



HOUSE BILL No. 5652

March 5, 1996, Introduced by Reps. DeLange, Pitoniak, Green, Hammerstrom, Jellema, Dalman, Kukuk, Byl, Horton, Kelly, Harder, Gnodtke, Gernaat, Middleton, Crissman, Bodem, London, McBryde, Oxender, McNutt, LeTarte, Galloway, Voorhees and Randall and referred to the Committee on Transportation.

A bill to provide for the limited regulation of certain motor carriers operating on the public highways of this state; to prescribe the powers and duties of the department of state; to provide for the levy and collection of certain fees for such carriers and the disposition of those fees; to provide for the enforcement of this act; to prescribe penalties; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Certificate" means a certificate issued to a private or
3 for-hire motor carrier under this act authorizing that motor car-
4 rier to operate upon the public highways of this state in intra-
5 state commerce.

6 (b) "Department" means the department of state.

1 (c) "For-hire motor carrier" means a person engaged in the
2 transportation of property for compensation.

3 (d) "Motor carrier" means a person engaged in the intrastate
4 transportation by motor vehicle of property upon the public high-
5 ways of this state.

6 (e) "Motor vehicle" means a truck, semitrailer, truck trac-
7 tor, road tractor, or any self-propelled or motor driven vehicle,
8 with a gross vehicle weight rating or an actual gross weight of
9 10,001 pounds or more, used upon a public highway of this state
10 for the purpose of transporting property.

11 (f) "Person" means an individual, partnership, association,
12 or corporation, and their lessees, trustees, or receivers
13 appointed by any court.

14 (g) "Private motor carrier" means a person engaged in the
15 transportation of property by commercial motor vehicle who is not
16 a for-hire motor carrier.

17 (h) "Public highway" means any highway, road, street,
18 avenue, alley, or thoroughfare of any kind, or any bridge or
19 tunnel used by the public.

20 Sec. 3. This act shall not apply to any of the following:

21 (a) A motor vehicle owned or operated by this state or the
22 United States.

23 (b) A motor vehicle owned or operated by an incorporated
24 city, village, or school district, or by a county or township in
25 the state or by a corporation, agency, or instrumentality of the
26 state, for governmental purposes.

1 Sec. 5. Except as otherwise provided in this act, an
2 intrastate motor carrier whether private or for hire shall not
3 operate any motor vehicle for the transportation of property on
4 any public highway in this state before obtaining a certificate
5 from the department.

6 Sec. 7. (1) A motor carrier operating under a certificate
7 previously issued by the Michigan public service commission under
8 former Act No. 254 of the Public Acts of 1933 before the effec-
9 tive date of this act may continue to operate without a certifi-
10 cate from the department under this act until the expiration of
11 that certificate.

12 (2) If a motor carrier files an application for a certifi-
13 cate under this act, the department or its authorized official
14 may issue a temporary certificate to be effective until the
15 application is granted or denied.

16 Sec. 9. An application for a certificate shall be in writ-
17 ing and shall contain the information required by section 11.
18 Each applicant shall also submit the required fees and proof of
19 insurance.

20 Sec. 11. The department shall issue a certificate to an
21 applicant authorizing it to operate as a motor carrier if it
22 finds, based upon the application, proof of financial responsi-
23 bility and proof of liability insurance of at least the minimum
24 amount specified in federal regulation 49 C.F.R. 387 for inter-
25 state carriers and other insurance as required by law and that
26 the carrier is not under an operational out-of-service order or a
27 shutdown order issued by the United States department of

1 transportation or the motor carrier division of the department of
2 state police.

3 Sec. 13. (1) In addition to the license fees or taxes oth-
4 erwise imposed upon motor carriers, there shall be assessed
5 against and collected from each motor carrier at the same time as
6 the registration tax under the Michigan vehicle code, Act No. 300
7 of the Public Acts of 1949, being sections 257.1 to 257.923 of
8 the Michigan Compiled Laws, an annual fee of \$25.00 for each
9 motor vehicle operated by the motor carrier.

10 (2) A motor carrier shall not operate any motor vehicle upon
11 or over the highways of this state, except as otherwise provided
12 in this act, while any of the fees imposed by this act remains
13 unpaid. The department shall not extend the time of payment or
14 permit operation of a motor vehicle while the delinquency
15 continues.

