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S.B. 605: FIRST ANALYSIS

Senate Bill 605 (as reported without amendment)

Sponsor: Senator Mike Goschka Committee: Financial Services

Date Completed: 10-8-01

# **RATIONALE**

Currently, the Public Service Commission (PSC) regulates three types of public utilities: electricity, natural gas, and communications. At one time, the PSC also regulated the size, weight, and load of motor carriers. In 1982, certain responsibilities, among them the regulation of public buses, were transferred from the PSC to the Department of Transportation (DOT). The current Insurance Code contains a reference to the PSC in a section detailing personal protection benefits to passengers riding on buses. To correct this anachronism, it has been suggested that the PSC reference be replaced with a reference to the DOT.

# **CONTENT**

The bill would amend the Insurance Code by replacing the words "Public Service Commission" with "Department of Transportation" in a subsection detailing personal protection benefits. According to the Code, a passenger riding in a bus operated by "a common carrier of passengers certified by the *public service commission*" (emphasis added) is not eligible for personal protection benefits, unless he or she is not entitled to benefits under any other policy. The bill would refer to a common carrier certified by the Department.

MCL 500.3114

#### **ARGUMENTS**

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

## **Supporting Argument**

Changing this language in the Code simply would reflect the current certifying authority, the Department of Transportation.

Legislative Analyst: C. Layman

#### FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.