

The bill amended the Michigan Vehicle Code to require each limo carrier of passengers to subscribe to the commercial look-up service maintained by the Secretary of State. A person who drives a limousine for hire for a limo carrier must maintain a most current copy of all nonpersonal information related to his or her driving record in the limousine available for review by any prospective passenger. A prospective passenger may review a copy of all nonpersonal information related to the driving record of a limousine driver from the driver or from the limo carrier.

A limo carrier or a limo driver who does not provide the information required to be maintained is subject to a fine of up to \$500. Each failure to provide information constitutes a separate offense.

Under the Code, a driver training school operator that advertises the availability of its services to the general public must include in that advertisement that nonpersonal information related to the driving record of each instructor is available for review by the general public at the owner's business address. The bill applies this requirement to a driving school

operator that advertises to the general public though a written publication or through any electronic or computerized media.

The bill takes effect October 1, 1998.

MCL 257.208b

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The limousine accident involving the Red Wings personnel came after they attended a golf outing to celebrate the team winning the Stanley Cup hockey championship. While limousines are hired to transport persons to and from these type of events, many people hire one of the more than 1,300 limousines registered with the Department of Transportation to provide transportation for other special events, particularly high school proms and weddings. The bill requires owners and operators of limousine services to verify the status of their drivers' chauffeur's licenses, and permits prospective passengers to review this information. Consequently, limousine services and passengers will have the information they need to make safe, informed decisions about whom they should hire.

Response: The bill applies to limousine services but does not make similar requirements for other aspects of the livery industry, such as taxis and smaller size airport and senior citizen shuttle buses. In addition, perhaps similar provisions should be included in the Limousine Transportation Act, which regulates persons who transport passengers by limousine and prescribes certain duties for the Department of Transportation.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The State will collect additional revenue from the look-up fee it charges to look up driver records. There are 1,340 limousine vehicles registered with the Michigan Department of Transportation. Limousine carriers employ between one and four drivers per vehicle. The State charges \$6.55 to look up each record. Based on the one- to four-driver estimate, the bill will generate approximately \$17,500 from look-up fees.

The State also will incur some administrative cost for looking up records. However, the revenue

collected from fees will cover the cost of preparing and furnishing records for requesting parties.

The revenue collected under the penalty provision will depend on the number of limousine carriers subject to fines, as well as the amount of the fine. Based on Article VIII, Section 9 of the Michigan Constitution, fines collected under this provision will be applied to support public libraries.

Fiscal Analyst: E. Limbs

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.