16 Sec. 15. Except as otherwise provided, all money received
17 under this act shall be credited to the general fund. The legis-
18 lature shall appropriate such money to the department and the
19 motor carrier division of the department of state police in such
20 proportions as the legislature may determine. Any unappropriated
21 or unexpended funds remaining at the end of the fiscal year shall
22 be deposited in the Michigan transportation fund.

23 Sec. 17. (1) A motor carrier shall not engage in the inter-
24 state or foreign transportation of property for compensation
25 without first having registered with the department, filed proof
26 of liability insurance of not less than the minimum amount

1 specified in federal regulations, and paid the required annual
2 fees.

3 (2) A motor carrier operating in this state under authority
4 granted by the interstate commerce commission or its successor
5 pursuant to section 10922 of subchapter II of chapter 109 of sub-
6 title IV of title 49 of the United States Code, 49 U.S.C. 10922,
7 shall file and maintain a record of that authority with the
8 department. A motor carrier shall not operate within this state
9 without first complying with this subsection. Failure to comply
10 with this section shall be considered a violation of the act.

11 (3) A motor carrier shall not engage in the interstate
12 transportation of property within this state pursuant to exemp-
13 tions from economic regulation permitted under the interstate
14 commerce act, under subtitle IV of title 49 of the United States
15 Code, 49 U.S.C. 10101 to 11917, without the approval by the
16 department of an application for the registration of the exempt
17 operations, filing proof of liability insurance of at least the
18 minimum amount specified in federal regulations, and payment of a
19 fee of \$10.00 per motor vehicle registered under this section.

20 (4) The annual fee levied on each interstate or foreign
21 motor carrier motor vehicle operated in this state and licensed
22 in another state, province of Canada, or foreign country shall be
23 \$10.00. The department may enter into a reciprocal agreement
24 with a state or province of Canada that does not charge motor
25 vehicles licensed in this state economic regulatory fees or taxes
26 and may waive the fee required under this subsection. The
27 department may enter into cooperative agreements with states or

1 provinces for the registration of authority and collection of
2 fees.

3 (5) Of the fees collected pursuant to this section, not less
4 than 90% of those fees collected in excess of \$1,400,000.00 annu-
5 ally shall be deposited in the truck safety fund established in
6 section 25 of Act No. 51 of the Public Acts of 1951, being sec-
7 tion 247.675 of the Michigan Compiled Laws.

8 Sec. 19. (1) The department shall prescribe the forms of
9 applications for certificates and shall administer this act.

10 (2) The department shall maintain a record of applications
11 for certificates that shall be available for public inspection at
12 the offices of the department during normal working hours.

13 Sec. 21. (1) In order to maintain the privileges under its
14 certificate, each motor carrier shall annually file an applica-
15 tion for renewal of its certificate. The application for renewal
16 shall be filed in the form and no later than the date specified
17 by the department or its authorized official, and shall be accom-
18 panied by the required fees, proof of insurance, and a statement
19 that the carrier is not under an operational out-of-service order
20 or a shutdown order issued by the United States department of
21 transportation or the motor carrier division of the department of
22 state police.

23 (2) The department may suspend or revoke the certificate of
24 a carrier who fails to show proof of insurance, 20 days after
25 notification in writing by the insurer that the carrier's insur-
26 ance has been canceled. The department shall immediately notify

1 the department of state police when it receives notification of
2 cancellation or revocation of insurance from an insurer.

3 Sec. 23. A person, whether motor carrier, shipper, broker,
4 forwarder, or consignee, or any officer, employee, agent, or rep-
5 resentative of a motor carrier, shipper, or consignee, who seeks
6 to evade or defeat this act or rules as promulgated under this
7 act for motor carriers, is guilty of a misdemeanor, punishable by
8 a fine of not more than \$5,000.00, or imprisonment for not more
9 than 6 months, or both.

10 Sec. 25. The department may promulgate rules as needed to
11 implement this act pursuant to the administrative procedures act
12 of 1969, Act No. 306 of the Public Acts of 1969, being sections
13 24.201 to 24.328 of the Michigan Compiled Laws.

14 Sec. 27. All records, property, personnel, and unexpended
15 balances of appropriations of the Michigan public service commis-
16 sion used for administration of former Act No. 254 of the Public
17 Acts of 1933 are hereby transferred to the department of state.

18 Sec. 29. Act No. 254 of the Public Acts of 1933, being sec-
19 tions 475.1 to 479.43 of the Michigan Compiled Laws, is
20 repealed.