

Act No. 271
Public Acts of 1990
Approved by the Governor
December 3, 1990
Filed with the Secretary of State
December 3, 1990

**STATE OF MICHIGAN
85TH LEGISLATURE
REGULAR SESSION OF 1990**

Introduced by Rep. Hertel

ENROLLED HOUSE BILL No. 4661

AN ACT to regulate persons who transport passengers by limousine; to prescribe powers and duties for the state transportation department and certain local units of government; to impose certain fees; and to prescribe remedies and penalties.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "limousine transportation act".

Sec. 3. As used in this act:

(a) "Certificate of authority" means a certificate of authority issued under the terms of this act unless the context indicates otherwise.

(b) "Department" means the state transportation department.

(c) "For hire" means the remuneration or reward of any kind, paid or promised, either directly or indirectly.

(d) "Lessor" means a person who leases a limousine to any other person for the transportation of passengers for hire over the public highways of this state.

(e) "Limousine" means a self-propelled motor vehicle used in the carrying of passengers and the baggage of the passengers for hire upon a public highway of this state with a seating capacity of 15 passengers or less, including the driver. Limousine does not include a self-propelled motor vehicle having a seating capacity of 15 passengers or less that is used by or on behalf of an employer to transport its employees to and from their place of employment.

(f) "Limo carrier of passengers" means a person who, either directly or through any device or arrangement, holds himself or herself out to the public as willing to undertake for hire to transport by limousine from place to place over the public highways of this state persons who may choose to employ him or her for that purpose.

(g) "Motor vehicle service and repair act" means Act No. 300 of the Public Acts of 1974, being sections 257.1301 to 257.1340 of the Michigan Compiled Laws.

(h) "Person" means an individual, sole proprietorship, partnership, association, corporation, or other legal entity or the lessee, trustee, or receiver of any of these entities; this state; a city, village, township, or county; the federal government; or an employee, officer, or agent of any of these units of government.

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

(j) "The public" means that part or portion of the general public which the limo carrier is ready, able, willing, and equipped to serve.

(k) "Through any device or arrangement" means any and all methods, means, agreements, circumstances, operations, or subterfuges under which a person undertakes for hire to conduct, direct, control, or otherwise perform the transportation of passengers by limousine upon the public highways of this state.

Sec. 5. (1) This act shall not apply to a limo carrier of passengers that is any of the following:

(a) A county, city, township, or village as provided by law, or other authority incorporated under Act No. 55 of the Public Acts of 1963, being sections 124.351 to 124.359 of the Michigan Compiled Laws.

(b) An authority incorporated under the metropolitan transportation authorities act of 1967, Act No. 204 of the Public Acts of 1967, being sections 124.401 to 124.426 of the Michigan Compiled Laws, or that operates a transportation service pursuant to an interlocal agreement under the urban cooperation act of 1967, Act No. 7 of the Public Acts of the Extra Session of 1967, being sections 124.501 to 124.512 of the Michigan Compiled Laws.

(c) Operating under a contract entered into pursuant to Act No. 8 of the Public Acts of the Extra Session of 1967, being sections 124.531 to 124.536 of the Michigan Compiled Laws, or Act No. 35 of the Public Acts of 1951, being sections 124.1 to 124.13 of the Michigan Compiled Laws.

(d) An authority incorporated under the public transportation authority act, Act No. 196 of the Public Acts of 1986, being sections 124.451 to 124.479 of the Michigan Compiled Laws, or a nonprofit corporation organized under the nonprofit corporation act, Act No. 162 of the Public Acts of 1982, being sections 450.2101 to 450.3192 of the Michigan Compiled Laws, that provides transportation services.

(e) An authority financing public improvements to transportation systems under the revenue bond act of 1933, Act No. 94 of the Public Acts of 1933, being sections 141.101 to 141.140 of the Michigan Compiled Laws.

(f) Only operating limousines to provide the transportation of passengers for funerals.

(g) Only operating wholly within the boundaries of a local unit of government if the local unit of government has its own safety inspection and insurance requirements.

(2) A limo carrier of passengers exempt under subsection (1) shall operate under the requirements of this act when operating outside of the political subdivisions permitted by the authorizing statute or the contract required by the authorizing statute.

