

# HOUSE BILL No. 4807

June 20, 2017, Introduced by Rep. Lauwers and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1921 PA 246, entitled

"An act to regulate the service, rates, fares and charges of carriers by water within this state,"

by amending sections 1, 2, 3, 4, 5, and 6 (MCL 460.201, 460.202, 460.203, 460.204, 460.205, and 460.206) and by adding section 7.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. Any ~~and all~~ persons, firms, and corporations engaged  
2       in the transportation of freight, passengers, or express, by water,  
3       wholly within this state, shall, within 30 days after this act  
4       ~~shall take~~ **TAKES** effect, make and file, ~~with the Michigan public~~  
5       ~~utilities commission in such~~ **THE** form as it shall prescribe,  
6       **PRESCRIBED**, its schedule of rates, fares, and charges for the  
7       carrying of freight, passengers, and express. ~~; which said~~ **THE**  
8       **FILED** rates, fares, and charges ~~shall continue in force until~~  
9       superseded by other schedules ~~, filed in the manner above~~

~~prescribed, by said carrier, with the Michigan public utilities~~  
~~commission: Provided, however, That said Michigan public utilities~~  
~~commission~~ **WITH THE DEPARTMENT OF STATE POLICE AS PROVIDED IN THIS**  
**SECTION. THE DEPARTMENT OF STATE POLICE** may, either upon request ~~7~~  
 or upon its own motion, suspend the operation of any **FILED** rate,  
 fare, charge, or tariff ~~filed as aforesaid,~~ for a period not  
 exceeding 30 days. ~~7~~ ~~and in case any such~~ **IF A FILED** rate, fare,  
 charge, or tariff ~~shall be~~ **IS** suspended by ~~said Michigan public~~  
~~utilities commission, it~~ **THE DEPARTMENT OF STATE POLICE, THE**  
**DEPARTMENT** shall give the interested carrier immediate notice  
~~thereof,~~ **OF THE SUSPENSION** and **SHALL**, within 10 days from the date  
 of ~~such~~ **THE** suspension, ~~shall fix a date of hearing,~~ **SET A HEARING**  
**DATE** not more than 20 days from the date of ~~said~~ **THE** suspension. ~~7~~  
~~and~~ **THE DEPARTMENT OF STATE POLICE** shall give notice ~~thereof~~ **OF THE**  
**HEARING DATE** to ~~said~~ **THE** carrier and to other **INTERESTED** persons.  
~~in interest, who may be heard; and after said~~ **AFTER THE** hearing,  
~~said commission~~ **THE DEPARTMENT OF STATE POLICE** shall ~~fix~~ **SET** the  
 rate, fare, charge, or tariff in the matter complained of, ~~7~~ ~~and~~  
~~such~~ **THAT** rate, fare, charge, or tariff ~~7~~ ~~when so fixed, shall~~  
~~continue~~ **CONTINUES** to be the legal rate, fare, charge, or tariff in  
 force until superseded as provided by law. ~~7~~ ~~Provided, That any~~ **ANY**  
 ferry company operating within any municipality under an agreement  
 with ~~such~~ **THAT** municipality ~~shall~~ **IS** not be affected either as to  
 fares or **AS TO** operation by this act.

Sec. 2. ~~The Michigan public utilities commission~~ **EXCEPT AS**  
**OTHERWISE PROVIDED IN SECTION 7, THE DEPARTMENT OF STATE POLICE** may  
 examine **AND AUDIT** any and all books, accounts, records, and papers

1 of any ~~such~~ **A** carrier by water. ~~, and audit the same; and it shall~~  
 2 ~~be the duty of any such carrier by water, to~~ **A CARRIER BY WATER**  
 3 **SHALL** furnish to said Michigan public utilities commission, ~~THE~~  
 4 **DEPARTMENT OF STATE POLICE**, its proper officers, and ~~employes,~~  
 5 **EMPLOYEES**, any and all data in relation to its investment, income,  
 6 operating expenses, and ~~such~~ other statistical data as ~~it~~ **THE**  
 7 **DEPARTMENT** may require.

8 Sec. 3. The ~~Michigan public utilities commission~~ **DEPARTMENT OF**  
 9 **STATE POLICE** is ~~hereby~~ authorized, empowered, and directed to make  
 10 all ~~needful~~ **NECESSARY** rules and regulations governing its  
 11 investigations of the affairs of ~~such~~ carriers by water ~~, and to~~  
 12 prescribe the form of all reports required from ~~such~~ **THOSE**  
 13 carriers.

14 Sec. 4. ~~Whenever~~ **IF** any complaint ~~shall be~~ **IS** made to ~~said~~  
 15 ~~Michigan public utilities commission~~ **THE DEPARTMENT OF STATE POLICE**  
 16 by any person, firm, or corporation against any rate, fare, charge,  
 17 or tariff of any carrier by water within this state, or against any  
 18 rule, regulation, or service of ~~such~~ **A** carrier ~~, BY WATER~~ or  
 19 against the neglect, failure, or refusal of any ~~such~~ **A** carrier **BY**  
 20 **WATER** to make, observe, or perform any rate, fare, charge, or  
 21 tariff, or any rule, regulation, or service, ~~said Michigan public~~  
 22 ~~utilities commission~~ **THE DEPARTMENT OF STATE POLICE** shall  
 23 investigate the ~~same,~~ **MATTER**, and ~~it~~ **THE DEPARTMENT** may regulate  
 24 the performance or observance of any rate, fare, charge, or tariff,  
 25 and any rule, regulation, or service, and may ~~prescribe the same to~~  
 26 ~~be observed by such~~ **REQUIRE THE** carrier ~~: Provided, That such~~ **TO**  
 27 **OBSERVE THE RATE, FARE, CHARGE, OR TARIFF AND ANY RULE, REGULATION,**

