

SENATE BILL No. 188

March 5, 2015, Introduced by Senators ZORN and JONES and referred to the Committee on Regulatory Reform.

A bill to amend 1990 PA 271, entitled
"Limousine transportation act,"
by amending the title and sections 3, 5, 7, 9, 11, 13, 19, 21, 23,
25, 27, 29, 31, 33, 35, and 37 (MCL 257.1903, 257.1905, 257.1907,
257.1909, 257.1911, 257.1913, 257.1919, 257.1921, 257.1923,
257.1925, 257.1927, 257.1929, 257.1931, 257.1933, 257.1935, and
257.1937), section 7 as amended by 2000 PA 487, by designating
sections 3 to 39 as article 1, and by adding article 2.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

An act to regulate persons who transport passengers by
limousine **AND TRANSPORTATION NETWORK COMPANIES**; 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.

ARTICLE 1. LIMOUSINES

Sec. 3. As used in this ~~act~~:**ARTICLE:**

(a) "Certificate of authority" means a certificate of authority issued under ~~the terms of this act~~ **ARTICLE** 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.1974 PA 300, MCL 257.1301 TO 257.1340.~~

(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~~ **THE** part or portion of the general public ~~which the~~ **THAT A** limo carrier **OF PASSENGERS** 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~~ **ARTICLE DOES** 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, 1963 PA 55, MCL 124.351 TO 124.359.~~

(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, 1967 PA 204, MCL 124.401 TO 124.426,~~ or that operates a transportation service ~~pursuant to~~ **UNDER** an interlocal

1 agreement under the urban cooperation act of 1967, ~~Act No. 7 of the~~
2 ~~Public Acts of the Extra Session of 1967, being sections 124.501 to~~
3 ~~124.512 of the Michigan Compiled Laws.1967 (EX SESS) PA 7, MCL~~
4 **124.501 TO 124.512.**

5 (c) Operating under a contract entered into ~~pursuant to Act~~
6 ~~No. 8 of the Public Acts of the Extra Session of 1967, being~~
7 ~~sections 124.531 to 124.536 of the Michigan Compiled Laws, or Act~~
8 ~~No. 35 of the Public Acts of 1951, being sections 124.1 to 124.13~~
9 ~~of the Michigan Compiled Laws.UNDER 1967 (EX SESS) PA 8, MCL~~
10 **124.531 TO 124.536, OR 1951 PA 35, MCL 124.1 TO 124.13.**

11 (d) An authority incorporated under the public transportation
12 authority act, ~~Act No. 196 of the Public Acts of 1986, being~~
13 ~~sections 124.451 to 124.479 of the Michigan Compiled Laws, 1986 PA~~
14 **196, MCL 124.451 TO 124.479,** or a nonprofit corporation organized
15 under the nonprofit corporation act, ~~Act No. 162 of the Public Acts~~
16 ~~of 1982, being sections 450.2101 to 450.3192 of the Michigan~~
17 ~~Compiled Laws, 1982 PA 162, MCL 450.2101 TO 450.3192, that provides
18 transportation services.~~

19 (e) An authority financing public improvements to
20 transportation systems under the revenue bond act of 1933, ~~Act No.~~
21 ~~94 of the Public Acts of 1933, being sections 141.101 to 141.140 of~~
22 ~~the Michigan Compiled Laws.1933 PA 94, MCL 141.101 TO 141.140.~~

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

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

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

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

10 Sec. 7. (1) A limo carrier of passengers shall not operate a
11 limousine for the transportation of persons for hire on a public
12 highway in this state except in accordance with this ~~act~~**ARTICLE**.
13 A limo carrier of passengers that operates class B limousines for
14 the purpose of picking up passengers within a city with a
15 population of 750,000 or more shall also comply with the vehicle
16 for hire ordinance of that city with respect to those limousines.
17 However, a limo carrier of passengers may remain in the city during
18 a given trip for the sole purpose of picking up the same passengers
19 that the limo carrier of passengers originally brought into the
20 city on that trip. A limo carrier of passengers shall not operate
21 upon a public highway without first having obtained from the
22 department a certificate of authority. A certificate of authority
23 may be obtained for operation of either class A limousines or class
24 B limousines or both.

