

SENATE BILL No. 266

February 22, 2007, Introduced by Senators GARCIA, KUIPERS, HARDIMAN, JELINEK, GILBERT and PAPPAGEORGE and referred to the Committee on Commerce and Tourism.

A bill to amend 1933 PA 254, entitled "The motor carrier act," by amending section 1 of article I, sections 5, 6, 7, and 10 of article II, section 6 of article III, and section 2 of article V (MCL 475.1, 476.5, 476.6, 476.7, 476.10, 477.6, and 479.2), section 1 of article I, sections 5 and 7 of article II, and section 6 of article III as amended by 1993 PA 352, sections 6 and 10 of article II as amended by 1982 PA 399, and section 2 of article V as amended by 1996 PA 76, and by adding section 7 to article V.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE I

Sec. 1. The words and phrases used in this act shall be

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1 construed as follows, unless the context shall otherwise require:

2 (a) "Motor vehicle" means any automobile, truck, trailer,
3 semitrailer, truck tractor, road tractor, or any self-propelled or
4 motor or mechanically driven vehicle, or any vehicle in anywise
5 attached to, connected with, or drawn by any self-propelled or
6 motor or mechanically driven vehicle, used upon any public highway
7 of this state for the purpose of transporting property.

8 (b) "Public highway" means any public highway, road, street,
9 avenue, alley, or thoroughfare of any kind, or any bridge, tunnel,
10 or subway used by the public.

11 (c) "Commission" means the Michigan public service commission.

12 (d) "Person" means any individual, partnership, association,
13 or corporation, and their lessees, trustees, or receivers appointed
14 by any court.

15 (e) "For hire" means for remuneration or reward of any kind,
16 paid or promised, either directly or indirectly.

17 (f) "Motor common carrier of property" means any person who
18 holds himself or herself out to the public as being engaged in the
19 business of a for hire common carrier as at the common law, either
20 directly or through any device or arrangement, including but not
21 limited to those who operate over fixed routes or within 1 mile of
22 a fixed route or between fixed termini, in the transportation by
23 motor vehicle from place to place upon or over the highways of this
24 state, the property, or any property, or any class of property of
25 others who may choose to employ the person.

26 (g) "The public" means that part or portion of the general
27 public which the motor carrier is ready, able, willing, and

1 equipped to serve.

2 (h) "Motor contract carrier of property" means any person
3 providing motor vehicle transportation upon the highways of this
4 state for a series of shipments under continuing agreement of not
5 less than 1 year with a person which agreement provides for the
6 assignment of motor vehicles exclusively for each such person while
7 the vehicle is in the service of such person and which agreement is
8 designed to meet the distinct needs of each such person. Lower
9 rates, in and of themselves, shall not constitute a distinct need.
10 A motor contract carrier that possesses a motor common carrier
11 certificate of authority of that class set forth at section 5(6)(a)
12 of article II may commingle authorized contract carrier shipments
13 while providing common carrier service over fixed routes, without
14 assigning any vehicle exclusively for the person or persons for
15 whom contract service is provided. A motor contract carrier
16 authorized to transport packages or articles weighing 70 pounds or
17 less for 1 or more contract shippers may commingle such authorized
18 packages or articles weighing 70 pounds or less in the same vehicle
19 with commodities transported as a common or contract carrier,
20 without assigning any vehicle exclusively for the person or persons
21 for whom contract service is provided. A motor contract carrier
22 authorized to transport coin, currency, or food stamps for 1 or
23 more contract shippers, may commingle such authorized coin,
24 currency, or food stamps in the same vehicle with commodities
25 transported as a common or a contract carrier, without assigning
26 any vehicle exclusively for the person for whom contract service is
27 provided.

1 (i) "Motor carrier" means both motor common carriers of
2 property and motor contract carriers of property. Motor carrier
3 does not include a private carrier.

4 (j) "Certificate of authority" means a certificate issued to a
5 motor common carrier authorizing a transportation service that
6 serves a useful public purpose responsive to a public demand or
7 need, which certificate is issued under the terms of this act.

8 (k) "Permit" means the permit issued to motor contract
9 carriers under the terms of this act.

