

# HOUSE BILL No. 5519

February 6, 2018, Introduced by Reps. LaFave, Sheppard, Bellino, Theis and Kahle and referred to the Committee on Insurance.

A bill to amend 1982 PA 432, entitled  
"Motor bus transportation act,"  
by amending section 10 (MCL 474.110), as added by 2016 PA 349.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 10. (1) An applicant shall acquire the following  
2       liability insurance coverage for acts or omissions of the applicant  
3       as a motor carrier:

4       (a) For buses with a seating capacity of between 9 and 15  
5       passengers, including the driver, bodily injury and property damage  
6       liability insurance with a minimum combined single limit of  
7       \$1,500,000.00 for all persons injured or for property damage.

8       (b) For buses with a seating capacity of 16 or more  
9       passengers, including the driver, bodily injury and property damage  
10      liability insurance with a minimum combined single limit of

1 \$5,000,000.00 for all persons injured or for property damage.

2 ~~—— (c) Personal protection insurance and property protection~~  
3 ~~insurance as required by chapter 31 of the insurance code of 1956,~~  
4 ~~1956 PA 218, MCL 500.3101 to 500.3179.~~

5 (2) A motor carrier shall maintain the insurance coverage  
6 described in subsection (1) as a condition of maintaining an  
7 authority issued under this act. For each authorized seasonal  
8 vehicle, a motor carrier shall maintain the insurance coverage  
9 described in subsection (1) during the approved seasonal period.

10 (3) The insurance requirements of subsection (1) are waived if  
11 the applicant qualifies for and obtains a certificate of self-  
12 insurance from the ~~commissioner~~ **DIRECTOR** of the ~~office~~ **DEPARTMENT**  
13 ~~of financial and insurance~~ **AND FINANCIAL** services. ~~under section~~  
14 ~~3101d of the insurance code of 1956, 1956 PA 218, MCL 500.3101d.~~

15 (4) Except as otherwise provided in this act, if a motor  
16 carrier cancels the insurance coverage required under this section  
17 for any reason or if the coverage level falls below the levels  
18 provided in subsection (1), the authority issued to that motor  
19 carrier is automatically revoked.

20 (5) A motor carrier shall grant notification rights to the  
21 department for all insurance policies required under this act to  
22 ensure that the department is notified of all activities related to  
23 the policy, including cancellation and replacement.

24 Enacting section 1. This amendatory act takes effect January  
25 1, 2020.

26 Enacting section 2. This amendatory act does not take effect  
27 unless Senate Bill No. \_\_\_\_ or House Bill No. 5517 (request no.

**1** 04146'17) of the 99th Legislature is enacted into law.