25 ~~—— (2) The amendatory act that added this subsection takes effect~~
26 ~~30 days after a city with a population of 750,000 or more makes~~
27 ~~available bonds for class B limousines. The total number of class B~~

1 ~~limousine bonds shall be determined by the city. However, for the~~
2 ~~first 90 days the number of bonds to be made available for class B~~
3 ~~limousines shall not be less than 100 or more than 200.~~

4 (2) ~~(3)~~ As used in this section:

5 (a) "Class A limousine" means a limousine with a seating
6 capacity of not less than 7 passengers but not more than 15
7 passengers including the driver.

8 (b) "Class B limousine" means a limousine with a seating
9 capacity of less than 7 passengers including the driver.

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

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

27 Sec. 13. (1) In determining the fitness, willingness, and

1 ability of an applicant for a certificate of authority to provide
2 transportation service, the department shall consider all of the
3 following before the issuance of the original certificate of
4 authority:

5 (a) The applicant's safety record.

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

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

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

23 (a) For limousines with a seating capacity of 1 to 9
24 passengers including the driver, bodily injury and property damage
25 liability insurance with a minimum combined single limit of
26 \$1,000,000.00 for all persons injured or for property damage.

27 (b) For limousines with a seating capacity of 10 to 15

1 passengers including the driver, bodily injury and property damage
2 liability insurance with a minimum combined single limit of
3 \$2,000,000.00 for all persons injured or for property damage.

4 (c) Personal protection insurance and property protection
5 insurance as required by sections 3101 to 3179 of the insurance
6 code of 1956, ~~Act No. 218 of the Public Acts of 1956, being~~
7 ~~sections 500.3101 to 500.3179 of the Michigan Compiled Laws. 1956~~
8 **PA 218, MCL 500.3101 TO 500.3179.** A limo carrier of passengers
9 shall maintain the insurance described in this subsection as a
10 condition of maintaining a certificate of authority issued under
11 this ~~act~~**ARTICLE.**

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

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

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

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

1 Sec. 21. (1) Each limo carrier of passengers who holds a
2 certificate of authority issued under this ~~act~~**ARTICLE** shall pay to
3 the department an annual renewal fee equal to \$50.00 times the
4 number of limousines used exclusively by the carrier to provide
5 transportation of passengers for hire and meeting annual renewal
6 inspection requirements of section 19. An annual renewal fee of
7 \$500.00 shall be paid for any limousine not meeting the annual
8 renewal inspection requirement of section 19.

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

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

26 Sec. 23. Each limo carrier of passengers who holds a
27 certificate of authority under this ~~act~~**ARTICLE** may have the annual

1 renewal inspection required under section 19 done ~~pursuant to~~ **UNDER**
2 section 14 and then shall submit to the department a copy of the
3 safety inspection report and pay the department a fee equal to
4 \$5.00 times the number of limousines inspected.

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

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

27 Sec. 29. (1) Each person subject to this ~~act~~ **ARTICLE** who

1 operates a limousine service without obtaining a certificate of
2 authority required under this ~~act~~**ARTICLE** or without meeting the
3 insurance requirements provided in this ~~act shall be~~**ARTICLE IS**
4 subject to a fine of not more than \$500.00. Each violation
5 constitutes a separate offense.

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

10 Sec. 31. A limo carrier of passengers, or an officer or agent
11 of a limo carrier of passengers, who requires or permits a driver
12 or operator to drive or operate a limousine in violation of this
13 ~~act~~**ARTICLE**, or a rule promulgated under this ~~act~~**ARTICLE**, is
14 guilty of a misdemeanor ~~—~~punishable by a fine of not more than
15 \$500.00 or by imprisonment for not more than 90 days, or both.

16 Sec. 33. The department may alter, suspend, or revoke a
17 certificate of authority issued under this ~~act~~**ARTICLE** if the
18 department determines in a contested case hearing held ~~pursuant to~~
19 **UNDER** chapter 4 of the administrative procedures act of 1969, ~~Act~~
20 ~~No. 306 of the Public Acts of 1969, being sections 24.271 to 24.287~~
21 ~~of the Michigan Compiled Laws, 1969 PA 306, MCL 24.271 TO 24.287,~~
22 that a person to whom a certificate of authority has been issued
23 has willfully violated or refused to comply with this ~~act~~**ARTICLE**.

