

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

SILVER SERVICE MICHIGAN TRANSPORTATION LLC
Limousine Carrier
Registration No. 58-03-001835

ENF-23-020003

Respondent.

_____ /

Issued and entered
This 31st day of January, 2023

NOTICE AND ORDER TO CEASE AND DESIST

The Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the “Department”), under its statutory authority and responsibility to administer and enforce the Limousine, Taxicab, and Transportation Network Company Act, 2016 PA 345,¹ MCL 257.2101 *et seq.* (the “Act”), orders Silver Service Michigan Transportation LLC (“Respondent”) to stop violating the Act based on its failure to require and maintain and refusal to provide the Department with complete copies of required documentation in connection with an audit. Respondent is also notified of the opportunity to request a hearing in this matter.

I. BACKGROUND

A. Respondent

1. Respondent has a physical address on file with the Department’s Licensing Division of 3317 S. Old US Highway 23, Ste., Brighton, Michigan 48114, and a registered office

¹ The requirements of this Act became effective March 21, 2017, rendering for-hire passenger vehicles carrying eight passengers or less previously regulated by the Michigan Department of Transportation (MDOT) under the Motor Bus Transportation Act, MCL 474.101 *et seq.*, subject to the requirements of the new Limousine, Taxicab, and Transportation Network Company Act administered by the Department of Licensing and Regulatory Affairs. MDOT continues to administer the Motor Bus Transportation Act, which regulates for-hire passenger vehicles carrying nine or more passengers.

address on file with the Department's Corporations Division of 3317 S. Old US Highway 23, Ste. 20, Brighton, Michigan 48114. Its Business Entity Identification Number is 802415417. It has an email address on file with the Licensing Division of ssmichigantransportation@gmail.com. Haris Ahmed Borka is the company's Resident Agent on file with the Department's Corporations Division and Respondent's authorized agent on file with the Licensing Division.

2. Respondent was registered as a limousine carrier under the Act from December 11, 2021, until August 31, 2022. Its registration lapsed due to expiration on September 1, 2022. A Verification of Licensure is attached as Exhibit 1.

B. Findings of Fact

3. On May 6, 2022, the Department conducted a routine audit of Respondent's records with an unsatisfactory result. The Department requested documentation from Respondent that the deficiencies identified during the audit were corrected within 30 days from the date on the inspection. The Department's inspection report is attached as Exhibit 2.
4. The Department cited Respondent for violating the following provisions of the Act:
 - i. Allowing the drivers to operate a limousine on its behalf without submitting a completed driver's application to it, consistent with MCL 257.2107(1).
 - ii. Failure to conduct national and local criminal background checks and national sex offender registry checks of its drivers, and failure to obtain and review driving history research reports for its drivers, consistent with MCL 257.2107(1)(a) and (1)(b).
 - iii. Failure to conduct or maintain documentation of vehicle safety inspection(s) for any vehicle(s) that are 5 model years old or older, consistent with MCL 257.2109(1) and (3).
 - iv. Failure to display a consistent and distinctive signage or emblem at all times while the vehicle is being used to provide transportation services that sufficiently identifies the limousine carrier with which the vehicle is affiliated, consistent with MCL 257.2111(1)(b).
 - v. Failure to maintain individual trip records for a period of at least 1 year, including the pickup and drop-off location; and, the duration of the trip, distance traveled, and fee, consistent with MCL 257.2113(a).
 - vi. Failure to maintain individual records of limousine drivers for a period of at least 1 year after a driver ceases to operate a limousine for it, including the name and contact information of the driver; and, the make, model, and registration plate number of the vehicle operated by the driver, consistent with MCL 257.2113(b).

- vii. Failure to adopt and publish a zero-tolerance policy for the usage of drugs or alcohol, and failure to adopt and publish a customer complaint policy, consistent with MCL 257.2139(1) and (2).
 - viii. Failure to adopt a non-discrimination policy applicable to passengers and potential passengers and notify its drivers of the policy, consistent with MCL 257.2145(1).
 - ix. Failure to notify lessees in its lease agreements of the requirements of PA 345 of 2016, consistent with MCL 257.2147.
5. To date, no one on behalf of Respondent has submitted any documentation to the Department in connection with the Department's May 6, 2022, audit.

