

**MOTOR BUS TRANSPORTATION ACT (EXCERPT)**  
**Act 432 of 1982**

\*\*\*\*\* 474.109 THIS SECTION IS AMENDED EFFECTIVE MARCH 21, 2017: See 474.109.amended \*\*\*\*\*

**474.109 Determination of eligibility for certificate of authority; consideration; acquisition of insurance; waiver; failure to satisfy subsections (1) and (2) or (3).**

Sec. 9. (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 issuing the original certificate of authority:

(a) The applicant's safety record.

(b) The character and condition of each motor bus and whether it may be operated safely upon the public highways based on an inspection conducted by the department under section 16.

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

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

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

(b) Personal protection insurance and property protection insurance as required by chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3119. A motor common 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) The insurance requirements of subsection (2) are waived if the applicant qualifies for and obtains a certificate of self-insurance from the commissioner of the office of financial and insurance regulation under section 3101d of the insurance code of 1956, 1956 PA 218, MCL 500.3101d.

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

**History:** 1982, Act 432, Imd. Eff. Dec. 29, 1982;—Am. 1986, Act 84, Imd. Eff. Apr. 24, 1986;—Am. 1989, Act 233, Imd. Eff. Dec. 21, 1989;—Am. 1996, Act 432, Imd. Eff. Dec. 2, 1996;—Am. 2012, Act 570, Eff. Jan. 2, 2013.