

SUBJECT: Penalizing unlicensed ground transportation businesses at airports

COMMITTEE: Transportation — favorable, without amendment

VOTE: 7 ayes — Krusee, Phillips, Edwards, Garza, Hamric, Harper-Brown, Mercer
0 nays
2 absent — Hill, Laney

WITNESSES: For — Allen Parra, Dallas-Fort Worth Airport Board
Against — None

BACKGROUND: Transportation Code, sec. 22.081 allows joint airport boards formed by public agencies, including populous home-rule municipalities, to license taxicabs transporting passengers to or from the airport and to charge a fee to issue the license.

DIGEST: HB 960 would make it a class B misdemeanor (up to 180 days in jail and/or a maximum fine of \$2,000) to solicit or engage in ground transportation business at an airport without the permission of a joint airport board representing populous home-rule municipalities. The bill would define ground transportation business as the transportation by motor vehicle of persons or baggage for compensation.

The bill would take effect on September 1, 2003.

SUPPORTERS SAY: Increasing the penalties for operating an unlicensed ground transportation business would deter the illegal operation of taxicabs and limousines at Dallas-Fort Worth Airport. These operators currently park in public parking lots, loiter in baggage pickup areas, and attempt to persuade travelers to make use of their services. The current penalty is only a class C misdemeanor (maximum fine of \$500) — the equivalent of a traffic ticket. Making this offense a class B misdemeanor would increase the costs to the operators of illegal ground transportation businesses and persuade prosecutors to pursue these cases more vigorously.

Requiring ground transportation businesses to meet airport license requirements protects the health and safety of the traveling public. Licensees must meet higher safety standards and carry a higher level of liability insurance than do those meeting the minimum standards for passenger vehicles. Anyone injured in an accident involving an illegal ground carrier might not be fully protected or compensated.

Ground transportation operators who meet all standards and qualify for an airport license should not have their charges undercut by those who do not follow the rules. HB 960 would help ensure that all operators met the same requirements.

**OPPONENTS
SAY:**

The possibility of jail time would be excessive and inappropriate for those failing to meet a bureaucratic requirement for a license. Mandating a permit process represents a barrier of entry into the ground transportation business and unfairly protects existing businesses.

NOTES:

The companion bill, SB 441 by Harris, passed the Senate by voice vote on March 26 and was reported favorably, without amendment by the House Transportation Committee on April 23 and was set on the Local, Consent, and Resolutions Calendar for May 6.

SB 441 differs from HB 960 in that SB 441 would make it a class B misdemeanor to solicit or engage in ground transportation business at a municipally-owned airport without the permission of the municipality, instead of the joint airport board representing populous home-rule municipalities.