



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 748 (Substitute S-1 as reported)
Sponsor: Senator Virgil Smith
Committee: Regulatory Reform

CONTENT

The bill would amend the Limousine Transportation Act to do the following:

- Adjust the population threshold in a provision that requires certain limousine operators to comply with a city's limousine ordinance.
- Increase the number of passengers that Class B limousines may carry.
- Increase the maximum fine for requiring or permitting a driver to violate the Act.

Under the Act, a limo carrier of passengers that operates Class B limousines for the purpose of picking up passengers within a city with a population of 750,000 or more also must comply with that city's limo ordinance. The bill would change the population threshold to 500,000 or more. (When this provision was enacted, Detroit met the 750,000 threshold, and was the only city in the State to do so. Detroit no longer meets that threshold but is the only Michigan city with a population of 500,000 or more.)

Under the Act, a Class A limousine is one with a seating capacity of at least seven passengers, including the driver. A Class B limousine is one with a seating capacity of fewer than seven passengers, including the driver. Under the bill, a Class A limousine would be one with a seating capacity of at least nine passengers, including the driver. A Class B limousine would be one with a seating capacity of fewer than nine passengers, including the driver.

A limo carrier of passengers, or its officer or agent, who requires or permits a driver or operator to drive or operate a limousine in violation of the Act or a rule promulgated under the Act, is guilty of a misdemeanor. The current penalty is a maximum fine of \$500 and/or up to 90 days' imprisonment. The bill would increase the maximum fine to \$750.

MCL 257.1907 & 257.1931

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State government. The population change in the bill would continue the State requirement that a Class B limousine operator in the City of Detroit comply with local regulation. This would maintain local revenue to the City of Detroit from regulation of Class B limousines. The proposed increase in the number of seats in a vehicle considered Class B would increase the local revenue by an unknown amount.

The proposed increase in the maximum fine for a violation of the Limousine Transportation Act would increase revenue from penal fines, which are distributed to public libraries. The revenue would depend on the number of violations and the amount of the fine assessed.

Date Completed: 2-28-14

Fiscal Analyst: Elizabeth Pratt

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Bill Analysis @ www.senate.michigan.gov/sfa

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