10 (l) "Through any device or arrangement" means any and all
11 methods, means, agreements, circumstances, operations, or
12 subterfuges under which any person undertakes for hire to conduct,
13 direct, control, or otherwise perform the transportation by motor
14 vehicle of property upon the public highways of this state.

15 (m) "Modified procedure" means that administrative procedure
16 by which the commission may consider evidence and testimony
17 submitted in the form of verified statements in motor carrier
18 matters without the necessity for an oral hearing.

19 (n) "Occasional accommodative service" means service limited
20 to operations conducted by persons not regularly engaged in the
21 transportation business of a motor common carrier or a motor
22 contract carrier.

23 (o) ~~Required~~ **"USEFUL** public purpose" means a purpose for
24 which an applicant can provide adequate, economic, safe, effective,
25 competitive, and equitable motor carrier service to satisfy a
26 demonstrated public ~~necessity, without creating excess service~~
27 **NEED.**

1 (p) "Fit", as applied to a proposed motor carrier service,
2 means safe, suitable, and financially responsible as determined by
3 the commission.

4 (q) "Private carrier" means any person engaged in the
5 transportation of property by motor vehicle upon public highways
6 where the transportation is incidental to, or in furtherance of,
7 any commercial enterprise of the person, other than transportation.

8 (r) "General rate" means a rate applicable to 2 or more motor
9 carriers which rate is filed pursuant to section 6b of article V.

10 (s) "Base rate, fare, or charge" means that nondiscounted
11 rate, fare, or charge specified in a carrier's rate schedule on
12 file with the commission.

13 (t) "Predatory rate" means a rate that is below its fully
14 allocated costs. As used in this subdivision, "fully allocated
15 costs" means total costs, including variable costs, plus an
16 allocation of fixed costs.

17 (U) "HOUSEHOLD GOODS" MEANS PERSONAL EFFECTS AND PROPERTY USED
18 OR TO BE USED IN A DWELLING WHEN A PART OF THE EQUIPMENT OR SUPPLY
19 OF THAT DWELLING. HOUSEHOLD GOODS DO NOT INCLUDE PROPERTY MOVING
20 FROM A FACTORY OR STORE, EXCEPT SUCH PROPERTY AS THE HOUSEHOLDER
21 HAS PURCHASED WITH INTENT TO USE IN HIS OR HER DWELLING AND THAT IS
22 TRANSPORTED AT THE REQUEST OF THE HOUSEHOLDER, THE CARRIER'S
23 TRANSPORTATION CHARGES FOR WHICH ARE PAID BY THAT HOUSEHOLDER.

24 (V) "LOCAL MOVE" MEANS A HOUSEHOLD GOODS SHIPMENT OF 40 MILES
25 OR LESS, FROM POINT OF ORIGIN TO POINT OF DESTINATION, AS
26 DETERMINED BY ACTUAL MILES TRAVELED BY THE MOTOR CARRIER AND
27 VERIFIABLE BY ODOMETER READING OR MILEAGE GUIDE IN GENERAL PUBLIC

1 **USE.**

2 ARTICLE II

3 Sec. 5. (1) Except as provided in this section, the commission
4 shall issue a certificate of authority to an applicant authorizing
5 that it provide transportation subject to the jurisdiction of the
6 commission under this article as a motor common carrier of property
7 if the commission finds all of the following:

8 (a) The character and condition of the vehicles proposed to be
9 operated by the applicant is such that they may be operated safely
10 upon the public highways.

11 (b) That the applicant is fit, willing, and able to provide
12 the transportation to be authorized by the certificate and to
13 comply with this act and rules and regulations of the commission.

14 (c) On the basis of evidence presented, that the service
15 proposed will serve a ~~required~~ **USEFUL** public purpose. ~~, unless the~~
16 ~~commission finds that the transportation to be authorized by the~~
17 ~~certificate would create excess service by endangering the ability~~
18 ~~of the present carriers to provide adequate, economical, safe, and~~
19 ~~efficient service.~~

20 (d) That the service proposed is consistent with the
21 transportation policy set forth in section 2 of article I.

22 (2) In making a finding under subsection (1), the commission
23 shall consider and, to the extent applicable, make findings on at
24 least all of the following:

25 (a) The transportation policy set forth in section 2 of
26 article I.

