

# Administrative Rule Analysis



## Motor Bus Transportation Rules

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**Rule Set No.: 2018-010 TP**  
**Submitted to JCAR on: 10/10/2018**

Analysis available at  
<http://www.legislature.mi.gov>

**Department: Michigan Department of Transportation**  
**Agency: Office of Passenger Transportation**  
**Enabling Statute: Motor Bus Transportation Act, 1982 PA 432, MCL 474.101 et seq.**

**Analysis Complete to: 10/18/2018**

## BACKGROUND AND SUMMARY OF PROPOSED RULES

The Motor Carrier Act gives to the Michigan Department of Transportation regulatory authority over motor carriers in this state. The act defines “motor carrier” as “a person who, either directly or through any device or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by bus over the public highways of this state.” The act states: “A motor carrier shall not operate a bus for the transportation of persons for hire on a public highway in this state except in accordance with this act. A motor carrier shall not operate upon a public highway without first having obtained from the department an authority.”

The term “authority” is a defined term in the act and effectively means a legal authority to provide transportation services under provision of the act. Section 7 of the act states: “The department shall issue without a hearing an authority to a motor carrier authorizing that carrier to provide transportation services subject to the jurisdiction of the department under this act, if the department finds that the motor carrier is fit, willing, and able to provide the transportation service authorized by the authority in compliance with this act. The department may attach terms or conditions to the exercise of the privilege granted by an authority as the department considers appropriate.” The act provides additional eligibility requirements.

Senate Bill 392 of the 2015-2016 Legislative Session, enacted as Public Act 349 of 2016, made a number of changes to the Motor Bus Transportation Act, including changes to the section that defines motor carriers subject to the act. The act was amended again by Senate Bill 640, enacted as Public Act 275 of 2018, effective September 27, 2018, to clarify amending language of Public Act 349 of 2016.

Section 39 of the act authorizes the department to promulgate administrative rules to implement the act. The department indicates that the proposed rules are informative only and simply clarify the requirements for commercial passenger carriers subject to the act. The department indicates that there are 265 for-hire commercial motor carriers subject to the rules.

## FISCAL IMPACT OF PROPOSED RULES

The department indicates that the proposed rules have no fiscal impact on the department or on local units of government.

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