

**SUBSTITUTE FOR
SENATE BILL NO. 401**

A bill to amend 1998 PA 138, entitled
"Hazardous materials transportation act,"
by amending sections 2 and 3 (MCL 29.472 and 29.473), section 2 as
amended by 2013 PA 74.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Base state" means the state selected by a motor carrier
3 according to the procedures established by the uniform program.

4 (b) "Base state agreement" means the agreement between
5 participating states electing to register or permit motor carriers.

6 (c) "Department" means the department of environmental
7 quality.

8 (d) "Fund" means the environmental pollution prevention fund

1 created in section 11130 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.11130.

3 (e) "Hazardous materials" means any of the following:

4 (i) "Hazardous waste" as that term is defined in section 11103
5 of the natural resources and environmental protection act, 1994 PA
6 451, MCL 324.11103.

7 (ii) "Liquid industrial ~~waste~~ **BY-PRODUCT**" as that term is
8 defined in section 12101 of the natural resources and environmental
9 protection act, 1994 PA 451, MCL 324.12101.

10 (f) "Motor carrier" means a person engaged in the
11 transportation of hazardous materials by highway. Motor carrier
12 includes a motor carrier's agents, officers, and representatives.
13 Motor carrier does not include an individual operating under an
14 exclusive lease to a motor carrier that is in compliance with this
15 act.

16 (g) "Participating state" means a state electing to
17 participate in the uniform program by entering a base state
18 agreement.

19 (h) "Power unit" means a motor vehicle that provides motor
20 power to the entire combination, or to the vehicle if a single
21 unit.

22 (i) "Uniform application" means the uniform registration and
23 permit application form established under the uniform program.

24 (j) "Uniform program" means the uniform state hazardous
25 materials transportation registration and permit program
26 established in the report submitted and amended pursuant to 49 USC
27 5119(b).

1 Sec. 3. (1) A motor carrier shall determine its base state
2 designation in the following manner:

3 (a) A motor carrier that has its principal place of business
4 in this state shall designate this state as its base state.

5 (b) A motor carrier that has its principal place of business
6 outside of this state shall determine its base state designation by
7 the highest number of hazardous materials miles traveled among the
8 states participating in the uniform program.

9 (2) Subject to section 10, a motor carrier that designates
10 this state as its base state pursuant to subsection (1) shall
11 register with and obtain a permit from the department prior to
12 transporting hazardous materials within this state. A motor carrier
13 that designates another participating state as its base state shall
14 register with and obtain a permit from that state, with the
15 appropriate fees paid for this state, prior to transporting
16 hazardous materials in this state.

17 (3) A motor carrier required to register in this state shall
18 file part I of the uniform application with the department and pay
19 an administrative fee of \$50.00 and the apportioned vehicle
20 registration fee. The amount of the registration fee shall be
21 calculated by the formula in section 4.

22 (4) A motor carrier required to obtain a permit in this state
23 shall file part II of the uniform application with the department
24 and pay a permit review fee of \$500.00.

25 (5) A motor carrier shall have and maintain financial
26 responsibility for bodily injury, property damage, or environmental
27 damage to third parties caused by accidental occurrences arising

1 from hazardous materials transportation activities of the motor
2 carrier. The motor carrier shall have and maintain fleet liability
3 coverage for accidental occurrences in an amount not less than
4 \$1,000,000.00 per occurrence for hazardous materials that are
5 hazardous wastes and \$750,000.00 per occurrence for hazardous
6 materials that are liquid industrial waste. ~~BY-PRODUCT~~. However, a
7 motor carrier with fleets including only vehicles under 10,000
8 pounds gross vehicle weight shall have and maintain fleet liability
9 coverage for accidental occurrences in an amount not less than
10 \$300,000.00. Proof of the required domiciled fleet liability
11 coverage shall be provided to and maintained by the **MICHIGAN** public
12 service commission in the department of ~~consumer and industry~~
13 ~~services~~, **LICENSING AND REGULATORY AFFAIRS**, with certification of
14 proper coverage provided to the department. Demonstration of proof
15 of the required nondomiciled fleet liability coverage shall be
16 provided to and maintained with the ~~surface transportation board in~~
17 ~~the federal highway administration~~. **SURFACE TRANSPORTATION BOARD IN**
18 **THE UNITED STATES DEPARTMENT OF TRANSPORTATION**. Fleet liability
19 coverage not included under the authority of the **MICHIGAN** public
20 service commission or the ~~surface transportation board~~ **SURFACE**
21 **TRANSPORTATION BOARD** shall be demonstrated to the department by
22 submittal of the document entitled "endorsement for motor carrier
23 policies of insurance for public liability under section 29 or 30
24 of the motor carrier act of 1980" (OMB no. ~~2125-0074~~, **2126-0008**,
25 form MCS-90).

26 (6) Upon a motor carrier's compliance with subsections (3),
27 (4), and (5), the department shall issue a notice of registration

1 form and a permit to the motor carrier. A notice of registration
2 form and a permit shall include a unique number for each motor
3 carrier assigned by the department.

4 (7) A motor carrier shall maintain a copy of the notice of
5 registration form and the permit in each power unit used to
6 transport hazardous materials in all participating states. The
7 notice of registration form and the permit are not transferable
8 between motor carriers or owners. The original notice of
9 registration form or permit shall be maintained at the motor
10 carrier's principal place of business as noted on the registration
11 form or permit, and shall be available for inspection during normal
12 business hours.

13 (8) Prior to entering the state, a motor carrier may obtain a
14 temporary permit in lieu of a notice of registration form and a
15 permit. The temporary permit ~~shall expire~~ **EXPIRES** 10 days after
16 issuance, and the fee for a temporary permit ~~shall be~~ **IS** \$100.00.

17 (9) A motor carrier transporting liquid industrial ~~waste~~ **BY-**
18 **PRODUCT** generated on or from property or equipment in which he or
19 she owns an interest is exempt from registration and permitting as
20 required in this act, but remains subject to all other provisions
21 of part 121 of the natural resources and environmental protection
22 act, 1994 PA 451, MCL 324.12101 to 324.12118, or any other
23 applicable act or part.

24 Enacting section 1. This amendatory act takes effect 90 days
25 after the date it is enacted into law.

26 Enacting section 2. This amendatory act does not take effect
27 unless all of the following bills of the 98th Legislature are

1 enacted into law:

2 (a) Senate Bill No. ____ or House Bill No. ____ (request no.
3 01300'15).

4 (b) Senate Bill No. ____ or House Bill No. ____ (request no.
5 01300'15 b).