

2017 - 2018 LEGISLATURE

2017 SENATE BILL 759

February 1, 2018 - Introduced by Senator NASS, cosponsored by Representatives KNODL, TUSLER, HUTTON and DUCHOW. Referred to Committee on Public Benefits, Licensing and State-Federal Relations.

AN ACT *to repeal* 194.41 (6) (b) 2. and 349.24; *to renumber* 194.41 (6) (b) 1., subchapter IV (title) of chapter 440 [precedes 440.40], 440.41, 440.42, 440.425, 440.43, 440.435, 440.44, 440.445, 440.45, 440.455, 440.46, 440.48 and 440.495; *to renumber and amend* 440.40, 440.415, 440.465 and 440.49; *to amend* 121.53 (5) (c), 194.01 (1), 194.01 (2), 340.01 (23g) (b) 4., 346.935 (4) (b) and 440.03 (9) (a) (intro.); and *to create* 440.08 (2) (a) 69., chapter 474 (title) and subchapter I of chapter 474 [precedes 474.10] of the statutes; **relating to:** regulation of taxicab companies and taxicab dispatch services, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and providing a criminal penalty.

Analysis by the Legislative Reference Bureau

This bill eliminates the authority of local governments to regulate and license operators of taxicabs and taxicab businesses and instead requires that taxicab companies and taxicab dispatch services be licensed by the state.

Under current law, a common council of a city or a village or town board may regulate and license chauffeurs and operators of taxicabs used for hire; may regulate and license a taxicab business by licensing each taxicab used for hire; and may prohibit any person from operating any motor vehicle for taxicab purposes upon the highways of the city, village, or town unless the person is licensed as a chauffeur and operator and unless the taxicab business is licensed by the licensing of each taxicab. Subject to certain exceptions, this bill prohibits a city, village, town, or county from enacting or enforcing an ordinance or from adopting or enforcing a resolution that regulates a taxicab company or taxicab dispatch service or its drivers in connection with taxicab services.

The bill instead provides that no person may own or operate a taxicab company or taxicab dispatch service unless the taxicab company or dispatch service is licensed by the Department of Safety and Professional Services. The bill also prohibits any individual from operating a motor vehicle as a taxicab unless the taxicab is affiliated with a licensed taxicab company or dispatch service. The bill exempts from the licensure requirements individuals who operate taxicabs as employees of or independent contractors for taxicab companies, as well as individuals who are independent owner-operators of taxicabs affiliated with licensed taxicab dispatch services.

The bill requires DSPS to grant a license to an applicant for licensure as a taxicab company or dispatch service if certain application requirements are satisfied, including that the taxicab company or dispatch service pays an initial licensure fee determined by DSPS using a sliding scale. A license entitles the license holder to operate the taxicab company or dispatch service to provide trips to passengers throughout the state, without geographic limitation.

The bill includes a number of requirements applicable to a licensed taxicab company or dispatch service, including all of the following:

1. A taxicab dispatch service must disclose its fare calculation method and rates on its Internet site. If a taxicab is not affiliated with a taxicab dispatch service, the taxicab company must have the fare calculation method and rates for the taxicab disclosed inside the taxicab.
2. A taxicab company or dispatch service must ensure that each taxicab is equipped with a device that can calculate a passenger's fare in a location visible to the passenger. A taxicab company or dispatch service may also, however, use a digital network to calculate a passenger's fare and transmit that fare to the passenger's mobile device.
3. In addition to other nondiscrimination and accessibility requirements, a taxicab company or dispatch service must have in place a policy of nondiscrimination on the basis of trip origin or destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity with respect to passengers and prospective passengers.
4. A taxicab company or dispatch service must have in place a "zero tolerance" policy prohibiting drivers from using alcohol, or any other intoxicant that may render the driver incapable of safely driving, while the driver is driving for the taxicab company or dispatch service.

5. A taxicab company or dispatch service must ensure that each driver is licensed to drive and is able to safely operate any vehicle to be used as a taxicab.

The bill requires each vehicle used as a taxicab to satisfy certain requirements, including being marked as a taxi and marked with the name of the taxicab company or dispatch service with which it is affiliated. The bill also specifies that the owner

of a vehicle used as a taxicab is required to satisfy the minimum requirements for automobile insurance that apply to vehicle owners generally.