27 ~~(b) The existing available and adequate service in relation to~~

1 ~~the character and volume of available traffic.~~

2 ~~—— (c) Whether the service proposed will create excess service~~
3 ~~inconsistent with the public interest. The commission shall not~~
4 ~~find diversion of revenue or traffic from an existing motor carrier~~
5 ~~to be in and of itself inconsistent with the public interest.~~

6 (B) ~~(d)~~—The character of the bond or insurance proposed to be
7 given to insure the protection of the public.

8 (C) ~~(e)~~—Whether the applicant is fit, willing, and able to
9 provide service commensurate with the extent of the certificate
10 sought.

11 (3) A motor carrier may not protest an application to provide
12 transportation filed under this section unless all of the following
13 requirements are met:

14 (a) The protest is filed with the commission not later than 20
15 days following publication of the notice of the filing of the
16 application in the biweekly bulletin.

17 (b) The motor carrier possesses a certificate of authority or
18 permit authorizing it to handle, in whole or in part, the traffic
19 for which an application is made.

20 (c) The motor carrier is willing and able to provide service
21 that meets the reasonable needs of the shippers involved.

22 (d) The motor carrier has performed service within the scope
23 of the application during the previous 12-month period.

24 (4) The commission may grant leave to intervene to a person
25 other than a motor carrier or an applicant for a certificate of
26 authority or permit upon a showing of other interests that are
27 consistent with the transportation policy set forth in section 2 of

1 article I. A petition to intervene shall not be granted unless
2 filed with the commission not later than 20 days following
3 publication of the notice of the filing of the application in the
4 biweekly bulletin except for good cause shown.

5 (5) Any motor carrier having timely filed a protest or any
6 intervenor having timely filed a petition to intervene may
7 participate in person or by counsel, cross-examine witnesses, and
8 offer testimony in support of, or in opposition to, the grant of a
9 certificate of authority.

10 (6) Certificates of authority issued to motor common carriers
11 of property under this act shall be of 3 classes:

12 (a) Certificates issued to motor carriers as may be operating
13 over fixed routes or within 1 mile of a fixed route or between
14 fixed termini.

15 (b) Certificates issued to motor carriers providing a
16 transportation service within an 8-mile radius of a city having a
17 population of 500,000 or more and including each city or village, a
18 part of which is located within the 8-mile radius.

19 (c) Certificates issued to all other motor common carriers of
20 property.

21 (7) The burden of proof shall be on the protestant to meet the
22 requirement of subsection (2)(c).

23 Sec. 6. (1) ~~All~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**
24 **(2), ALL** motor common carriers of property subject to this act,
25 shall before engaging in business, print and file with the
26 commission and keep open to public inspection in its principal
27 place of business and have available upon request, schedules

1 showing all rates, fares and charges for transportation of property
2 between different points on its route, and also between points on
3 its own route and on the route of any other motor common carrier
4 when a through route and joint rate have been established. When the
5 commission grants a new authority to a motor common carrier, that
6 carrier shall not charge a predatory rate. A predatory rate is a
7 rate found to be below its fully allocated cost by the Michigan
8 public service commission. The commission shall make this
9 determination prior to the issuance of a certificate and
10 commencement of operations. If a joint rate over the through route
11 has not been established the several motor carriers shall file,
12 print, and keep open for public inspection as described in this
13 section, the separately established rates, fares, and charges
14 applied to the through transportation, and shall likewise print,
15 file, and keep open to the public inspection all other charges,
16 privileges, or rules which in anywise change, affect, or determine
17 any part of the rates, fares, charges, or the value of the service,
18 and other information as required by the commission in its rules.
19 In addition, a motor carrier shall keep the facilities of the motor
20 carrier open to public inspection. A motor common carrier shall not
21 receive or accept any person or property for transportation upon
22 the highways until in compliance with the requirements of this
23 section.