24 Sec. 35. A person shall not violate or evade the provisions of
25 this ~~act~~**ARTICLE** through any device or arrangement.

26 Sec. 37. The department shall promulgate rules to implement
27 this ~~act pursuant to~~**ARTICLE UNDER** 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. 1969 PA 306, MCL 24.201 TO 24.328.~~ 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.~~ **ARTICLE.**

ARTICLE 2. TRANSPORTATION NETWORK COMPANIES

SEC. 41. AS USED IN THIS ARTICLE:

(A) "DEPARTMENT" MEANS THE STATE TRANSPORTATION DEPARTMENT.

(B) "PERSONAL VEHICLE" MEANS A MOTOR VEHICLE THAT HAS BEEN APPROVED TO BE USED BY A TRANSPORTATION NETWORK COMPANY DRIVER TO PERFORM RIDES ARRANGED THROUGH A TRANSPORTATION NETWORK COMPANY DIGITAL PLATFORM AND THAT MEETS THE REQUIREMENTS OF THIS ARTICLE.

(C) "PREARRANGED RIDE" MEANS A PERIOD OF TIME THAT BEGINS WHEN A TRANSPORTATION NETWORK COMPANY DRIVER ACCEPTS A REQUESTED RIDE THROUGH A DIGITAL NETWORK, CONTINUES WHILE THE TRANSPORTATION NETWORK COMPANY DRIVER TRANSPORTS THE RIDER IN A PERSONAL VEHICLE, AND ENDS WHEN THE RIDER DEPARTS FROM THE PERSONAL VEHICLE.

(D) "RIDESHARING ARRANGEMENT" MEANS AN ARRANGEMENT FOR THE TRANSPORTATION OF NOT MORE THAN 8 PASSENGERS, NOT INCLUDING THE DRIVER, BY MOTOR VEHICLE THAT SATISFIES 1 OF THE FOLLOWING:

(i) THE ARRANGEMENT IS FOR A PURPOSE INCIDENTAL TO ANOTHER PURPOSE OF THE DRIVER, AND THE DRIVER DOES NOT CHARGE OR RECEIVE A FEE, OTHER THAN MONEY PAID TO REIMBURSE THE DRIVER OR OWNER OF THE VEHICLE FOR HIS OR HER OPERATING EXPENSES ON A NOT-FOR-PROFIT

1 BASIS.

2 (ii) THE PASSENGERS AND THE DRIVER ARE TRAVELING BETWEEN THEIR
3 HOMES AND PLACES OF EMPLOYMENT, OR PLACES CONVENIENT TO THEIR HOMES
4 OR PLACES OF EMPLOYMENT, AND THE DRIVER DOES NOT CHARGE OR RECEIVE
5 A FEE, OTHER THAN MONEY PAID TO REIMBURSE THE DRIVER OR OWNER OF
6 THE VEHICLE FOR HIS OR HER OPERATING EXPENSES ON A NOT-FOR-PROFIT
7 BASIS.

8 (E) "TAXI" OR "TAXICAB" MEANS AN ON-DEMAND MOTOR VEHICLE THAT
9 SATISFIES ALL OF THE FOLLOWING:

10 (i) THE VEHICLE MAY BE HAILED OR PREARRANGED BY A PASSENGER.

11 (ii) THE VEHICLE HAS A SEATING CAPACITY OF 1 TO 8 PASSENGERS,
12 INCLUDING THE DRIVER.

13 (iii) THE VEHICLE IS USED IN THE TRANSPORTATION OF PASSENGERS
14 FOR HIRE AND CHARGES A RATE BASED ON A METER INSTALLED IN THE
15 VEHICLE OR A FLAT FARE.

16 (iv) THE VEHICLE IS IDENTIFIED WITH THE WORDS "TAXI" OR "CAB"
17 ON THE VEHICLE AND IS EQUIPPED WITH A PERMANENTLY AFFIXED ROOFTOP
18 SIGN THAT DISPLAYS THE WORDS "TAXI" OR "CAB", THE COMPANY NAME, OR
19 THE COMPANY PHONE NUMBER.

