

Act No. 432  
Public Acts of 1996  
Approved by the Governor  
December 2, 1996  
Filed with the Secretary of State  
December 2, 1996

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1996**

Introduced by Rep. London

# **ENROLLED HOUSE BILL No. 5850**

AN ACT to amend section 9 of Act No. 432 of the Public Acts of 1982, entitled "An act to regulate persons who transport passengers by motor bus; to prescribe powers and duties for the state transportation department; to impose certain fees; and to impose penalties," as amended by Act No. 233 of the Public Acts of 1989, being section 474.109 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 9 of Act No. 432 of the Public Acts of 1982, as amended by Act No. 233 of the Public Acts of 1989, being section 474.109 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 9. (1) In determining the fitness, willingness, and ability of an applicant for a certificate of authority to provide transportation service, the department shall consider all of the following before the issuance of the original certificate of authority:

(a) The applicant's safety record.

(b) The character and condition of each motor bus is such that it may be operated safely upon the public highways based on an inspection conducted by the department required pursuant to section 16.

(c) The applicant's financial ability to provide continuous insurance coverage as required by subsection (2) or (3) and to have adequate financial resources in order to pay for damage claims against the applicant.

(2) An applicant shall acquire the following insurance coverage of liability for acts or omissions of the applicant as a motor carrier of passengers:

(a) Bodily injury and property damage liability insurance with a minimum combined single limit of \$5,000,000.00 for all persons injured or for property damage.

(b) Personal protection insurance and property protection insurance as required by sections 3101 to 3179 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being sections 500.3101 to 500.3179 of the Michigan Compiled Laws. A motor common carrier of passengers shall maintain the insurance described in this subsection as a condition of maintaining a certificate of authority issued under this act.

(3) The insurance requirements of subsection (2) are waived if the applicant qualifies for and obtains a certificate of self-insurance from the secretary of state under section 531 of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.531 of the Michigan Compiled Laws.

(4) An applicant that does not satisfy subsection (1) and either subsection (2) or subsection (3) shall not be issued a certificate of authority to provide transportation service under this act.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved -----

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Governor.