

STATE OF CALIFORNIA

Public Utilities Commission
San Francisco

M e m o r a n d u m

Date: August 9, 2013

To: The Commission
(Meeting of August 15, 2013)

From: Lynn Sadler, Director
Office of Governmental Affairs (OGA) – Sacramento

**Subject: SB 109 (Corbett) – Charter-Party Carriers: Limousines: Emergency Exits.
As amended: June 26, 2013**

RECOMMENDED POSITION: SUPPORT IF AMENDED

SUMMARY OF BILL

SB 109 would require stretched limos to have emergency exits in back. Specifically it would:

- Add section 5385.7 to the California Public Utilities Code, which would prohibit a charter-party carrier from operating a limousine that has been modified or extended for the purpose of increasing vehicle length and passenger capacity, unless the limousine is equipped with emergency exits at the rear of the vehicle pursuant to the new provision in the California Vehicle Code, described below.
- Add Article 3.4 (commencing with section 27375) to the California Vehicle Code, which would require any person operating a limousine that has been modified or extended for the purpose of increasing vehicle length and passenger capacity to ensure that the vehicle has at least two rear side doors and two rear windows that may open from the inside of the vehicle in case of a fire or other emergency.
- Require the owner or operator of a limousine to inform all passengers on the safety features of the vehicle prior to beginning any trip.
- Disclose to the passengers whether the limousine meets the safety requirements described above.

Beginning on January 1, 2016, these provisions would apply to all limousines modified or extended for the purpose of increasing vehicle length and passenger capacity prior to January 1, 2015.

CURRENT LAW

The Passenger Charter-Party Carrier's Act (PCPCA) gives the California Public Utilities Commission (CPUC) authority to regulate limousines. Pursuant to the PCPCA, the CPUC has passed its own rules and regulations regarding limousines. While the CPUC requires carriers of vehicles with more than 10 persons including the driver (defined in Vehicle Code section 233(b) as a "bus") to have those vehicles inspected by the California Highway Patrol (CHP), this provision does not apply to limousines (defined in Public Utilities Code section 5371.4(i) as an SUV or sedan seating not more than 10 passengers including the driver).

The California Vehicle Code has numerous provisions regarding vehicle safety and specific equipment or features that are required for certain types of vehicles. However, no regulations or requirements have been developed that require emergency exits for limousines.

AUTHOR'S PURPOSE

SB 109 was originally introduced as a bill to exclude certain aerodynamic devices extending from vehicles from the calculation of a vehicle's length. The bill was amended in response to two limousine fires that occurred in May and June, 2013. In the May 2013 incident, a limousine caught fire on the San Mateo-Hayward Bridge, killing five passengers who were unable to escape the vehicle. In the June 2013 incident, nine passengers were able to successfully exit a limousine after it caught fire while idling.

This bill is aimed at preventing similar incidents by ensuring that by January 1, 2016 all limousines operating within California will have emergency exits that will allow passengers to quickly escape the vehicle in the event of an emergency.

EXPLANATION OF BILL'S IMPACT ON CPUC PROGRAMS, PRACTICE & POLICY

The CPUC would need to verify (along with other information provided by an applicant in an application to operate as a charter-party carrier) that any limousines to be used by the applicant comply with this new provision of the law. Currently, the CPUC does not maintain records on which limousines are modified. Under the provisions of this bill, the CPUC may need to revise certain licensing forms to reflect this new provision.

SAFETY IMPACT

This bill could enhance the safety of California citizens by ensuring that, in the event of additional limousine fires or other emergency situations, passengers are able to quickly exit the vehicle.

RELIABILITY IMPACT

This bill has no known impact on reliability of service.

RATEPAYER IMPACT

It is possible that the bill could result in increased charges for limousine services, as limousine operators would have to modify certain features in their vehicles. This would

not necessarily impact ratepayers in general--only consumers who choose to use limousine services.

