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BILL



ANALYSIS

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Senate Bill 184 (Substitute S-5 as reported)
Senate Bill 188 (Substitute S-5 as reported)
Sponsor: Senator Rick Jones (S.B. 184)
Senator Dale W. Zorn (S.B. 188)
Committee: Regulatory Reform

CONTENT

Senate Bill 184 (S-5) would amend the Limousine Transportation Act to do the following:

- Include transportation network companies, transportation network drivers, and transportation network vehicles in various regulations that apply to limousine and limo carriers of passengers and that involve fitness to operate, insurance requirements, safety inspections, and the expiration of a certificate of authority to operate.
- Impose various fees on transportation network company drivers and vehicles, including filing and per-vehicle fees; renewal fees; new vehicle fees; and safety inspection fees.
- Extend to a transportation network company driver certain exemptions and exceptions under the Act that apply to certain limo carriers of passengers.
- Delete a provision under which the Act does not apply to a limo carrier of passengers operating wholly within the boundaries of a local unit of government that has its own safety inspection and insurance requirements.
- Include transportation network company drivers in provisions of the Act concerning violations and sanctions.
- Require a limo carrier of passengers or a transportation network company driver that operated for the purpose of picking up passengers within a city with a population of 500,000 or more (i.e., Detroit) to also comply with the city's vehicle for hire ordinance.
- Delete references to a "class A limousine" (seating capacity of seven to 15) and a "class B limousine" (seating capacity of less than seven) in the provisions dealing with a city's vehicle for hire ordinance.

The bill specifies that it would not prohibit an authority created under the Aeronautics Code, or a municipality or a group of municipalities that formed an authority to regulate transportation network companies, transportation network company drivers, or transportation network company vehicles under the Municipal Partnership Act or the Transportation Authority Act, from adopting a rule, ordinance, resolution, policy, or procedure that was more restrictive than the Limousine Transportation Act. An authority, municipality, or group of municipalities that did so could impose a reasonable fee to recover the costs of administering the registration or licensing of transportation network companies, transportation network company drivers, or transportation network company vehicles.

Senate Bill 188 (S-5) would amend the Limousine Transportation Act to define "transportation network company" and related terms; reduce the maximum seating capacity of a vehicle included in the definition of "limousine"; and revise other definitions.

"Transportation network company" would mean a person operating in Michigan that uses a digital network to connect riders to transportation network company drivers for the purpose of providing transportation.

"Transportation network company driver" would mean an individual who uses a transportation network company vehicle to provide transportation services for hire to riders who are matched to that individual through a transportation network company's digital network, regardless of whether the individual is employed by a transportation network company.

"Transportation network company vehicle" would mean a motor vehicle that is being operated by a transportation network company driver.

Under the Act, "limousine" means a self-propelled motor vehicle used in the carrying of passengers and the baggage of the passengers for hire upon a public highway of the State with a seating capacity of 15 passengers or less, including the driver, but does not include such a vehicle that is used by or on behalf of an employer to transport its employees to and from their place of employment. Under the bill, the definition would refer to a vehicle with a seating capacity of eight passengers or less. Except as otherwise provided in the Act, the term "limousine" would not include a transportation network company vehicle.

The bills are tie-barred. Senate Bill 184 (S-5) would take effect 90 days after its enactment.

MCL 257.1905 et al. (S.B. 184)
257.1903 (S.B. 188)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bills would have an indeterminate positive impact at the State and local levels. The number of vehicles that would be subject to the bills' provisions is unknown.

Date Completed: 6-15-15

Fiscal Analyst: Glenn Steffens