(3) This act shall not apply to a limo carrier of passengers who is only providing transportation using metered vehicles identified as a taxi or taxicab with a maximum seating capacity of 3 to 9 passengers or less, including the driver.

Sec. 7. A limo carrier of passengers shall not operate a limousine for the transportation of persons for hire on a public highway in this state except in accordance with this act. A limo carrier of passengers shall not operate upon a public highway without first having obtained from the department a certificate of authority.

Sec. 9. A lessor shall be required to inform any person leasing any limousine for the transportation of passengers for hire of the requirements of this act on a motor vehicle lease agreement.

Sec. 11. The department shall issue without a hearing a certificate of authority to a limo carrier of passengers authorizing that carrier to provide transportation services subject to the jurisdiction of the department under this act, if the department finds pursuant to section 13(1) that the carrier is fit, willing, and able to provide the transportation service authorized by the certificate of authority and to comply with this act and if the applicant presents evidence of the acquisition of personal injury protection and property damage liability insurance as required by section 13(2). The department may attach to the exercise of the privilege granted by a certificate of authority terms or conditions as the department considers appropriate.

Sec. 13. (1) In determining the fitness, willingness, and ability of an applicant for a certificate of authority to provide transportation service, the department shall consider all of the following before the issuance of the original certificate of authority:

(a) The applicant's safety record.

(b) The character and condition of each limousine is such that it may be operated safely upon the public highways based on an inspection required pursuant to section 19 and conducted by a mechanic certified under the motor vehicle service and repair act at a motor vehicle repair facility registered under the motor vehicle service and repair act that is designated by the department as an inspection station or by a county, city, village, or township pursuant to section 14. Any limousine that does not pass the required departmental safety inspection shall not be operated over the public highways of this state.

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

(2) An applicant shall acquire the following insurance coverage of liability for acts or omissions of the applicant as a limo carrier of passengers:

(a) For limousines with a seating capacity of 1 to 9 passengers including the driver, bodily injury and property damage liability insurance with a minimum combined single limit of \$1,000,000.00 for all persons injured or for property damage.

(b) For limousines with a seating capacity of 10 to 15 passengers including the driver, bodily injury and property damage liability insurance with a minimum combined single limit of \$2,000,000.00 for all persons injured or for property damage.

(c) Personal protection insurance and property protection insurance as required by sections 3101 to 3179 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being sections 500.3101 to 500.3179 of the Michigan Compiled Laws. A limo carrier of passengers shall maintain the insurance described in this subsection as a condition of maintaining a certificate of authority issued under this act.

(3) An applicant that does not satisfy both subsections (1) and (2) shall not be issued a certificate of authority to provide transportation service as a limo carrier of passengers under this act.

Sec. 14. (1) A county, city, village, or township that has adopted a local ordinance to regulate limousines or a limo carrier of passengers within its corporate limits may perform the safety inspection required by section 19 upon request of a limo carrier of passengers.

(2) A safety inspection performed under this section shall meet or exceed the requirements and standards of the department safety inspection.

Sec. 15. (1) The department shall approve or deny an application for a certificate of authority within 90 days after the complete application is filed with the department.

(2) If the department denies an application for a certificate of authority, the department shall notify the applicant in writing of the reason or reasons for the denial, and the applicant shall have 30 days from the date of denial to correct any deficiency and reapply without payment of an additional application fee.

(3) A limo carrier of passengers who has a safety inspection performed under section 14 may receive a certificate of authority by providing the department with a copy of the safety inspection report and meeting the other requirements of section 13.

Sec. 17. An applicant for an original certificate of authority shall pay to the department a filing fee of \$300.00 and a fee of \$50.00 times the number of limousines to be used by the carrier to provide transportation for hire.

Sec. 19. (1) Each limo carrier of passengers who holds a certificate of authority issued under this act shall have each limousine inspected annually by a mechanic certified under the motor vehicle service and repair act at a motor vehicle repair facility registered under the motor vehicle service and repair act that is designated by the department as an inspection station.

(2) Each limousine operated by the limo carrier of passengers under its certificate of authority shall pass the safety inspection which meets the department's specifications for safe operating character and condition for the renewal of certificate.