20 (F) "TRANSPORTATION NETWORK COMPANY" MEANS A PERSON OPERATING
21 IN THIS STATE THAT USES A DIGITAL NETWORK TO CONNECT RIDERS TO
22 TRANSPORTATION NETWORK COMPANY DRIVERS FOR THE PURPOSE OF PROVIDING
23 TRANSPORTATION. TRANSPORTATION NETWORK COMPANY DOES NOT INCLUDE
24 TAXI SERVICE, TRANSPORTATION SERVICE ARRANGED THROUGH A
25 TRANSPORTATION BROKER, A RIDESHARING ARRANGEMENT, OR A
26 TRANSPORTATION SERVICE USING FIXED ROUTES AT REGULAR INTERVALS.

27 (G) "TRANSPORTATION NETWORK COMPANY DRIVER" MEANS AN

1 INDIVIDUAL WHO USES A PERSONAL VEHICLE TO PROVIDE TRANSPORTATION
2 SERVICES FOR RIDERS THAT ARE MATCHED TO THAT INDIVIDUAL THROUGH A
3 TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK, REGARDLESS OF
4 WHETHER THE INDIVIDUAL IS EMPLOYED BY A TRANSPORTATION NETWORK
5 COMPANY.

6 SEC. 43. A TRANSPORTATION NETWORK COMPANY SHALL NOT OPERATE IN
7 THIS STATE UNLESS THE TRANSPORTATION NETWORK COMPANY HAS SUBMITTED
8 AN APPLICATION ON AN ANNUAL BASIS TO THE DEPARTMENT PROVIDING PROOF
9 OF ALL OF THE FOLLOWING:

10 (A) THAT THE TRANSPORTATION NETWORK COMPANY MAINTAINS A
11 PRIMARY INSURANCE POLICY COVERING EACH TRANSPORTATION NETWORK
12 COMPANY DRIVER FOR INCIDENTS INVOLVING THE TRANSPORTATION NETWORK
13 COMPANY DRIVER AT ALL TIMES AND PROVIDING ALL OF THE FOLLOWING
14 TYPES OF COVERAGE:

15 (i) RESIDUAL THIRD-PARTY LIABILITY INSURANCE AS REQUIRED UNDER
16 CHAPTER 31 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.3101
17 TO 500.3179, WITH A MINIMUM COMBINED SINGLE LIMIT OF \$1,000,000.00
18 FOR ALL PERSONS INJURED OR PROPERTY DAMAGE.

19 (ii) PERSONAL PROTECTION INSURANCE AND PROPERTY PROTECTION
20 INSURANCE IN THE AMOUNTS AND TYPES OF COVERAGE REQUIRED BY CHAPTER
21 31 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.3101 TO
22 500.3179.

23 (B) THE TRANSPORTATION NETWORK COMPANY SHALL PROVIDE
24 DOCUMENTATION OF THE INSURANCE COVERAGE REQUIRED BY SUBDIVISION (A)
25 TO THE DEPARTMENT.

26 (C) THAT INSURANCE OF AT LEAST THE AMOUNTS AND TYPES OF
27 COVERAGE REQUIRED BY CHAPTER 31 OF THE INSURANCE CODE OF 1956, 1956

1 PA 218, MCL 500.3101 TO 500.3179, IS PROVIDED DURING THE TIME THAT
2 A TRANSPORTATION NETWORK COMPANY DRIVER IS IN POSSESSION OF A
3 TELEPHONE OR OTHER DISPATCHING TECHNOLOGY PROVIDED BY THE
4 TRANSPORTATION NETWORK COMPANY.

5 (D) THAT EACH TRANSPORTATION NETWORK COMPANY DRIVER IS AT
6 LEAST 21 YEARS OF AGE AND, EXCEPT AS PROVIDED IN SUBDIVISION (E),
7 MAINTAINS A VALID OPERATOR'S LICENSE ISSUED UNDER THE MICHIGAN
8 VEHICLE CODE, 1949 PA 300, MCL 257.1 TO 257.923.

9 (E) THAT EACH TRANSPORTATION NETWORK COMPANY DRIVER MAINTAINS
10 A VALID CHAUFFEUR'S LICENSE ISSUED UNDER THE MICHIGAN VEHICLE CODE,
11 1949 PA 300, MCL 257.1 TO 257.923, AND HAS OBTAINED A COMMERCIAL
12 VEHICLE REGISTRATION PLATE UNDER THE MICHIGAN VEHICLE CODE, 1949 PA
13 300, MCL 257.1 TO 257.923, IF THE TRANSPORTATION NETWORK COMPANY
14 DRIVER'S PERSONAL VEHICLE HAS A CAPACITY OF 9 TO 15 PASSENGERS.