24 **(2) THIS SECTION DOES NOT APPLY TO LOCAL MOVES OF HOUSEHOLD**
25 **GOODS.**

26 Sec. 7. (1) All rates, fares, and charges made by any motor
27 common carrier shall be just and reasonable, and shall not be

1 unjustly discriminatory, prejudicial, or preferential. Contract
2 motor carrier rates, fares, and charges made by common motor
3 carriers holding both common carrier and contract carrier authority
4 shall not be considered by the commission to be unjustly
5 discriminatory, prejudicial, or preferential in determining
6 compliance with this section. Existing carriers will be permitted
7 to meet competitive rates without further justification to the
8 commission. The commission shall take into account reasonable
9 estimated or foreseeable future costs in determining whether rates,
10 fares, and charges meet the requirements of this subsection.

11 (2) A motor common carrier shall not charge, demand, collect,
12 or receive a greater or less or different remuneration for the
13 transportation of property, or for any service in connection
14 therewith, than the rates, fares, and charges which have been
15 legally established and filed with the commission.

16 (3) A motor common carrier shall not refund or remit in any
17 manner or by any device any portion of the rates, fares, and
18 charges required to be collected by the tariffs on file with the
19 commission or ordered by the commission.

20 (4) Nothing in this act shall prohibit a carrier from
21 operating both as a motor common carrier and a motor contract
22 carrier.

23 **(5) THIS SECTION DOES NOT APPLY TO LOCAL MOVES OF HOUSEHOLD**
24 **GOODS.**

25 Sec. 10. (1) The commission shall supervise and regulate all
26 motor common carriers of property and regulate and determine
27 reasonable and sufficient rates, fares, charges, and

1 classifications; regulate the facilities, accounts, service, and
2 safety of operations of each motor common carrier. To insure
3 adequate transportation service to the territory traversed by the
4 motor common carriers, the commission may require the coordination
5 of the service and schedules of competing motor common carriers;
6 require the filing of annual and other reports, tariffs, schedules,
7 and other data by the motor common carriers **WHERE THAT INFORMATION**
8 **IS CONSIDERED BY THE COMMISSION TO BE NECESSARY FOR THE**
9 **ADMINISTRATION OR ENFORCEMENT, OR BOTH, OF THIS ACT;** supervise and
10 regulate motor common carriers in all matters affecting the
11 relation between the motor carriers, and the public and between
12 motor carriers; and promulgate rules for the purpose of promoting
13 safety upon the highways and the conservation of their use to the
14 end that the provisions of this act may be fully and completely
15 carried out. The commission, by general order or otherwise, shall
16 promulgate rules in conformity with this act applicable to all
17 motor common carriers, and to do all things necessary to carry out
18 and enforce this act.

19 **(2) IN THE EXERCISE OF ITS JURISDICTION UNDER SUBSECTION (1),**
20 **THE COMMISSION SHALL NOT REGULATE AND DETERMINE REASONABLE AND**
21 **SUFFICIENT RATES, FARES, CHARGES, AND CLASSIFICATIONS, OR REQUIRE**
22 **THE FILING OF TARIFFS AND SCHEDULES, FOR LOCAL MOVES OF HOUSEHOLD**
23 **GOODS.**

24 **ARTICLE III**

25 Sec. 6. (1) The commission shall supervise and regulate all
26 motor contract carriers of property; ~~, require the filing of annual~~
27 ~~and other reports and other data by the motor contract carriers;~~

1 promulgate rules covering the filing with the commission of the
2 charges, and the operations of motor contract carriers in
3 competition with motor common carriers over the highways of this
4 state; and promulgate rules for the purpose of promoting safety
5 upon the highways and the conservation of their use, to the end
6 that the provisions of this act may be fully and completely carried
7 out. The commission, by general order or otherwise, shall
8 promulgate rules in conformity with this act applicable to all
9 motor contract carriers, and to do all things necessary to carry
10 out and enforce the provisions of this act. **THE COMMISSION MAY ALSO**
11 **REQUEST THE FILING OF ANNUAL REPORTS, AND OTHER REPORTS IN SPECIFIC**
12 **CASES, WHERE THAT INFORMATION IS CONSIDERED BY THE COMMISSION TO BE**
13 **NECESSARY FOR THE ADMINISTRATION OR ENFORCEMENT, OR BOTH, OF THIS**
14 **ACT.**

