



What to Know about Chartering a Bus

The Michigan Department of Transportation (MDOT) wants to make sure your group, club or organization rides in safety and comfort during your next charter bus trip in Michigan.

Charter bus travel can offer your group the opportunity to travel together, to relax and enjoy the trip regardless of weather or traffic conditions - all while reducing road congestion and helping the environment.

MDOT's Bus and Limousine Regulatory Unit is responsible for:

- Regulating all for-hire buses in Michigan.
- Ensuring that buses comply with stringent safety rules.
- Conducting annual safety checks of buses.
 - Conducting random safety checks at major tourism areas or public events throughout the state.

Is your charter one of the following?

1. MDOT-regulated Buses:

MDOT issues a certificate of authority (COA) to owners who offer for-hire (remuneration of any kind) bus service to the general public in the state. It does not matter who owns the bus, whether it is a church, individual, organization, or a company, a COA from MDOT is required. To obtain a COA, a bus company must:

- Provide proof of liability insurance
- Pass an annual safety inspection
- Pay fees

2. Unregulated Buses:

Buses that are owned by churches, private entities, public schools, public transit agencies and nonprofit organizations are not required to have a COA unless they offer charter bus service. Operating a for-hire bus without a COA or without proper liability insurance is against the law and punishable by a fine and/or imprisonment. If a bus owner is charging a fee, ask him/her if they have a COA and liability insurance, plus Michigan no-fault insurance.

Beware of unlicensed companies that may advertise in the newspapers, phone books, flyers, online or on social media. Here are some reasons why a bus carrier may choose to operate without a COA:

- They do not wish to incur the cost of adequate liability insurance
- The bus may not pass a safety inspection
- They may not be aware of the regulations

a. Church Buses:

Many churches own buses for their members to go to services or on special trips. It is illegal for churches to offer their buses in for-hire charter service.

b. Private Buses:

Private buses are owned by individuals, nonprofit organizations, and companies for private use. Some of these buses are offered illegally for charter service. Some of these bus owners may say it is a "private bus" and they do not need a COA, but they do. Some things to look out for:

- Buses with "not for hire" or "private" markings
- Buses with "nonprofit" markings or license plates
- Buses without any names or markings

c. School Buses:

School buses can be owned by public school districts or private companies that provide contracted services to a school district. A public school district is limited to municipalities, government entities, and certain nonprofit organizations to provide charter service. If the school district charges a fee then they must have a COA. Private companies, which own school bus fleets, can provide charter services with a COA. Private companies, however, must be in compliance with the requirements listed in the Pupil Transportation Act 187 of 1990 when using school buses.

d. Public Transit Buses:

Public transit buses provide fixed route or on-demand transportation in communities across the state. Generally, Federal Transit Administration regulations prohibit public transit buses from providing charter service.

e. Rental Buses:

Buses that are rented and driven by the renter are not considered a charter. A renter cannot offer charter service with a COA. If the bus owner provides the driver, then it is considered a charter. Here are some points about bus rentals:

- Bus rentals are not regulated by MDOT
- Bus rentals are exempt from regulation

- Bus rentals are not safety inspected
- Bus rentals are not required to have sufficient liability insurance

How to protect yourself:

First, check the MDOT website at www.michigan.gov/busandlimo. Select "Current list of carriers" to see if the bus carrier has a COA.

Always get a contract from the bus owner. A contract also may be called a "trip billing" or a "charter order." A contract should contain the following:

- Specific date of the trip
- Number of passengers
- Itinerary
- Total Charge
- Name of the bus owner
- Name of your organization

If you do not get a contract, something is wrong. The bus owner may change the price later, or not perform all of the service. Bus owners operating without authority usually will not put anything in writing.

Always pay for the bus in advance and get a receipt. That way, the bus owner is legally obligated to perform the service. If the bus does not show up, then you have legal recourse against the bus owner.

Beware of bus owners who accept only cash. Bus owners without a COA to offer charter service usually will require cash so they do not have to give you anything in writing.

How to spot a legal charter bus:

- The name of the owner and U.S. Department of Transportation (USDOT) number are on both sides of the bus.
- An MDOT safety-certified motor bus inspection decal is located on the driver's side window and is dated to indicate the expiration date.



How to Charter a Bus Checklist

1. Take your business to a reputable company:

Never charter a bus from someone who does not have an MDOT certificate of authority (COA) to offer charter bus service. It is easy to find out if they have this authority by checking the MDOT website. A reputable bus company will stand behind its equipment, drivers and services

2. Put safety above economy:

An unregulated bus may be less costly but it also is the most risky. Many of these buses do not undergo the safety inspections of MDOT-regulated buses, may not carry insurance for passengers, or require qualified drivers to operate the buses.

3. Be wary of bargains:

The lowest bidder may not be the best. Bus companies that are able to offer drastically reduced rates to charter groups may be forced to cut corners on bus maintenance work, safety compliance, or comfort features. An abnormally low price may mean that the bus owner does not have a COA or have proper insurance coverage.

4. Consider the needs of your group:

The size of your group and the distance to be traveled should be considered, along with your group's budget, when selecting a charter bus service. A mid-sized bus may be more suitable than a deluxe highway coach for short trips.

5. Make sure to put an agreement in writing:

Get in writing the services to be provided by the bus company, as well as the cost of the trip. Will passengers and belongings be insured? What happens if the bus breaks down along the highway? What special comfort features, such as air conditioning or video systems, will you get for your money?

6. Check over the bus you are going to charter:

Does it have an MDOT safety-certified motor bus inspection decal on it? Are the windows cracked or broken? Does the bus have a lot of rust on it? Is it leaking fluids from the engine? Do the lights work? Is the interior neat and clean? Does the air conditioning and heat work?

7. Be a good passenger:

Respect the company's property, the needs of the driver, and all safety regulations for the protection and comfort of all on board. Your group should understand in advance of your trip what rules must be followed regarding safety and the limitations on smoking privileges, the use of food and beverages, and video use requirements.

8. Report complaints to the company first:

Should a passenger not receive satisfactory action from the company, complaints may be filed with the Attorney General, Consumer Complaint and Protection Division, at 517-373-1140.

Important Contacts and Information:

MDOT Bus and Limousine Regulatory Unit

For questions or concerns about the safety and operation of charter buses in Michigan (intrastate travel).

Website: www.michigan.gov/busandlimo

Federal Motor Carrier Safety Administration (FMCSA)

For complaints and information involving interstate travel (crossing state lines).

Phone: 888-DOT-SAFT (368-7328)

National Consumer Complaint Database: <http://nccdb.fmcsa.dot.gov/>

Safety and Fitness Electronic Records (SAFER) System:

<http://safer.fmcsa.dot.gov/CompanySnapshot.aspx>

SaferBus App is available on Google Play and iTunes