Limousine, Taxicab, and Transportation Network Company Act

Introduction

In a move to place Transportation Network Companies (TNCs) such as Uber and Lyft, and limousines and taxi carriers, all under one regulatory framework, the Legislature passed a new law stripping all local control over taxi carriers. PA 345 of 2016 went into effect on March 21, 2017. The new law prohibits a local unit of government from imposing a tax or fee upon or requiring a license for a limousine carrier, taxicab carrier, or TNC, a limousine driver, taxicab driver, or TNC driver, or a limousine, taxicab, or personal vehicle, if the tax, fee, or license is related to the provision of limousine or taxicab service or TNC prearranged rides.

Regulation & Local Enforcement

Except as otherwise provided, a local unit of government **may not** enact or enforce an ordinance regulating a limousine carrier, taxicab carrier, limousine driver, taxicab driver, or TNC.

A local unit **may** issue a civil infraction to a limousine, taxicab, or TNC driver for violating sections of the Act regarding signage, a TNC driver carrying proof of insurance, a TNC driver accepting a request for transportation outside of a TNC's digital network, and nondiscrimination.

Regulation of these entities will now be handled by the State's Department of Licensing and Regulatory Affairs. Under this new regulatory framework, each entity is required to register with the department, complete a vehicle safety inspection if the vehicle is five years old or older, post proper signage on the vehicle, and ensure each driver has passed a criminal background check and obtained proper insurance.

Municipalities will only be allowed to enforce certain provisions of the Act by issuing civil infractions. Civil infractions may be issued if:

- A vehicle fails to display the proper signage;
- A driver doesn't have proper insurance;
- a TNC attempts to solicit a passage through a method other than their digital platform; or
- a driver fails to provide a ride to an individual due to discrimination.