408.666 Security against owner's or operator's liability for injury required; insurance or bond; local unit of government as self-insurer.

Sec. 16. A person shall not operate a carnival or amusement ride unless the owner or operator shall have obtained security against the owner's or operator's liability for injury suffered by persons riding the carnival or amusement ride by 1 of the following methods:

(a) By obtaining a policy of insurance in an amount not less than $300,000.00 insuring the owner or operator against liability for injury suffered by persons riding the carnival or amusement ride.

(b) By obtaining a bond in an amount not less than $300,000.00 with the aggregate amount of the surety on the bond not exceeding the face amount of the bond.

(c) An owner or operator having only 1 carnival or amusement ride which ride is designed primarily for use by children, may comply with subsections (a) and (b) by obtaining a policy of insurance or a bond in an amount not less than $50,000.00.

(d) In the case of a local unit of government, the director of the department may authorize a local unit of government which is an owner or operator of a carnival or amusement ride to be a self-insurer upon a reasonable showing by the local unit of government owner or operator of its solvency and financial ability to pay liability claims for injury suffered by persons riding the carnival or amusement ride, in an amount not less than $300,000.00. If the director determines it to be necessary, the director shall require the furnishing of a bond or other security in a reasonable amount.


Compiler's note: For transfer of powers and duties of certain occupational functions, boards, and commissions from the Department of Licensing and Regulation to the Department of Commerce, see E.R.O. No. 1991-9, compiled at MCL 338.3501 of the Michigan Compiled Laws.