15 (2) Each motor contract carrier, in a form as the commission
16 prescribes and in accordance with the rules as the commission
17 promulgates, shall establish and file with the commission actual
18 rates and practices and rules of the contract carrier related to
19 those rates. A motor contract carrier shall not be required with
20 rate filings to submit evidence of the revenues and expenses to be
21 realized in the performance of its authorized functions. A motor
22 contract carrier shall make available to the commission its
23 complete contract or contracts, but shall not be required to file
24 such contract or contracts with the commission. A member of the
25 commission, or a clerk, officer, or employee of the state shall not
26 divulge or make known, in any manner whatsoever not provided by
27 this section, to any person the rate filings of a contract carrier,

1 unless a complaint has been brought by order of the commission
2 against a contract carrier alleging that a rate of a contract
3 carrier or practice or rule of the contract carrier related to the
4 rate or value of service under that rate is predatory and in
5 violation of this act. Rate filings of a contract carrier are
6 exempt from disclosure under the freedom of information act, ~~Act~~
7 ~~No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246~~
8 ~~of the Michigan Compiled Laws 1976 PA 442, MCL 15.231 TO 15.246,~~
9 unless a complaint has been brought by order of the commission
10 against a contract carrier pursuant to this section. The commission
11 shall review all rate filings to determine that such rate filings
12 are not predatory. When the commission finds that a rate of a
13 contract carrier or practice or rule of the contract carrier
14 related to the rate or the value of service under that rate is
15 predatory and in violation of this act, the commission shall
16 prescribe the minimum rate or practice or rule. In making a
17 predatory rate determination and when prescribing a minimum rate or
18 practice or rule related to a rate for a motor contract carrier,
19 the commission shall consider all of the following:

20 (a) All revenues and costs associated with 1 specific contract
21 or appendix to that contract.

22 (b) The effect of a prescribed minimum rate or practice or
23 rule on the movement of traffic by that carrier.

24 (c) Other matters as the commission considers necessary.

25 (3) A motor contract carrier shall not receive or accept
26 property for transportation upon the highways until the statement
27 of charges has been filed with the commission.

ARTICLE V

1
2 Sec. 2. (1) This act shall not apply to any of the following:

3 (a) A vehicle, **OTHER THAN A VEHICLE TRANSPORTING HOUSEHOLD**
4 **GOODS**, operated entirely within a city or village of this state; or
5 to a motor carrier of property, **OTHER THAN A MOTOR CARRIER OF**
6 **HOUSEHOLD GOODS**, whose operations may extend a distance of not more
7 than 8 miles beyond the boundary of a city or village having a
8 population of less than 500,000, if the origin and destination of
9 the property being transported is within an 8-mile radius of the
10 city or village. The territory within the external corporate limits
11 of a city, even though it includes and embraces the area of 1 or
12 more separately organized and existing cities, shall be considered
13 a single city. Notwithstanding any other provision of this
14 subdivision, a certificate or permit issued under this act is
15 required for the operation of a vehicle of a motor carrier,
16 **INCLUDING A VEHICLE TRANSPORTING HOUSEHOLD GOODS**, other than a
17 vehicle exempted under subdivisions (b) to ~~(p)~~ **(Q)**, in the
18 transportation of property between a city having a population of
19 500,000 or more and a city or village located within the commercial
20 zone of a city having a population of 500,000 or more, or between
21 cities or villages within that commercial zone. As used in this
22 subdivision, "commercial zone" means the area within an 8-mile
23 radius of a city having a population of 500,000 or more and
24 includes all cities and villages, any part of which are located
25 within that 8-mile radius.

26 (b) A vehicle owned or operated by the state or the United
27 States, or by a state or federal corporation, agency, or

1 instrumentality.

2 (c) A vehicle owned or operated by an incorporated city,
3 village, or school district, or by a county or township in the
4 state or by a corporation, agency, or instrumentality of the state,
5 for governmental purposes.

6 (d) A vehicle used exclusively for carrying United States
7 mail.