15 (F) THAT THE TRANSPORTATION NETWORK COMPANY HAS CONDUCTED A
16 LOCAL, STATE, AND NATIONAL BACKGROUND CHECK OF EACH TRANSPORTATION
17 NETWORK COMPANY DRIVER, INCLUDING A SEARCH OF THE NATIONAL SEX
18 OFFENDER DATABASE, AND THE TRANSPORTATION NETWORK COMPANY DRIVER
19 HAS NOT BEEN CONVICTED WITHIN 7 YEARS BEFORE THE DATE THE
20 APPLICATION IS SUBMITTED OF ANY OF THE FOLLOWING:

21 (i) DRIVING UNDER THE INFLUENCE OF DRUGS OR ALCOHOL.

22 (ii) A VIOLATION OF CHAPTER XI OF THE MICHIGAN PENAL CODE, 1931
23 PA 328, MCL 750.81 TO 750.90H.

24 (iii) A VIOLATION OF CHAPTER XXXI OF THE MICHIGAN PENAL CODE,
25 1931 PA 328, MCL 750.174 TO 750.182A.

26 (iv) A VIOLATION OF CHAPTER XLIII OF THE MICHIGAN PENAL CODE,
27 1931 PA 328, MCL 750.271 TO 750.300A.

1 (v) A VIOLATION OF CHAPTER LII OF THE MICHIGAN PENAL CODE,
2 1931 PA 328, MCL 750.356 TO 750.367C.

3 (vi) A VIOLATION OF CHAPTER LVI OF THE MICHIGAN PENAL CODE,
4 1931 PA 328, MCL 750.377A TO 750.395.

5 (vii) A VIOLATION OF CHAPTER LXI OF THE MICHIGAN PENAL CODE,
6 1931 PA 328, MCL 750.412 TO 750.421C.

7 (viii) A VIOLATION OF CHAPTER LXXVI OF THE MICHIGAN PENAL CODE,
8 1931 PA 328, MCL 750.520A TO 750.520N.

9 (ix) A VIOLATION OF SECTION 543M OF THE MICHIGAN PENAL CODE,
10 1931 PA 328, 750.543M.

11 (G) THAT THE TRANSPORTATION NETWORK COMPANY HAS REVIEWED A
12 DRIVING HISTORY REPORT FOR EACH TRANSPORTATION NETWORK COMPANY
13 DRIVER BEFORE HE OR SHE PROVIDES TRANSPORTATION SERVICES SHOWING
14 THAT THE TRANSPORTATION NETWORK COMPANY DRIVER HAS NOT HAD MORE
15 THAN 3 MOVING VIOLATIONS OR A MAJOR VIOLATION IN THE 3-YEAR PERIOD
16 BEFORE THE DATE OF THE DRIVING HISTORY REPORT. AS USED IN THIS
17 SUBDIVISION, "MAJOR VIOLATION" INCLUDES, BUT IS NOT LIMITED TO,
18 ATTEMPTING TO EVADE THE POLICE, RECKLESS DRIVING, OR DRIVING ON A
19 SUSPENDED OR REVOKED LICENSE.

20 (H) THAT EACH TRANSPORTATION NETWORK COMPANY DRIVER'S VEHICLE
21 HAS UNDERGONE A SAFETY INSPECTION CONDUCTED ANNUALLY BY A MECHANIC
22 LICENSED BY THIS STATE BEFORE BEING USED TO PROVIDE TRANSPORTATION
23 SERVICES. EACH TRANSPORTATION NETWORK COMPANY DRIVER SHALL PROVIDE
24 TO THE TRANSPORTATION NETWORK COMPANY DOCUMENTATION OF THE
25 INSPECTION REQUIRED BY THIS SUBDIVISION SHOWING THAT ALL OF THE
26 FOLLOWING VEHICLE COMPONENTS WERE INSPECTED:

27 (i) FOOT BRAKES.