II. RELEVANT STATUTORY PROVISIONS

6. MCL 257.2107 provides the following, in relevant parts and subparts:
- (1) Before an individual may operate a limousine or taxicab on behalf of a limousine carrier or taxicab carrier or accept transportation network company prearranged ride requests as a transportation network company driver using a transportation network company's digital network, he or she shall submit an application to the limousine carrier, taxicab carrier, or transportation network company. The application required under this subsection shall include, but is not limited to, the applicant's name, address, age, operator's license number, driving history, motor vehicle registration information, and automobile liability insurance information. A limousine carrier, taxicab carrier, or transportation network company receiving an application under this subsection shall do both of the following before allowing the applicant to operate a limousine or taxicab or accept transportation network company prearranged ride requests as a transportation network company driver using the transportation network company's digital network:
- (a) Annually conduct, or use a third party to annual conduct, a local and national criminal background check of the applicant. The background checks required under this subdivision shall include a search of all of the following:
- (i) A multistate or multijurisdiction[al] criminal records locator or similar commercial nationwide database with validation.
 - (ii) The national sex offender registry database.
- (b) Annually obtain and review a driving history research report for the applicant.

* * *

(3) All background records of drivers described in this section are subject to audit by the department at any time.

7. MCL 257.2109 provides the following:

(1) A limousine carrier or taxicab carrier shall not operate a limousine or taxicab, and a transportation network company shall not allow a transportation network company driver to accept trip requests through that transportation network company's digital network, unless the limousine, taxicab, or personal vehicle has undergone a safety inspection conducted annually by a mechanic licensed by this state before being used to provide transportation services. Each limousine carrier and taxicab carrier shall maintain, and each transportation network company driver shall provide to the transportation network company, documentation of the inspection required by this section showing that all of the following vehicle components were inspected:

- (a) Foot brakes.
- (b) Parking brakes.
- (c) Steering mechanism.
- (d) Windshield.
- (e) Rear window and other glass.
- (f) Windshield wipers.
- (g) Headlights.
- (h) Taillights.
- (i) Brake lights.
- (j) Front seat adjustment mechanism.
- (k) Doors.
- (l) Turn signal lights.
- (m) Horn.
- (n) Speedometer.
- (o) Bumpers.
- (p) Muffler and exhaust system.
- (q) Tires, including tread depth.
- (r) Interior and exterior mirrors.
- (s) Safety belts.
- (t) Defrosting system.

(2) The vehicle inspections described in this section are subject to audit by the department at any time.

(3) The vehicle inspections described in this section only apply to vehicles that are 5 years old or older.

8. MCL 257.2111 provides the following in relevant parts and subparts:

(1) Subject to subsection (2), a vehicle subject to this act shall display a consistent and distinctive signage or emblem at all times while the vehicle is being used to provide transportation services or while the vehicle is being used by a transportation network company driver for a transportation network company prearranged ride or while the transportation network company driver is available to receive a transportation request. Subject to subsection (2), a vehicle subject to this act may also display a department of licensing and regulatory affairs registration number. The signage, emblem, or department of licensing and regulatory affairs registration number shall satisfy both of the following:

* * *

(b) The signage, emblem, or department of licensing and regulatory affairs registration number shall sufficiently identify the limousine carrier, taxicab carrier, transportation network company, or dispatch system

* * *

9. MCL 257.2113 provides the following:

A limousine driver, taxicab driver, or transportation network company shall maintain all of the following records, as applicable:

(a) Individual trip records. A limousine driver, taxicab driver, or a transportation network company shall maintain an individual trip record for a period of at least 1 year after the date the trip was provided. An individual trip record shall contain all of the following information:

- (i) Pickup and drop-off location.
- (ii) Duration of the trip, distance traveled, and fee.

(b) Individual records of limousine, taxicab, or transportation network company drivers. An individual driver record shall be maintained for a period of at least 1 year after the driver ceases to operate a limousine or taxicab for a limousine carrier or taxicab carrier or the driver ceases to provide transportation network company prearranged rides using the transportation network company's digital network. An individual driver record shall contain all of the following information:

- (i) The name and contact information of the driver.
- (ii) The make, model, and registration plate number of the vehicle operated by the driver.

10. MCL 257.2139 provides the following in relevant parts:

(1) A limousine carrier, taxicab carrier, or transportation network company shall develop and implement a zero-tolerance policy regarding a limousine, taxicab, or transportation network company driver's activities while providing transportation

services or accessing the transportation network company's digital network. The zero-tolerance policy required under this subsection shall address the use of drugs or alcohol while a driver is providing transportation services or a transportation network company prearranged ride or is logged in to a transportation network company's digital network and available to receive a transportation request.

