

SPECIAL EVENT EXCEPTIONS TO MOTOR BUS TRANSPORTATION ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 958 as enacted
Public Act 458 of 2016
Sponsor: Sen. Wayne Schmidt
House Committee: Appropriations
Senate Committee: Transportation
Complete to 12-28-16

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 958 amends Section 23 of the Motor Bus Transportation Act (Public Act 432 of 1981) to allow the Michigan Department of Transportation to exempt from the act a motor carrier that provides transportation to or from a special event of statewide significance.

The bill also amends current provisions that allow the department to grant temporary authority “if there is an immediate and urgent need for the transportation of passengers to a point or between points within this state.” The bill replaces the term “temporary authority” with the term ““emergency certificate of authority.” The bill also allows the department to waive any and all fees related to the grant of a temporary certificate of authority.

The bill also adds the following statement to Section 23: “Notwithstanding any other provision of this act, a person that operates a streetcar, trolley, light rail vehicle, or tram as part of a public transportation system and is not otherwise considered a motor carrier under this act is not a motor carrier for purposes of this act and is exempt from this act.”

BACKGROUND INFORMATION:

The Motor Bus Transportation Act (Public Act 432 of 1981) governs the licensing and regulation of motor buses for hire. Motor buses are defined as self-propelled motor vehicles with a seating capacity 16 passengers or more, including the driver. The act ensures that for-hire passenger carriers obtain a certificate of authority from the department, meet commercial insurance requirements, submit to yearly vehicle safety inspections, and pay the required licensing fees. Intercity and charter bus companies are licensed under provisions of the act. School buses are generally exempt from the act except when used for non-school functions and there is a fee charged.

Representatives of the Michigan Department of Transportation have indicated that the primary purpose of the bill is to address a problem related to the annual Labor Day Mackinac Bridge Walk. Historically, the Mackinac Bridge Authority contracts for school buses to provide transportation for walkers—either from Mackinaw City to the St. Ignace starting point, or to return walkers from Mackinac City terminus back to St. Ignace.

Because this service is not directly related to a school function, and because there is a \$5.00 passenger fee involved, these buses would normally be required to obtain a certificate of authority from the department under the Motor Bus Transportation Act and pay a \$300 filing fee plus \$25 for each bus covered by the certificate of authority.

Although the bill is not specific to the Mackinac Bridge Walk, Senate Bill 958 would allow the Michigan Department of Transportation to exempt from the act motor carriers that provide transportation to or from a special event of statewide significance – such as the buses that ferry Labor Day walkers across the Mackinac Bridge.

The bill’s language exempting a person that operates a streetcar, trolley, light rail vehicle, or tram as part of a public transportation system from the act appears to be unrelated to the Mackinac Bridge Walk or special event exemptions of the bill.

FISCAL IMPACT:

Representatives of the Michigan Department of Transportation indicate that historically the department had not required the school buses that provide service for the Labor Day Mackinac Bridge Walk to obtain a certificate of authority under the Motor Bus Transportation Act. The bill would change the law to conform to long-standing practice. The bill’s provisions related to “transportation to or from an event of statewide significance” would appear to have limited applicability and little or no fiscal impact.

The bill’s exemption of a person that operates a streetcar, trolley, light rail vehicle, or tram as part of a public transportation system from the act appears to reinforce existing exemption and does not appear to have a direct fiscal impact.

Fiscal Analyst: William E. Hamilton

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.