- (ii) PARKING BRAKES.
- (iii) STEERING MECHANISM.
- (iv) WINDSHIELD.
- (v) REAR WINDOW AND OTHER GLASS.
- (vi) WINDSHIELD WIPERS.
- (vii) HEADLIGHTS.
- (viii) TAILLIGHTS.
- (ix) BRAKE LIGHTS.
- (x) FRONT SEAT ADJUSTMENT MECHANISM.
- (xi) DOORS.
- (xii) TURN SIGNAL LIGHTS.
- (xiii) HORN.
- (xiv) SPEEDOMETER.
- (xv) BUMPERS.
- (xvi) MUFFLER AND EXHAUST SYSTEM.
- (xvii) TIRES, INCLUDING TREAD DEPTH.
- (xviii) INTERIOR AND EXTERIOR MIRRORS.
- (xix) SAFETY BELTS.
- (xx) DEFROSTING SYSTEM.

SEC. 45. (1) A PERSONAL VEHICLE SHALL DISPLAY ALL OF THE FOLLOWING:

(A) A CONSISTENT AND DISTINCTIVE SIGNAGE OR EMBLEM THAT IS APPROVED BY THE DEPARTMENT AT ALL TIMES WHILE THE TRANSPORTATION NETWORK COMPANY DRIVER IS ENGAGED IN A PREARRANGED RIDE. THE SIGNAGE OR EMBLEM SHALL SATISFY ALL OF THE FOLLOWING:

(i) THE SIGNAGE OR EMBLEM SHALL BE SUFFICIENTLY LARGE AND COLOR-CONTRASTED TO BE READABLE DURING DAYLIGHT HOURS FROM A

1 DISTANCE OF AT LEAST 50 FEET.

2 (ii) THE SIGNAGE OR EMBLEM SHALL BE REFLECTIVE.

3 (iii) THE SIGNAGE OR EMBLEM SHALL SUFFICIENTLY IDENTIFY THE
4 TRANSPORTATION NETWORK COMPANY WITH WHICH THE VEHICLE IS
5 AFFILIATED.

6 (B) THE DECAL DESCRIBED IN SECTION 47(2).

7 (2) A TRANSPORTATION NETWORK COMPANY SHALL DO ALL OF THE
8 FOLLOWING:

9 (A) PROVIDE A CUSTOMER SUPPORT TELEPHONE NUMBER OR ELECTRONIC
10 MAIL ADDRESS ON ITS DIGITAL NETWORK OR WEBSITE FOR RIDER INQUIRIES.

11 (B) EXCEPT AS PROVIDED IN SUBDIVISION (C), REFRAIN FROM
12 DISCLOSING A PASSENGER'S PERSONALLY IDENTIFIABLE INFORMATION TO A
13 THIRD PARTY UNLESS 1 OR MORE OF THE FOLLOWING APPLY:

14 (i) THE PASSENGER CONSENTS.

15 (ii) DISCLOSURE IS REQUIRED BY A LEGAL OBLIGATION.

16 (iii) DISCLOSURE IS REQUIRED TO PROCESS AN INSURANCE CLAIM.

17 (iv) DISCLOSURE IS REQUIRED TO PROTECT OR DEFEND THE TERMS OF
18 THE USE OF THE SERVICE OR TO INVESTIGATE VIOLATIONS OF THOSE TERMS.

19 (C) A TRANSPORTATION NETWORK COMPANY MAY SHARE A PASSENGER'S
20 NAME OR TELEPHONE NUMBER TO A TRANSPORTATION NETWORK COMPANY DRIVER
21 PROVIDING A PREARRANGED RIDE TO THAT PASSENGER TO FACILITATE THE
22 CORRECT IDENTIFICATION OF THE PASSENGER BY THE TRANSPORTATION
23 NETWORK COMPANY DRIVER OR TO FACILITATE COMMUNICATION BETWEEN THE
24 PASSENGER AND THE TRANSPORTATION NETWORK COMPANY DRIVER.

25 (D) PROVIDE ALL OF THE FOLLOWING TO PASSENGERS:

26 (i) THE TRANSPORTATION NETWORK COMPANY DRIVER'S FIRST NAME.

27 (ii) MAKE AND MODEL OF THE TRANSPORTATION NETWORK COMPANY

1 DRIVER'S VEHICLE.

2 (iii) METHOD BY WHICH THE TRANSPORTATION NETWORK COMPANY
3 CALCULATES FARES OR THE APPLICABLE RATE BEING CHARGED.

