



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 958 (as enacted)
Sponsor: Senator Wayne Schmidt
Senate Committee: Transportation
House Committee: Appropriations

PUBLIC ACT 458 of 2016

Date Completed: 4-24-17

RATIONALE

The Labor Day Mackinac Bridge Walk is an annual event in which participants can walk across the five-mile Mackinac Bridge, one of the largest suspension bridges in the world. The event has taken place on Labor Day since 1959. Participants start in St. Ignace, located on the north side of the Mackinac Bridge, and walk to Mackinaw City. For participants who buy tickets in Mackinaw City, buses provided by the Mackinac Bridge Authority take them to St. Ignace before the walk. Those who buy tickets in St. Ignace are bused back to St. Ignace after they complete the walk.

The Mackinac Bridge Authority is responsible for planning and executing the event. Just over two years ago, it was brought to the Authority's attention that the school buses used for the event were in violation of the Motor Bus Transportation Act, as they did not have a proper certificate of authority from the Department of Transportation. Since certifying those buses for the event would have been expensive, the alternative was to use certified buses from another school district. Evidently, this was an inconvenience because of the distance between that district and the Mackinac Bridge. To resolve this issue, it was suggested that the Department be allowed to exempt from the Act the buses normally used in the Bridge Walk.

CONTENT

The bill amended the Motor Bus Transportation Act to do the following:

- **Allow the Department of Transportation to exempt from the Act a motor carrier that provides transportation to or from a special event of statewide significance.**
- **Allow the Department to waive any or all applicable fees or requirements for an emergency certificate of authority issued to a motor carrier.**
- **Delete a provision that limited the validity of an emergency certificate to 90 days.**
- **Specify that 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 the Act is not a motor carrier and is exempt from the Act.**

The Act prohibits a motor carrier from operating on a public highway in Michigan without first obtaining an authority from the Department. The Act prescribes the process of acquiring an authority, and requires applicants for an original annual authority to pay a filing fee of \$300 and a fee of \$100 times the number of buses to be used by the applicant to provide transportation for hire; \$100 times the number of buses subject to the Act no later than the last day of February each year; and \$100 for each additional bus a motor carrier wishes to authorize under the authority between annual renewal periods.

The bill allows the Department to exempt from the Act a motor carrier that is providing transportation to or from a special event of statewide significance.

Previously, if there was an immediate and urgent need for the transportation of passengers to a point or between points within Michigan, the Department could grant upon a proper application temporary authority for that service by a person having a certificate of authority or by an applicant

for a certificate of authority. Unless suspended or revoked for good cause, a temporary authority was valid for the time the Department specified, but not more than 90 days.

Under the bill, instead, the Department may grant an emergency certificate of authority to a motor carrier if there is an immediate and urgent need for the transportation of passengers to a point or between points within Michigan. An emergency certificate of authority granted by the Department, unless suspended or revoked for good cause, is valid for the time specified by the Department.

The bill allows the Department to waive any or all applicable fees or other requirements under the Act for an emergency certificate granted under these provisions.

In addition, notwithstanding any other provision of the Act, the bill specifies that 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 the Act is not a motor carrier for the purposes of the Act and is exempt from it.

("Motor carrier" means a person who, either directly or through any device or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by bus over State public highways.)

The bill took effect on March 29, 2017.

MCL 474.123

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

The Mackinac Bridge Walk is a significant Michigan tradition and represents the only time that pedestrians are allowed to walk across the Mackinac Bridge. In 2016, it was expected that some 40,000 walkers would participate in the 59th Mackinac Bridge Walk. It is important for the event to continue to be organized in a way that makes it a safe and enjoyable experience for all of the participants. Because the buses previously used for the event were in violation of the Act, however, the Authority had to bring in certified buses for the 2015 walk, which was inconvenient as the certified buses evidently were located several hours' drive from the Bridge. In 2016, the Authority had to work with the Department to receive one-time certifications for buses used in the walk. It was estimated that 15 fewer buses were used in the 2016 event.

Under previous law, the only alternative to bringing in certified buses was to ensure that the school buses normally used in the event had a certificate of authority under the Act. However, this would have been an expensive undertaking for the district supplying the buses. The bill removes the logistical complication associated with the provision of buses for participants in the Bridge Walk, by authorizing the Department to exempt the buses used for the event from the Act.

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill will reduce fee revenue to the Department of Transportation by an unknown and likely negligible amount. It is unknown how many exemptions the Department will grant to motor carriers for events of statewide significance. It also is not known how many emergency certificates will be granted under the bill and for how many of those the Department will choose to waive the fee.

Fiscal Analyst: David Zin

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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.