8 (e) A vehicle used for the transportation of farm products,
9 including livestock, when transported by other than the owner, from
10 the farm to the market in the raw state, or used for the
11 transportation of milk from the farm to milk stations, or trucks
12 owned by a farmer bearing a farm truck license issued under section
13 801(1)(c) of the Michigan vehicle code, ~~Act No. 300 of the Public~~
14 ~~Acts of 1949, being section 257.801 of the Michigan Compiled Laws~~
15 **1949 PA 300, MCL 257.801**, when being used by the farmer in hauling
16 farm produce, livestock, or farm equipment, and supplies for other
17 farmers for remuneration in kind or in labor, but not for money.

18 (f) A vehicle used for the transportation of fruits, eggs,
19 poultry, fish and seafood, grain, vegetables, seeds, nursery stock,
20 horticultural products, and sugar beets. This subdivision shall not
21 exempt a vehicle transporting the commodities described in this
22 subdivision in other than the raw state.

23 (g) A vehicle used for occasional accommodative service
24 including seasonal transportation of perishable commodities even
25 though the cost of the accommodative service and seasonal
26 transportation of perishable commodities may be paid by the person
27 accommodated.

1 (h) A dump truck having not more than 4 axles or any dump
2 vehicle moving directly to and from a public highway, airport, or
3 railroad or bridge construction site, when used for the
4 transportation of sand, gravel, slag, stone, limestone, crushed
5 stone, marl, pebbles, cinders, bituminous aggregates, asphalt,
6 blacktop, dirt, or fill material, or any dump vehicle transporting
7 commodities generally transported in the dump vehicle operating
8 within an 8-mile radius of a city having a population of 500,000 or
9 more and including all other cities or villages, any part of which
10 is located within the 8-mile radius.

11 (i) A vehicle used to transport a vehicle that is temporarily
12 disabled from a point within an 8-mile radius of a city having a
13 population of 500,000 or more and including all other cities or
14 villages, any part of which is located within the 8-mile radius to
15 another point within that radius.

16 (j) A vehicle used for the transportation of pulpwood, logs,
17 wood chips, bark, and sawdust when the vehicle is being used to
18 move the commodities from a forest, woodlot, cutting site, sawmill,
19 or chipping site to a market or railroad siding of not more than a
20 140-mile radius from the place where the vehicle is loaded.

21 (k) A vehicle having a manufacturer's rating of not more than
22 1-1/2 tons capacity or the equivalent gross vehicle weight rating
23 used for the transportation of newspapers.

24 (l) A vehicle towing a disabled motor vehicle from the location
25 at which it was disabled to another location or a vehicle towing a
26 motor vehicle involved in an accident from the location of the
27 accident to another location.

1 (m) A vehicle used in the transportation of livestock, poultry
2 feed, chemicals, pesticides, and fertilizers on movements directly
3 to a farm for use in agricultural production.

4 (n) A vehicle used for the transportation of property for
5 compensation provided by a person who is a member of a corporate
6 family for other members of the corporate family, if all of the
7 following conditions are met:

8 (i) The parent corporation notifies the commission annually of
9 its intent or the intent of 1 of its subsidiaries to provide the
10 transportation.

11 (ii) The notice described in subparagraph (i) contains a list of
12 participating subsidiaries and an affidavit that the parent
13 corporation owns directly or indirectly a 100% interest in each of
14 the subsidiaries.

15 (iii) The notice described in subparagraph (i) is accompanied by
16 a fee of \$100.00.

17 (iv) The commission publishes the notice described in
18 subparagraph (i) in the biweekly bulletin.

19 (v) A copy of the notice described in subparagraph (i) is
20 carried in the cab of all vehicles conducting the transportation.

21 (o) A vehicle transporting animal and poultry feed or feed
22 ingredients to sites of agricultural production or to a business
23 enterprise engaged in the sale to agricultural producers of goods
24 used in agricultural production.

25 (p) A vehicle transporting recyclable materials to or from a
26 resource recovery facility. The terms "recyclable materials" and
27 "resource recovery facility" have the meanings attributed to these

1 terms in part 115 (~~solid waste management~~) of the natural resources
2 and environmental protection act, ~~Act No. 451 of the Public Acts of~~
3 ~~1994, being sections 324.11501 to 324.11549 of the Michigan~~
4 ~~Compiled Laws 1994 PA 451, MCL 324.11501 TO 324.11550~~, except that
5 the term recyclable materials does not include industrial scrap
6 metal. This subdivision shall not be construed to exempt from this
7 act a vehicle transporting new products.