1 **OR SERVICE. A** carrier ~~shall~~ **BY WATER IS** in all cases ~~be~~ entitled to  
 2 reasonable notice and an opportunity to be heard on ~~such~~ **AN**  
 3 investigation before any rate, fare, charge, or tariff, or any  
 4 rule, regulation, or service ~~shall be~~ **IS** prescribed, established,  
 5 or imposed by ~~said commission, in accordance with the terms of~~ **THE**  
 6 **DEPARTMENT OF STATE POLICE AS PROVIDED IN** this section, and ~~when~~ **IF**  
 7 any rate, fare, charge, or tariff, or any rule, regulation, or  
 8 service ~~shall be~~ **IS** prescribed, established, or imposed by ~~said~~  
 9 ~~commission, it shall thereafter be the duty of said carrier to~~ **THE**  
 10 **DEPARTMENT OF STATE POLICE, THE CARRIER BY WATER SHALL** observe and  
 11 obey the same.

12       Sec. 5. Any order made by the ~~Michigan public utilities~~  
 13 ~~commission~~ **DEPARTMENT OF STATE POLICE** prescribing or affecting any  
 14 rate, fare, charge, or tariff, or any rule, regulation, or service  
 15 of any carrier by water within this state, ~~shall be~~ **IS** subject to  
 16 review in the same manner as is now provided by law for the review  
 17 of orders made by ~~said~~ **THE** Michigan public ~~utilities~~ **SERVICE**  
 18 commission.

19       Sec. 6. Any person, firm, or corporation violating any of the  
 20 provisions of this act, or any order of the ~~Michigan public~~  
 21 ~~utilities commission~~ **DEPARTMENT OF STATE POLICE** made in pursuance  
 22 thereof, ~~PURSUANT TO THIS ACT~~, shall be ~~punishable~~ **PUNISHED** by a  
 23 fine ~~not to exceed 100 dollars~~ **OF NOT MORE THAN \$100.00** for each  
 24 violation. ~~, and any~~ **ANY** officer or director of any corporation  
 25 violating the provisions of this act, or any of the orders of the  
 26 ~~Michigan public utilities commission~~ **DEPARTMENT OF STATE POLICE**  
 27 ~~made in pursuance thereof,~~ **PURSUANT TO THIS ACT**, shall be

~~punishable~~ **PUNISHED** by a fine ~~not exceeding 100 dollars~~ **OF NOT MORE**  
**THAN \$100.00** for each ~~such~~ violation, or by imprisonment in the  
county jail for not more than 3 months, or by both ~~such~~ fine and  
punishment, in the discretion of the court.

**SEC. 7. THE DEPARTMENT OF STATE POLICE SHALL COMPARE THE**  
**PROPOSED RATE, FARE, CHARGE, OR TARIFF OF ANY CARRIER BY WATER THAT**  
**PRIMARILY TRANSPORTS VEHICLES DIRECTLY BETWEEN 2 STATE HIGHWAYS TO**  
**AN ADJUSTED RATE, FARE, CHARGE, OR TARIFF CHARGED BY CARRIERS BY**  
**WATER THAT TRANSPORT VEHICLES THAT ARE OPERATED ON A NONPROFIT**  
**BASIS BY THIS STATE. THE DEPARTMENT OF STATE POLICE SHALL ADJUST**  
**THE RATE, FARE, CHARGE, OR TARIFF OF THE CARRIERS BY WATER THAT ARE**  
**OPERATED ON A NONPROFIT BASIS BY THIS STATE TO REFLECT THE AMOUNT**  
**OF SUBSIDY THAT THE CARRIER RECEIVES, AS WELL AS THE AFTER-TAX COST**  
**OF CAPITAL ACQUISITION AND A REASONABLE AFTER-TAX PROFIT. THE**  
**DEPARTMENT OF STATE POLICE SHALL DETERMINE THE REASONABLE AFTER-TAX**  
**PROFIT BASED ON THE MOST RECENT DATA FROM THE BUREAU OF LABOR**  
**STATISTICS FOR NAICS 483114. THE DEPARTMENT OF STATE POLICE SHALL**  
**AUTOMATICALLY APPROVE ANY PROPOSED RATE, FARE, CHARGE, OR TARIFF OF**  
**ANY CARRIER BY WATER THAT PRIMARILY TRANSPORTS VEHICLES DIRECTLY**  
**BETWEEN 2 STATE HIGHWAYS THAT IS BELOW THE ADJUSTED RATE, FARE,**  
**CHARGE, OR TARIFF DESCRIBED IN THIS SECTION. THE DEPARTMENT OF**  
**STATE POLICE SHALL NOT AUDIT ANY CARRIER BY WATER WHOSE PROPOSED**  
**RATE, FARE, CHARGE, OR TARIFF IS LESS THAN THE ADJUSTED RATE, FARE,**  
**CHARGE, OR TARIFF DESCRIBED IN THIS SECTION. ANY CARRIER BY WATER**  
**THAT MEETS THE CRITERIA OF THIS SECTION IS CONSIDERED AN**  
**INSTRUMENTALITY OF THE STATE.**

Enacting section 1. This amendatory act takes effect 90 days

1 after the date it is enacted into law.