

SENATE BILL No. 1322

September 25, 2012, Introduced by Senator HUNE and referred to the Committee on Insurance.

A bill to amend 1982 PA 432, entitled
"Motor bus transportation act,"
by amending section 9 (MCL 474.109), as amended by 1996 PA 432.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) In determining the fitness, willingness, and
2 ability of an applicant for a certificate of authority to provide
3 transportation service, the department shall consider all of the
4 following before ~~the issuance of~~ **ISSUING** the original certificate
5 of authority:

6 (a) The applicant's safety record.

7 (b) The character and condition of each motor bus ~~is such that~~
8 and whether it may be operated safely upon the public highways

1 based on an inspection conducted by the department ~~required~~
2 ~~pursuant to~~ **UNDER** section 16.

3 (c) The applicant's financial ability to provide continuous
4 insurance coverage as required by subsection (2) or (3) and to have
5 adequate financial resources in order to pay for damage claims
6 against the applicant.

7 (2) An applicant shall acquire the following **LIABILITY**
8 insurance coverage ~~of liability~~ for acts or omissions of the
9 applicant as a motor carrier of passengers:

10 (a) Bodily injury and property damage liability insurance with
11 a minimum combined single limit of \$5,000,000.00 for all persons
12 injured or for property damage.

13 (b) Personal protection insurance and property protection
14 insurance as required by ~~sections 3101 to 3179~~ **CHAPTER 31** of the
15 insurance code of 1956, ~~Act No. 218 of the Public Acts of 1956,~~
16 ~~being sections 500.3101 to 500.3179 of the Michigan Compiled Laws~~
17 **1956 PA 218, MCL 500.3101 TO 500.3119**. A motor common carrier of
18 passengers shall maintain the insurance described in this
19 subsection as a condition of maintaining a certificate of authority
20 issued under this act.

21 (3) The insurance requirements of subsection (2) are waived if
22 the applicant qualifies for and obtains a certificate of self-
23 insurance from the ~~secretary of state~~ **COMMISSIONER OF THE OFFICE OF**
24 **FINANCIAL AND INSURANCE REGULATION** under section ~~531-3101D~~ of the
25 Michigan vehicle code, ~~Act No. 300 of the Public Acts of 1949,~~
26 ~~being section 257.531 of the Michigan Compiled Laws~~ **INSURANCE CODE**
27 **OF 1956, 1956 PA 218, MCL 500.3101D**.

1 (4) An applicant that does not satisfy subsection (1) and
2 either subsection (2) or subsection (3) shall not be issued a
3 certificate of authority to provide transportation service under
4 this act.

5 Enacting section 1. This amendatory act takes effect January
6 1, 2013.