8 **(Q) A VEHICLE TRANSPORTING PROPERTY FOR, OR ON BEHALF OF, A**
9 **NONPROFIT CHARITABLE INSTITUTION OR FOR A HOUSE OF PUBLIC WORSHIP.**

10 (2) As used in subsection (1)(n), "corporate family" means a
11 group of corporations consisting of a parent corporation and all
12 subsidiaries in which the parent corporation owns directly or
13 indirectly a 100% interest.

14 (3) None of the exemptions in this section, where applicable,
15 apply to a vehicle entering this state from another state, foreign
16 country, or subdivision of a state or foreign country that does not
17 extend similar exemptions to vehicles from this state entering the
18 state, foreign country, or subdivision.

19 **SEC. 7. (1) A CARRIER PROVIDING TRANSPORTATION OF HOUSEHOLD**
20 **GOODS SUBJECT TO JURISDICTION OF THIS ACT SHALL ISSUE A RECEIPT OR**
21 **BILL OF LADING FOR PROPERTY IT RECEIVES FOR TRANSPORTATION UNDER**
22 **THIS ARTICLE. THAT CARRIER, AS WELL AS ANY OTHER CARRIER THAT**
23 **DELIVERS THE PROPERTY AND PROVIDES TRANSPORTATION OF HOUSEHOLD**
24 **GOODS SUBJECT TO JURISDICTION OF THIS ACT, IS LIABLE TO THE PERSON**
25 **ENTITLED TO RECOVER UNDER THE RECEIPT OR BILL OF LADING. THE**
26 **LIABILITY IMPOSED UNDER THIS SUBSECTION IS FOR THE ACTUAL LOSS OR**
27 **INJURY TO THE PROPERTY CAUSED BY THE CARRIER OVER WHOSE LINE OR**

1 ROUTE THE PROPERTY IS TRANSPORTED IN MICHIGAN AND APPLIES TO
2 PROPERTY RECONSIGNED OR DIVERTED BY A TARIFF UNDER THIS ACT.
3 FAILURE TO ISSUE A RECEIPT OR BILL OF LADING DOES NOT AFFECT THE
4 LIABILITY OF THE CARRIER.

5 (2) A CARRIER MAY NOT PROVIDE, BY RULE, CONTRACT, OR
6 OTHERWISE, A PERIOD OF LESS THAN 3 MONTHS FOR FILING A CLAIM
7 AGAINST IT UNDER THIS SECTION AND A PERIOD OF LESS THAN 2 YEARS FOR
8 BRINGING A CIVIL ACTION AGAINST IT UNDER THIS SECTION. THE PERIOD
9 FOR BRINGING A CIVIL ACTION IS COMPUTED FROM THE DATE THE CARRIER
10 GIVES A CLAIMANT WRITTEN NOTICE THAT THE CARRIER HAS DISALLOWED ANY
11 PART OF THE CLAIM SPECIFIED IN THE NOTICE.

12 (3) FOR PURPOSES OF THIS SUBSECTION, THE FOLLOWING APPLY:

13 (A) AN OFFER OF COMPROMISE SHALL NOT CONSTITUTE A DISALLOWANCE
14 OF ANY PART OF THE CLAIM UNLESS THE CARRIER, IN WRITING, INFORMS
15 THE CLAIMANT THAT SUCH PART OF THE CLAIM IS DISALLOWED AND PROVIDES
16 REASONS FOR SUCH DISALLOWANCE.

17 (B) COMMUNICATIONS RECEIVED FROM A CARRIER'S INSURER SHALL NOT
18 CONSTITUTE A DISALLOWANCE OF ANY PART OF THE CLAIM UNLESS THE
19 INSURER, IN WRITING, INFORMS THE CLAIMANT THAT THE PART OF THE
20 CLAIM IS DISALLOWED, PROVIDES REASON FOR THE DISALLOWANCE, AND
21 INFORMS THE CLAIMANT THAT THE INSURER IS ACTING ON BEHALF OF THE
22 CARRIER.