The bill authorizes DSPS to conduct investigations and hold hearings to determine whether a violation of the bill's provisions, a related rule promulgated by DSPS, or any other law that substantially relates to the operation of a taxicab company or dispatch service has occurred. The bill further authorizes DSPS to discipline a licensed taxicab company or dispatch service, and any person who violates the bill's provisions or a related rule promulgated by DSPS may be subject to a fine not to exceed \$1,000.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 121.53 (5) (c) of the statutes is amended to read:

121.53 (5) (c) A taxicab regulated by a ~~municipal ordinance~~ under ~~s. 349.24~~ subch. I of ch. 474 when used to transport pupils.

SECTION 2. 194.01 (1) of the statutes is amended to read:

194.01 (1) "Common motor carrier" means any person who holds himself or herself out to the public as willing to undertake for hire to transport passengers or property by motor vehicle upon the public highways. The transportation of passengers ~~in taxicab service or~~ in commuter car pool or van pool vehicles that are designed to carry less than 8 passengers, including the driver, or in a school bus under s. 120.13 (27) or in a motor vehicle being used to provide transportation network services, as defined in s. ~~440.40~~ 474.40 (7) ~~or in taxicabs, as defined in s. 474.10 (3).~~ is not transportation by a common motor carrier.

SECTION 3. 194.01 (2) of the statutes is amended to read:

194.01 (2) "Contract motor carrier" means any person engaged in the transportation by motor vehicle over a regular or irregular route upon the public highways of property for hire, including the transportation of buildings, as defined in s. 348.27 (12m) (a) 1. The transportation of property in a motor vehicle being used subject to subch. ~~IV of ch. 440 I or II of ch. 474~~ is not transportation by a contract motor carrier.

SECTION 4. 194.41 (6) (b) 1. of the statutes is renumbered 194.41 (6) (b).

SECTION 5. 194.41 (6) (b) 2. of the statutes is repealed.

SECTION 6. 340.01 (23g) (b) 4. of the statutes is amended to read:

340.01 (23g) (b) 4. A motor vehicle being used to provide transportation network services, as defined in s. ~~440.40~~ 474.40 (7).

SECTION 7. 346.935 (4) (b) of the statutes is amended to read:

346.935 (4) (b) This section does not apply to passengers in a limousine or in a motor bus who possess any bottle or receptacle containing alcohol beverages that has been opened, on which the seal has been broken or the contents of which have been partially removed or released if the vehicle is operated by a chauffeur holding a valid license and endorsements authorizing operation of the vehicle as provided in ch. 343 and ~~is in compliance with any local ordinance or regulation adopted under s. 349.24.~~

SECTION 8. 349.24 of the statutes is repealed.

SECTION 9. 440.03 (9) (a) (intro.) of the statutes is amended to read:

440.03 (9) (a) (intro.) Subject to pars. (b) and (c) ~~and s. 474.115 (4)~~, the department shall, biennially, determine each fee for an initial credential for which no examination is required, for a reciprocal credential, and for a credential renewal by doing all of the following:

SECTION 10. 440.08 (2) (a) 69. of the statutes is created to read:

440.08 (2) (a) 69. Taxicab company or dispatch service: March 1 of each odd-numbered year.

SECTION 11. Subchapter IV (title) of chapter 440 [precedes 440.40] of the statutes is renumbered subchapter II (title) of chapter 474 [precedes 474.40].

SECTION 12. 440.40 of the statutes is renumbered 474.40, and 474.40 (2) and (6), as renumbered, are amended to read:

474.40 (2) "Licensed company" means a transportation network company that is licensed under s. ~~440.415~~ 474.415.

(6) "Transportation network company" means a business that, for compensation, uses a digital network to connect passengers to participating drivers for the purpose of providing transportation network services to those passengers. "Transportation network company" does not include a taxicab ~~company, as defined in s. 474.10 (4), a taxicab dispatch service, as defined in s. 474.10 (5), or a limousine, shuttle, or other for-hire vehicle service.~~

SECTION 13. 440.41 of the statutes is renumbered 474.41.

SECTION 14. 440.415 of the statutes is renumbered 474.415, and 474.415 (1) (c), as renumbered, is amended to read:

474.415 (1) (c) The applicant demonstrates to the satisfaction of the department that it satisfies all applicable requirements under ss. ~~440.42, 440.44, 440.45, and 440.48~~ 474.42, 474.44, 474.45, and 474.48.

SECTION 15. 440.42 of the statutes is renumbered 474.42.

SECTION 16. 440.425 of the statutes is renumbered 474.425.

SECTION 17. 440.43 of the statutes is renumbered 474.43.

SECTION 18. 440.435 of the statutes is renumbered 474.435.