FISCAL IMPACT

Currently, each week, the CPUC's Transportation License Section (TLS) sends inspection requests to CHP for each operator of buses (vehicles seating more than 10, including the driver) and specific information (VIN, plate number, seating capacity) about the buses each carrier operates. This enables the CHP to schedule annual and renewal bus safety inspections of those operators.

If this bill becomes law, and if the CHP is required to also inspect limousines that have been "modified or extended for purposes of increasing vehicle length and passenger capacity," as is proposed through SB 109, significantly more work would be required on the part of TLS. All applicants and existing carriers would have to report information to the TLS that has not previously been collected. Informational materials and forms must be rewritten or newly created to collect this data. That information would then have to be recorded in the TLS database, which would have to be programmed to produce weekly inspection requests and limousine lists for transmittal to CHP.

The bill does not require the CPUC to conduct its own safety inspections to ensure that limousines meet the safety requirements. However, because the CPUC is tasked with enforcing California Public Utilities Code provisions, it may incur additional costs from investigating and enforcing violations of the new proposed code section. There is no way to estimate the extent of the violations of this new rule, so we cannot reasonably estimate associated costs. It may also be assumed that CHP, in the course of its annual inspections of limousines, will find cause to recommend certificate or permit suspension to the CPUC for the failure of some limousine operators to meet safety standards. The CPUC is required by PU Code section 5378.5 to suspend a carrier upon such recommendation from CHP. Processing suspensions, subsequent requests for re-inspection, and reinstatements will create additional work for the TLS.

The bill also requires the CPUC to adopt rules to implement the new provisions. We assume the new rules will be adopted through an Order Instituting Rulemaking proceeding

ECONOMIC IMPACT

The bill would have an economic impact on charter-party carriers who own stretch limousines by requiring limousine owners or operators to install new safety features.

It is unknown how significant this economic impact would be. For instance, it is unknown whether costs associated with complying with the bill would force some limousine companies out of business or otherwise make continued operation uneconomic.

LEGAL IMPACT

Federal Law

State law pertaining to commercial vehicle safety must be compatible with the Federal Motor Carrier Safety Regulations. See 49 CFR sections 355.1 to 355.5.

Relevant federal safety standards include provisions regarding power-operated windows and door locks. Federal Motor Carrier Safety Regulations regarding windows, partitions, and roof panels are intended to “minimize the likelihood of death or injury from the[] accidental operation,” of those features. See 49 C.F.R. section 571.118, Standard No. 118. For instance, Federal Motor Carrier Safety Regulations require power-operated windows, partitions, and roof panels to stop and reverse direction when contacting a test rod of a certain strength. *Id.*

Federal Motor Carrier Safety Regulations also require each door to be equipped with at least one locking device which, when engaged, shall prevent operation of the exterior door handle or other exterior latch release control and which has an operating means and a lock release/engagement device located within the interior of the vehicle. See 49 C.F.R. section 571.206, Standard No. 206. The purpose of these provisions is “to minimize the likelihood of occupants being ejected from a vehicle as a result of impact.” *Id.*

SB 109 does not conflict with any of these provisions. Thus, the bill does not conflict with federal law.

Related State Legislation

SB 338 (Hill), would require limousines (defined as sedans or SUV’s with a seating capacity of ten or fewer passengers) to be equipped with two fire extinguishers. Recent amendments to SB 338 would also require limousines to undergo annual CHP safety inspections. Both SB 338 and SB 109 are in response to the San Mateo bridge limousine fire and have the effect of increasing safety measures for limousines.

BACKGROUND INFORMATION ON IMPACTED PROGRAMS, PRACTICE OR POLICY

As discussed above, the CPUC has authority over charter-party carriers of passengers, including limousine operators. Pursuant to this authority, the CPUC has developed its own set of rules for limousine operations. While the CPUC verifies through its application process and regulatory oversight that “buses” comply with requirements mandating CHP vehicle inspections, this requirement does not exist for limousines. If SB 109 passes as proposed, only “modified” limousines will be subject to CHP inspections.