(3) A limousine that does not pass a required inspection shall not be operated over the public highways of this state.

Sec. 21. (1) Each limo carrier of passengers who holds a certificate of authority issued under this act shall pay to the department an annual renewal fee equal to \$50.00 times the number of limousines used exclusively by the carrier to provide transportation of passengers for hire and meeting annual renewal inspection requirements of section 19. An annual renewal fee of \$500.00 shall be paid for any limousine not meeting the annual renewal inspection requirement of section 19.

(2) For newly acquired limousines purchased by a limo carrier of passengers who holds a certificate of authority issued under this act to provide transportation for hire, the carrier shall pay to the department a maximum \$50.00 fee per limousine to obtain a current year certification after inspection required pursuant to section 19.

(3) All certificates granted by the department terminate on the last day of February of each year unless renewed on or before that date with payment of the appropriate fee prescribed by this section. The certificate of any limo carrier of passengers who is delinquent in payment of fees required to be paid by this section is canceled and revoked on or after March 1 of the year for which renewal should have been made under the requirements of this section, and the limo carrier of passengers shall be prohibited from operating any of its vehicles upon or over the highways of this state. All privileges granted the limo carrier of passengers under the expiring certificate shall cease.

Sec. 23. Each limo carrier of passengers who holds a certificate of authority under this act may have the annual renewal inspection required under section 19 done pursuant to section 14 and then shall submit to the department a copy of the safety inspection report and pay the department a fee equal to \$5.00 times the number of limousines inspected.

Sec. 25. If the insurance coverage required under this act is canceled for any reason, the certificate of authority issued to that carrier shall be considered revoked without any further action by the department.

Sec. 27. The department may use all available legal and equitable remedies of a civil nature to enforce this act, an order issued, or a rule promulgated pursuant to this act. The department may employ such experts, assistants, inspectors, and other personnel as may be necessary, subject to civil service rules, to enable it to administer and enforce this act. An employee of the department shall not ask or receive any fee from a person for the taking of acknowledgments or any other service. State and local police officers shall enforce this act and the rules promulgated pursuant to this act. A peace officer may arrest, on sight or upon warrant, any person found violating, or having violated, a provision of this act or a rule promulgated under this act. The attorney general of the state and the prosecuting attorneys of the counties of the state shall prosecute all violations of this act. When this act is violated, the offense may be prosecuted in any jurisdiction in or through which any limousine implicated was present at the time of the violation.

Sec. 29. (1) Each person subject to this act who operates a limousine service without obtaining a certificate of authority required under this act or without meeting the insurance requirements provided in this act shall be subject to a fine of not more than \$500.00. Each violation constitutes a separate offense.

(2) A person who commits fraud, misrepresentation, trickery, or deceit in connection with inspections conducted under this act shall be subject to a fine of not more than \$500.00. Each violation constitutes a separate offense.

Sec. 31. A limo carrier of passengers, or an officer or agent of a limo carrier of passengers, who requires or permits a driver or operator to drive or operate a limousine in violation of this act, or a rule promulgated under this act, is guilty of a misdemeanor, punishable by a fine of not more than \$500.00 or by imprisonment for not more than 90 days, or both.

Sec. 33. The department may alter, suspend, or revoke a certificate of authority issued under this act if the department determines in a contested case hearing held pursuant to chapter 4 of the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.271 to 24.287 of the Michigan Compiled Laws, that a person to whom a certificate of authority has been issued has willfully violated or refused to comply with this act.

Sec. 35. A person shall not violate or evade the provisions of this act through any device or arrangement.

Sec. 37. The department shall promulgate rules to implement this act pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. The rules shall include standardized forms to be used by all certified mechanics performing inspections required by section 19. The department shall also include criteria for designation of registered motor vehicle repair facilities as inspection stations for limousine inspections required under this act.

Sec. 39. All revenues collected pursuant to sections 17, 19, 23, 29, and 31 shall be deposited in the comprehensive transportation fund.

This act is ordered to take immediate effect.

.....
Clerk of the House of Representatives.

.....
Secretary of the Senate.

Approved

.....
Governor.