4 (iv) THE OPTION TO RECEIVE AN ESTIMATED FARE.

5 (E) PROVIDE A RECEIPT THROUGH ELECTRONIC MAIL OR TEXT MESSAGE
6 TO A PASSENGER UPON COMPLETION OF A PREARRANGED RIDE.

7 (F) DISCLOSE IN WRITING TO TRANSPORTATION NETWORK DRIVERS
8 PROVIDING SERVICES FOR THE TRANSPORTATION NETWORK COMPANY ALL OF
9 THE FOLLOWING:

10 (i) THE INSURANCE COVERAGE AND LIMITS OF LIABILITY THAT THE
11 TRANSPORTATION NETWORK COMPANY PROVIDES WHILE THE TRANSPORTATION
12 NETWORK COMPANY DRIVER USES A VEHICLE IN CONNECTION WITH THE
13 TRANSPORTATION NETWORK COMPANY'S ONLINE-ENABLED APPLICATION OR
14 PLATFORM.

15 (ii) THAT, DEPENDING ON THE TERMS OF THE POLICY, THE
16 TRANSPORTATION NETWORK COMPANY DRIVER'S AUTOMOBILE OR VEHICLE
17 INSURANCE POLICY MAY NOT PROVIDE COVERAGE WHILE HE OR SHE USES A
18 VEHICLE IN CONNECTION WITH A TRANSPORTATION NETWORK COMPANY'S
19 DIGITAL NETWORK.

20 (iii) THAT THE TRANSPORTATION NETWORK COMPANY DRIVER MUST
21 CONSULT HIS OR HER OWN INSURANCE COMPANY OR INSURANCE AGENT FOR
22 INFORMATION ABOUT COVERAGE PROVIDED BY HIS OR HER PERSONAL
23 INSURANCE POLICY.

24 (3) A TRANSPORTATION NETWORK COMPANY OR A TRANSPORTATION
25 NETWORK COMPANY DRIVER SHALL NOT DO ANY OF THE FOLLOWING:

26 (A) SOLICIT PASSENGERS OR SERVICE THROUGH A STREET HAIL.

27 (B) PICK UP OR DISCHARGE A PASSENGER AT A DESIGNATED TAXICAB

1 STAND, NO STOPPING OR STANDING ZONE, OR OTHER RESTRICTED AREA.

2 (4) A TRANSPORTATION NETWORK COMPANY DRIVER MAY REFUSE TO
3 TRANSPORT A PASSENGER IF THE PASSENGER IS ACTING IN AN UNLAWFUL,
4 DISORDERLY, OR ENDANGERING MANNER.

5 (5) A TRANSPORTATION NETWORK COMPANY DRIVER SHALL DO ALL OF
6 THE FOLLOWING:

7 (A) PERMIT A SERVICE ANIMAL TO ACCOMPANY A PASSENGER ON A
8 PREARRANGED RIDE.

9 (B) TAKE THE MOST DIRECT ROUTE TO THE PASSENGER'S DESTINATION
10 UNLESS OTHERWISE AUTHORIZED BY THE PASSENGER.

11 (C) IF AN ACCIDENT INVOLVING A PERSONAL VEHICLE OCCURS WHILE
12 THE VEHICLE IS BEING USED TO PROVIDE TRANSPORTATION NETWORK COMPANY
13 SERVICES, THE TRANSPORTATION NETWORK COMPANY DRIVER SHALL DO ALL OF
14 THE FOLLOWING:

15 (i) PROVIDE PROOF OF INSURANCE INFORMATION TO THE OTHER PARTY
16 INVOLVED IN THE ACCIDENT.

17 (ii) NOTIFY THE TRANSPORTATION NETWORK COMPANY OF THE ACCIDENT.

18 (iii) NOTIFY HIS OR HER INSURANCE COMPANY OF THE ACCIDENT.

