

SENATE BILL NO. 872

April 24, 2020, Introduced by Senator SCHMIDT and referred to the Committee on Government Operations.

A bill to amend 1980 PA 119, entitled
"Motor carrier fuel tax act,"
by amending sections 5 and 7 (MCL 207.215 and 207.217), section 5
as amended by 2015 PA 178, and by adding section 7a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) A person required to be licensed by this act shall
2 not act as a motor carrier in this state unless the person is the
3 holder of an unrevoked license issued by the department or is the
4 holder of an unrevoked license issued under the international fuel
5 tax agreement by this state or another member jurisdiction of the

1 international fuel tax agreement. To procure a license, a motor
2 carrier shall file with the department a verified application ~~upon~~
3 ~~on~~ a form prescribed and to be furnished by the department. The
4 application ~~shall~~**must** contain the name and address of the motor
5 carrier and, if a partnership, limited liability company, or
6 corporation, the names and addresses of the persons constituting
7 the firm, partnership, association, joint stock company, limited
8 liability company, syndicate, or corporation, the name of its
9 resident agent, the location of its predominant place of business,
10 both within and outside of this state, and other pertinent
11 information the department may require.

12 (2) ~~The~~**Except as otherwise provided in section 7a, the**
13 department shall issue to each motor carrier 1 license per person
14 and 2 decals for each qualified commercial motor vehicle. A decal
15 ~~shall~~**must** be affixed respectively to the right-hand side and left-
16 hand side of the cab of every qualified commercial motor vehicle
17 while it is being operated in this state by each person licensed
18 under this act. A copy of the license ~~shall~~**must** be carried in each
19 cab while it is being operated.

20 (3) For cause, a motor carrier may be required to file with
21 the department a surety bond payable to this state, upon which the
22 applicant is the obligor, in the sum of 3 times the highest
23 estimated quarterly tax, or \$1,000.00, whichever is greater. This
24 surety bond ~~shall~~**must** be conditioned ~~upon~~**on** the applicant
25 complying with this act and with the rules promulgated under this
26 act, promptly filing true reports, and paying the taxes, interest,
27 and penalties required by this act. Each surety bond ~~shall~~**must** be
28 approved as to amount and sureties by the department. The
29 department may accept cash or securities instead of a surety bond.

1 (4) The commissioner may waive the bond requirement for a
2 motor carrier exempt from the reporting requirements of section 2
3 when the collection of taxes would not be impaired by lack of
4 security of a bond required by this section.

5 (5) The license and decals are not assignable or transferable
6 to another person and are valid only for the person in whose name
7 they are issued. However, ~~upon~~**on** application to the department, a
8 motor carrier, ~~upon~~**on** the sale, conveyance, disposal, or
9 replacement of a qualified commercial motor vehicle, may transfer
10 the license and decals for that qualified commercial motor vehicle
11 to another qualified commercial motor vehicle of the motor carrier
12 that is required to be licensed under this act. The department
13 shall issue replacement decals for the newly licensed qualified
14 commercial motor vehicle that authorizes the holder of the
15 qualified commercial motor vehicle license to use and consume motor
16 fuel or alternative fuel in the qualified commercial motor vehicle
17 upon the public roads or highways of this state until the original
18 license would have expired. The department may require the payment
19 of a fee to cover the administrative costs of issuing a replacement
20 license or decals.

21 (6) Upon filing of the application and upon posting of any
22 bond as required, the department shall issue to the applicant a
23 license and decals that authorize the holder to operate qualified
24 commercial motor vehicles using and consuming motor fuels or
25 alternative fuels upon the public roads or highways of this state
26 until January 1 of the year following the date of issuance.

27 (7) If a licensee ceases to engage in business within this
28 state, the licensee shall notify the department in writing within
29 15 days after discontinuance.

1 Sec. 7. (1) A motor carrier may obtain a trip permit which
2 shall authorize an unlicensed motor carrier to operate 1 specific
3 commercial motor vehicle in this state for a period of 5
4 consecutive days, beginning and ending on the dates specified on
5 the face of the permit. The fee for this permit ~~shall be~~ **is** \$20.00.
6 Collections of fees imposed by this section ~~shall~~ **must** be credited
7 to the Michigan transportation fund.

8 (2) Fees for trip permits ~~shall~~ **must** be instead of the license
9 fee otherwise assessable against a motor carrier. Taxes imposed by
10 this act and reports of mileage ~~shall~~ **are** not ~~be~~ required with
11 respect to a vehicle operating pursuant to a trip permit.

12 (3) The trip permit ~~shall~~ **must** be issued instead of a license
13 only if the motor carrier operates on public roads or highways in
14 this state not more than 3 times in 1 calendar year.

15 (4) The trip permit may be obtained from the department by
16 application in the same manner as a license, or may be made
17 available by contacting the department by telegram or similar
18 transmission. The cost of a telegram or similar transmission ~~shall~~
19 ~~be~~ **is** the responsibility of the motor carrier requesting the trip
20 permit.

21 **Sec. 7a. (1) Notwithstanding any provision of this act to the**
22 **contrary, during a state of emergency declared under Executive**
23 **Order No. 2020-33 or any extension of that order, the following**
24 **provisions are suspended and must not be enforced, along with any**
25 **finances, penalties, or criminal sanctions under this act for motor**
26 **carriers providing critical assistance associated with the COVID-19**
27 **pandemic:**

28 (a) The requirements administered by the department concerning
29 decals for qualified commercial vehicles under section 5.

1 (b) The requirements administered by the department concerning
2 trip permits for motor carriers under section 7.

3 (c) Any other requirements administered by the department
4 concerning the credentialing of motor carriers under the
5 international fuel tax agreement.

6 (2) Except as otherwise provided in this section, this section
7 does not suspend, restrict, or waive any other state laws or
8 regulations that are applicable to motor carriers, including any
9 requirements about reporting, payment, remittance of, or
10 recordkeeping for, taxes imposed under this act or under the
11 international fuel tax agreement.

12 (3) As used in this section, "critical assistance associated
13 with the COVID-19 pandemic" means transportation and other relief
14 services that meet the immediate needs for any of the following:

15 (a) Medical supplies or equipment for the testing, diagnosis,
16 or treatment of COVID-19.

17 (b) Supplies and equipment, including masks, gloves, hand
18 sanitizers, soaps, and disinfectants, that are necessary for
19 community safety, sanitation, or the prevention of community
20 transmission of COVID-19.

21 (c) Food for emergency restocking of stores.

22 (d) Equipment, supplies, or persons that are necessary to
23 establish or manage temporary housing, quarantine, or isolation
24 facilities related to the COVID-19 pandemic.

25 (e) Individuals that are designated by federal, state, or
26 local authorities for medical isolation or quarantine purposes.

27 (f) Individuals that are necessary to provide other medical or
28 emergency services, the supply of which may be affected by the
29 COVID-19 pandemic.

1 (4) As used in this section, critical assistance associated
2 with the COVID-19 pandemic does not include either of the
3 following:

4 (a) Routine commercial deliveries of supplies, equipment, or
5 persons that are not being transported in support of emergency
6 relief efforts related to the COVID-19 pandemic.

7 (b) Transportation of mixed loads that include essential
8 supplies, equipment, or persons described in subsection 3(a) to
9 (f), together with supplies, equipment, or persons that are not
10 being transported in support of emergency relief efforts related to
11 the COVID-19 pandemic.