(2) A limousine carrier, taxicab carrier, or transportation network company, or the parent company if the limousine carrier, taxicab carrier, or transportation network company does not have a website, shall provide notice of the zero-tolerance policy required under subsection (1) on its website, and shall also provide on its website a procedure for a passenger to report a complaint about a driver who the passenger reasonably suspects was under the influence of drugs or alcohol during a trip or a transportation network company prearranged ride.

* * *

11. MCL 257.2145 provides the following in relevant parts:

(1) A limousine carrier, taxicab carrier, and transportation network company shall adopt a policy of nondiscrimination with respect to passengers and potential passengers and shall notify limousine drivers, taxicab drivers, and transportation network company drivers of the policy adopted under this subsection.

(2) A limousine driver, taxicab driver, and transportation network company driver shall comply with all applicable laws regarding nondiscrimination against a passenger or potential passenger.

* * *

12. MCL 257.2147 provides the following:

A lessor shall be required to inform any person leasing any limousine or taxicab for the transportation of passengers for hire of the requirements of this act on a motor vehicle lease agreement.

13. MCL 257.2102 provides the following in relevant parts and subparts:

As used in this act:

* * *

(d) "Limousine" means a self-propelled motor vehicle used in the carrying of passengers and the baggage of the passengers for hire with a seating capacity of 8 passengers or fewer, including the driver. Limousine does not include a commercial vehicle. Limousine also does not include a vehicle operated by any of the following:

(i) A county, city, township, or village as provided by law, or other authority incorporated under 1963 PA 55, MCL 124.351 to 124.359.

(ii) An authority incorporated under the metropolitan transportation authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426, or that operates a transportation service pursuant to an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

(iii) Operating under a contract entered into under 1967 (Ex Sess) PA 8, MCL 124.531 to 124.536, or 1951 PA 35, MCL 124.1 to 124.13.

(iv) An authority incorporated under the public transportation authority act, 1986 PA 196, MCL 124.451 to 124.479, or a nonprofit corporation organized under the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192, that provides transportation services.

(v) An authority financing public improvements to transportation systems under the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

(vi) A person that is only operating limousines to provide the transportation of passengers for funerals.

(vii) An employer that is only using the vehicle, or on whose behalf the vehicle is being used, to transport its employees to and from their place of employment.

(e) "Limousine carrier" means a person who, either directly or through any device, dispatch system, or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by limousine.

(f) "Limousine driver" means an individual who uses a limousine to provide transportation services to potential passengers.

(g) "Person" means an individual, sole proprietorship, partnership, corporation, association, or other legal entity.

14. MCL 257.2104(7) provides the following:

The department may audit the records of a registrant under this act, including, but not limited to, conducting a random sample of the registrant's records related to drivers, subject to all of the following:

(a) The audit described in this subsection may be conducted no more than 2 times per year.

(b) The audit may take place at a third-party location agreed upon by the department and the registrant.

15. MCL 257.2149 provides the following:

(1) A limousine carrier, taxicab carrier, or transportation network company, or an officer or agent of a limousine carrier, taxicab carrier, or transportation network company who requires or knowingly permits a driver to drive or operate a limousine, taxicab, or personal vehicle in violation of this act, or a rule promulgated under this act, is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both.

(2) In addition to the fine authorized by this section, the department may assess a fine against a person who violates this act that covers the actual cost to the department of the investigation and enforcement of the violation, including attorney fees.

(3) A proceeding held under this act shall be held under chapter 4 of the administrative procedures act of 1969 [MCL 24.271 *et seq.*]

16. MCL 257.2151 provides the following:

All of the following apply to a person that violates this act or rules or an order promulgated or issued under this act:

(a) The person is subject to denial of a registration or renewal of a registration.

(b) The attorney general or the proper prosecuting attorney may institute appropriate criminal proceedings under this Act against the person with or without a reference from the department.

(c) The department or any other person, to enforce compliance with this act, may bring an action in a circuit court in any county in which the limousine carrier, taxicab carrier, or transportation network company has solicited or sold its services, whether or not that person purchased or used the limousine carrier's, taxicab carrier's, or transportation network company's services or is personally aggrieved by a violation of this act. The court may award damages, issue equitable orders in accordance with the Michigan court rules to restrain conduct in violation of this act, and award reasonable attorney fees and costs to a prevailing party.