The CPUC is authorized to conduct investigations, and if warranted, cite charter-party carriers for violations of the California Public Utilities Code and the CPUC’s rules and regulations. SB 109, by adding a new provision to the California Public Utilities Code,

would give the CPUC enforcement authority and responsibility to ensure that limousine operators comply with these new vehicle safety standards.

OTHER STATES' INFORMATION

Unknown.

SUMMARY OF SUGGESTED AMENDMENTS

The bill references "vehicle length and passenger capacity" four separate times.

We propose changing these references to "vehicle length or passenger capacity".

As the bill is written, both conditions (increasing vehicle length AND increasing passenger capacity) must be met for the new provisions to apply. We recommend changing it to an "or" so that the bill apply in either case--to all extended limousines.

SUPPORT/OPPOSITION

Support: California Professional Firefighters

Opposition: Greater California Livery Association

VOTES

Assembly Committee on Appropriations, 7/3/13: **12 Ayes, 5 Noes**

Assembly Committee on Transportation, 6/17/13: **10 Ayes, 3 Noes**

Senate Floor, 4/11/13: **37 Ayes, 0 Noes**

Senate Committee on Transportation & Housing, 4/2/2013: **11 Ayes, 0 Noes**

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BILL LANGUAGE

SECTION 1.

Section 5385.7 is added to the Public Utilities Code, to read:

5385.7.

A charter-party carrier shall not operate a limousine, as defined by Section 5371.4, that has been modified or extended for purposes of increasing vehicle length and passenger capacity, unless the limousine is equipped with emergency exits at the rear of the vehicle as required pursuant to Article 3.4 (commencing with Section 27375) of Chapter 5 of Division 12 of the Vehicle Code. The commission shall adopt rules to implement this section.

SEC. 2.

Article 3.4 (commencing with Section 27375) is added to Chapter 5 of Division 12 of the Vehicle Code, to read:

**Article 3.4. Emergency Exits for Charter-Party Carriers of Passengers
27375.**

(a) Any person who operates a limousine, as defined in subdivision (i) of Section 5371.4 of the Public Utilities Code, in any city, county, or city and county, that has been modified or extended for purposes of increasing vehicle length and passenger capacity, shall ensure that the vehicle has at least two rear side doors and two rear windows that the rear seat passengers, or all passengers of the vehicle if a partition separates all of the passengers from the driver, may open from the inside of the vehicle in case of any fire or other emergency that may require the immediate exit of the occupants of the vehicle. A limousine subject to this section shall be equipped with both of the following:

(1) At least two rear push-out windows that are accessible to all passengers. At least one push-out window shall be located on each side of the vehicle. Each push-out window shall be releasable by operating no more than two mechanisms and allow manual release of the push-out window by a single occupant. For mechanisms that require rotary or straight (parallel to the undisturbed exit surface) motions to operate the release, no more than 20 pounds of force shall be required to release the push-out window. For push-out windows that require a straight motion perpendicular to the undisturbed surface of the push-out window, no more than 60 pounds shall be required to release the push-out window. The push-out windows shall comply with any applicable federal safety standards as deemed necessary by the Department of the California Highway Patrol.

(2) At least two rear side doors that are accessible to all passengers and that may be opened manually by any passenger. At least one rear side door shall be located on each side of the vehicle. At least one of these side doors shall be located near the driver's compartment and another near the back of the vehicle. The mechanism for releasing these side doors shall not be subject to being disabled by the driver. These side doors shall comply with any applicable federal safety standards as deemed necessary by the Department of the California Highway Patrol.

(b) An owner or operator of a limousine shall do both of the following:

(1) Instruct all passengers on the safety features of the vehicle prior to the beginning of any trip.
(2) Disclose to the contracting party and the passengers whether the limousine meets the safety requirements described in this section.

(c) (1) Subdivision (a) shall apply to all limousines modified or extended for purposes of increasing vehicle length and passenger capacity on or after January 1, 2015.

(2) Subdivision (a) shall, beginning January 1, 2016, apply to all limousines that were modified or extended for purposes of increasing vehicle length and passenger capacity prior to January 1, 2015.

SEC. 3.

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.