19 (D) UPON REQUEST OF A LAW ENFORCEMENT OFFICIAL OR OTHER
20 GOVERNMENT OFFICIAL, DISPLAY AN ELECTRONIC VERIFICATION OF HIS OR
21 HER AFFILIATION WITH A TRANSPORTATION NETWORK COMPANY OR A RIDE IN
22 PROGRESS SHOWING THAT THE RIDE IS A PREARRANGED RIDE THROUGH A
23 TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK. THIS SUBDIVISION
24 DOES NOT REQUIRE A TRANSPORTATION NETWORK COMPANY DRIVER TO
25 RELINQUISH POSSESSION OF AN ELECTRIC DEVICE IF THE INFORMATION
26 DESCRIBED IN THIS SUBDIVISION IS CONTAINED ON AN ELECTRONIC DEVICE.

27 (6) BOTH OF THE FOLLOWING APPLY TO AN INSURANCE POLICY

1 DESCRIBED IN SECTION 43 (A) TO (C) :

2 (A) THE INSURANCE POLICY MAY BE PLACED WITH AN INSURER
3 LICENSED UNDER CHAPTER 4 OF THE INSURANCE CODE OF 1956, 1956 PA
4 218, MCL 500.402 TO 500.480, OR A SURPLUS LINES INSURER ELIGIBLE
5 UNDER CHAPTER 19 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL
6 500.1901 TO 500.1955.

7 (B) THE INSURANCE POLICY SATISFIES THE FINANCIAL
8 RESPONSIBILITY REQUIREMENT DESCRIBED IN CHAPTER V OF THE MICHIGAN
9 VEHICLE CODE, 1949 PA 300, MCL 257.501 TO 257.532.

10 SEC. 47. (1) THE DEPARTMENT SHALL ISSUE A PERMIT TO ALLOW A
11 TRANSPORTATION NETWORK COMPANY TO OPERATE IN THIS STATE IF THE
12 TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS OF THIS
13 ARTICLE AND PAYS A FEE DETERMINED BY THE DEPARTMENT.

14 (2) THE DEPARTMENT SHALL ISSUE A DECAL TO EACH TRANSPORTATION
15 NETWORK COMPANY DRIVER IF THE DRIVER AND HIS OR HER VEHICLE MEET
16 ALL REQUIREMENTS OF THIS ACT AND IF THE DRIVER PAYS A \$250.00 FEE
17 TO THE DEPARTMENT.

18 (3) IF A TRANSPORTATION NETWORK COMPANY DRIVER'S INSURANCE
19 COVERAGE AS REQUIRED UNDER THIS ACT IS CANCELED, IS REVOKED, OR IS
20 NOT RENEWED FOR ANY REASON, THE TRANSPORTATION NETWORK COMPANY
21 DRIVER SHALL NOTIFY THE TRANSPORTATION NETWORK COMPANY TO REMOVE
22 THE TRANSPORTATION NETWORK COMPANY DRIVER FROM ITS ROSTER UNLESS
23 THE TRANSPORTATION NETWORK COMPANY DRIVER HAS OBTAINED SUBSTITUTE
24 INSURANCE COVERAGE WITHOUT A LAPSE IN COVERAGE.

25 (4) AFTER PROVIDING NOTICE AND THE OPPORTUNITY FOR A HEARING,
26 THE DEPARTMENT MAY IMPOSE A FINE OR REVOKE A PERMIT ISSUED UNDER
27 THIS ARTICLE IF A TRANSPORTATION NETWORK COMPANY FAILS TO COMPLY

1 WITH THIS ARTICLE.

2 SEC. 49. A TRANSPORTATION NETWORK COMPANY SHALL NOT BE
3 CONSIDERED TO OWN, CONTROL, OPERATE, OR MANAGE A PERSONAL VEHICLE
4 OPERATED BY A TRANSPORTATION NETWORK COMPANY DRIVER PROVIDING
5 TRANSPORTATION SERVICES TO PASSENGERS MATCHED THROUGH THE
6 TRANSPORTATION NETWORK COMPANY DIGITAL NETWORK.

7 SEC. 51. A LOCAL UNIT OF GOVERNMENT SHALL NOT ENACT OR ENFORCE
8 AN ORDINANCE REGULATING A TRANSPORTATION NETWORK COMPANY. A LOCAL
9 UNIT OF GOVERNMENT MAY ISSUE A CIVIL INFRACTION TO A TRANSPORTATION
10 NETWORK COMPANY DRIVER FOR A VIOLATION OF SECTION 45(1), 45(3), OR
11 45(5)(A), (C), OR (D).