



Bus & Public Transport Laws in Michigan

Bus and public transportation accidents in Michigan involve unique laws that differ from other types of vehicles. Because buses are considered “common carriers,” they owe passengers a heightened duty of care, and injuries often involve both Michigan’s No-Fault system and exceptions to governmental immunity. Whether the case involves a city bus, school bus, or private transit company, understanding these rules is critical to determining fault and the types of compensation an injured passenger may recover.

Common Carriers

Michigan regulates buses and other commercial passenger carriers under the Michigan Vehicle Code (**MCL 257.1 et seq.**) and related safety statutes. Public buses (like city transit systems) and private buses (charter or intercity carriers) are considered common carriers when transporting passengers for a fee. Transportation Network Companies (Uber, Lyft, taxis, limousines) are not considered common carriers, so they are treated like ordinary motorists under negligence law.

Under Michigan law, common carriers owe passengers the highest degree of care consistent with the practical operation of their business. Operators must follow all traffic laws, maintain their vehicles in safe condition, and protect passengers from foreseeable harm.

A common carrier is defined as:

- A business or entity that holds itself out to the public as willing to transport people or goods for hire
- Serves the general public, not just select customers
- Is generally subject to government regulation
- Owes passengers the highest degree of care for their safety

Rideshare Services (Uber, Lyft, etc.)

Michigan enacted the Limousine, Taxicab, and Transportation Network Company Act (**MCL 257.2101 et seq.**) in 2016 to regulate rideshare companies (Transportation Network Companies, or TNCs). This act requires rideshare drivers and companies to carry specific insurance coverage depending on the driver’s status:

- **Driver logged into app but no passenger yet:** Minimum \$50,000 per person / \$100,000 per accident (bodily injury), and \$25,000 property damage
- **Company requirement:** All TNCs are required to carry primary coverage of \$1 million dollars in liability

Insurance & No-Fault

Rideshare vehicles are motor vehicles under the No-Fault Act, so:

- Injured passengers can claim PIP benefits from their own insurer, a spouse’s insurer, a household relative’s insurer, or (if none exist) through the Michigan Assigned Claims Plan
- If injuries exceed the No-Fault threshold, passengers may bring a tort claim against the at-fault driver (rideshare or another vehicle)

Disclaimer: *The outcome of a particular matter can depend on a variety of factors—including the specific factual and legal circumstance that may come to light during initial investigation.*