17. MCL 257.2153 provides the following:

(1) The director of the department or his or her designee may order a limousine carrier, taxicab carrier, or transportation network company to cease and desist from a violation of this act, a rule promulgated under this act, or an order issued under this act.

(2) A limousine carrier, taxicab carrier, or transportation network company that receives an order to cease and desist described in subsection (1) may request a hearing before the department if the limousine carrier, taxicab carrier, or

transportation network company files a written request for a hearing no later than 30 days after the effective date of the cease and desist order.

(3) If a limousine carrier, taxicab carrier, or transportation network company violates an order to cease and desist issued under subsection (1), the attorney general may apply to a court of competent jurisdiction to restrain and enjoin, either temporarily or permanently, that limousine carrier, taxicab carrier, or transportation network company from further violating the order to cease and desist.

III. CONCLUSIONS OF LAW

18. Respondent, a limousine carrier registered under the Act, failed to require each of its drivers to submit a completed driver's application to it before allowing them to operate a limousine on its behalf, in violation of MCL 257.2107(1).
19. Respondent, a limousine carrier registered under the Act, failed to annually conduct local and national criminal background checks on its drivers, national sex offender registry checks for its drivers, and obtain and review driving history research reports for its drivers, in violation of MCL 257.2107(1)(a) and (1)(b).
20. Respondent, a limousine carrier registered under the Act, failed to conduct, or maintain documentation of a vehicle safety inspection for its vehicles that are 5 model years old or older, in violation of MCL 257.2109(1) and (3).
21. Respondent, a limousine carrier registered under the Act, failed to display a consistent and distinctive sign or emblem that sufficiently identifies the limousine carrier with which the vehicle(s) are affiliated, at all times while its vehicle(s) are being used to provide transportation services, in violation of MCL 257.2111(1)(b).
22. Respondent, a limousine carrier registered under the Act, failed to maintain its drivers' individual trip records for at least 1 year after the date each trip was provided, in violation of MCL 257.2113(a).
23. Respondent, a limousine carrier registered under the Act, failed to maintain individual records of limousine drivers for at least 1 year after the driver(s) cease(s) to operate a limousine on behalf of Respondent, in violation of MCL 257.2113(b).
24. Respondent, a limousine carrier registered under the Act, failed to develop, implement, and publish on its website a zero-tolerance policy for its drivers' usage of drugs or alcohol, in violation of MCL 257.2139(1) and (2).
25. Respondent failed to adopt and publish on its website a complaint policy whereby a passenger could report a complaint about a driver who the passenger reasonably suspects is under the influence of drugs or alcohol during a trip, in violation of MCL 257.2139(2).

26. Respondent, a limousine carrier registered under the Act, failed to adopt a non-discrimination policy applicable to passengers and potential passengers and notify its drivers of the policy, in violation of MCL 257.2145(1).
27. Respondent, a limousine carrier registered under the Act, failed to notify lessees of its limousines in its lease agreements of the requirements of the Act, in violation of MCL 257.2147.

IV. ORDER

IT IS THEREFORE ORDERED, under MCL 257.2153(1), that:

- A. Respondent must immediately cease and desist from violating the Act, as set forth above.
- B. Within 60 days of the date that this Order becomes final, Respondent must provide to the Department at the address or email address indicated in paragraph VI.B. one of the following:
 1. An affidavit signed by an authorized representative of Respondent indicating that it ceased operations and the date it ceased operations; OR
 2. In lieu of the above, documentation to the satisfaction of the Department of all the following:
 - a. As of the May 6, 2022, audit date, Respondent's driver applications, local and national criminal background checks for Respondent's drivers, and driving history research reports for Respondent's drivers, required by MCL 257.2107(1)(a) and (b).
 - b. Vehicle safety inspection(s) for all Respondent's vehicles that are 5 model years old or older, or an affidavit signed by an authorized representative of Respondent indicating that it discontinued the use of such vehicle(s) as a limousine to transport passengers for hire, required by MCL 257.2109.
 - c. Evidence that Respondent is displaying a consistent and distinctive sign or emblem on its vehicle(s) that sufficiently identifies that the vehicle(s) are affiliated with Respondent, required by MCL 257.2111.
 - d. As of the May 6, 2022, audit date, Respondent's drivers' individual trip records for at least 1 year after the date the trip was provided, including pickup and drop off location, distance traveled, the durations of the trips, and the fee charged, required by MCL 257.2113(a).

- e. As of the May 6, 2022, audit date, Respondent's individual records of limousine drivers for at least 1 year after each driver ceased to operate a limousine containing the documentation and information required by 257.2113(b).
 - f. The implementation of a zero-tolerance policy for its drivers' usage of drugs or alcohol published on its website and a complaint policy for passengers to report a complaint about a driver who the passenger reasonably suspects was under the influence of drugs or alcohol during a trip published on its website, required by MCL 257.2139(1) and (2).
 - g. The implementation of a non-discrimination policy applicable to passengers and potential passengers and transmittal of that policy to its drivers, required by MCL 257.2145(1).
 - h. Documentation that Respondent is notifying lessees leasing a limousine of the requirements of the Act, required by MCL 257.2147.
- C. The Department, under MCL 257.2149(2), intends to recoup the costs of its investigation and enforcement of this matter by way of a FINE of \$959.07 imposed against Respondent, plus any additional costs incurred by the Department after the issuance of this Order, if any, payable within 60 days of the date that this Order becomes final.
- D. This ORDER IS IMMEDIATELY EFFECTIVE.
- E. Under MCL 257.2149(1), a limousine carrier who requires or knowingly permits a driver to drive or operate a limousine in violation of the Act is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both. **ACCORDINGLY, FAILURE TO COMPLY WITH THIS ORDER MAY SUBJECT RESPONDENT TO THESE ADDITIONAL CRIMINAL SANCTIONS, FINES, AND/OR PENALTIES.** A referral may be made to the appropriate law enforcement authority at any time after the issuance of this Order.
- F. Under MCL 257.2151(a), a person who violates the Act, rules promulgated under the Act, or an order issued under the Act is subject to denial of a registration or renewal of a registration under the Act.
- G. Under MCL 257.2151(c), the Department may bring an action in a circuit court in which Respondent solicited or sold its services to enforce compliance with the Act. The court may award damages, issue equitable orders to restrain violations of the Act, and award reasonable attorney fees and costs to a prevailing party. The Department retains

the right to pursue a civil action against Respondent under MCL 257.2151(c) if it determines that such action is in the public interest.

- H. Under MCL 257.2153(3), if Respondent violates this Order, the attorney general may apply to a court of competent jurisdiction to restrain and enjoin Respondent from further violating this Order.

V. NOTICE OF OPPORTUNITY FOR HEARING

Respondent has thirty (30) days beginning with the first day after the date of service of this **ORDER** to submit a written request to the Department asking that this matter be scheduled for a hearing. If the Department receives a written request in a timely manner, the Department will schedule a hearing. The written request for a hearing must be addressed by mail, fax, or email to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909
Email: CSCL-FOIA@michigan.gov
Fax: (517) 763-0040

VI. ORDER FINAL ABSENT HEARING REQUEST

- A. Respondent's failure to submit a written request for a hearing to the Department within 30 days after the issued and entered date of this **ORDER** will result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes the documentation required by paragraph IV.B. and the imposition of the fine described in paragraph IV.C. The fine and documents are due to the Department within 60 days after the date this order becomes final:

\$959.07 fine – imposed against Respondent, under MCL
257.2149(2).

- B. If the FINE is paid by check or money order, payment must be made payable to the STATE OF MICHIGAN, contain identifying information (e.g., Respondent's name and ENF-23-020003), and be mailed to the following address:

Corporations, Securities & Commercial Licensing Bureau
Final Order Monitoring – Securities & Audit Division
P.O. Box 30018
Lansing, MI 48909

Information about how to open an online account to submit license applications or payments by debit or credit card or how to use an existing online account to make a fine payment to the Department may be found by visiting www.mi.gov/MiCLEAR. All other communications and

documentation may be directed to the Department's Final Order Monitoring area at the above mailing address or by email to LARA-CSCL-Order-Monitoring@michigan.gov.

- C. Failure to pay the fine within six (6) months after it becomes overdue may result in the referral of the fine to the Michigan Department of Treasury for collection action against Respondent.
- D. Failure to timely comply with all terms of this Notice and Order to Cease and Desist will also result in the denial of future applications for registration or renewal of a registration submitted by Respondent under the Act until Respondent fully complies with the Order, consistent with MCL 257.2104(5)(e) and 257.2151(a).

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

/s/ Linda Clegg
Linda Clegg, Director
Corporations, Securities & Commercial Licensing
Bureau

01/23/2023
Date