§750.1 Certificated contract carriers of passengers.

Every person, firm, association or corporation operating motor vehicles under certificate of convenience and necessity or permit issued by the Commissioner of Transportation, or his predecessors, and every street railway corporation operating motor vehicles under authority granted by the Commissioner of Transportation, or his predecessors, shall procure and maintain and file with the Commissioner of Transportation surety bonds or certificate of insurance approved as to form by the commissioner in a solvent and responsible company authorized to do business in this State and approved by the Superintendent of Insurance, or qualify as a self-insurer, covering each motor vehicle operated pursuant to such certificate, permit or authority, conditioned for the payment of all claims and judgments for damages or injuries caused in the operation, maintenance, use or the defective construction of such motor vehicle in at least the following amounts:

Passenger vehicles having a carrying capacity of 12 or less passengers: for personal injury or death to one person, $100,000;

Personal injury or death to all persons in one accident, $300,000, with a maximum of $100,000 for each person;

Property damage, $50,000;

Passenger vehicles having a carrying capacity of more than 12 passengers: for personal injury or death to one person, $100,000;

Personal injury or death to all persons in one accident, $500,000, with a maximum of $100,000 for each person; or

Property damage, $50,000.

§750.2 General requirements.

(a) Surety bonds and certificates of insurance shall specify that coverage thereunder will remain in effect continuously until terminated as provided herein; if, however, a certificate or permit authorizes operation only during a specified period or specified periods, the bond or certificate may be limited to such period or periods.

(b) Termination by replacement. Certificates of insurance or surety bonds which have been accepted by the commissioner under this Part may be replaced by other certificates of insurance, surety bonds or other security, and the liability of the retiring insurer or surety under such certificates of insurance or surety bonds shall be considered as having terminated as of the effective date of the replacement certificate of insurance, surety bond or other security, provided that the said replacement certificate, bond or other security meets all of the following conditions:

(1) it must be acceptable to the commissioner under this Part;

(2) it must be accompanied by a letter of authorization, in duplicate, signed by the motor carrier involved or an authorized employee of such motor carrier, authorizing such replacement and verifying the effective date thereof; and
(3) its effective date must coincide with the effective date specified in the letter of authorization and the said date may not be more than 30 days prior to the date of receipt by the commissioner of the letter of authorization and replacement certificate.

(c) Every bond or certificate of insurance shall contain a provision for a continuing liability notwithstanding any recovery thereunder.

(d) Every bond or certificate of insurance shall provide that cancellation thereof shall not be effective until at least 30 days' notice in writing of intention to cancel has been delivered to the commissioner; such cancellation notice shall be in the form set forth in Appendix B-7 of this Title, infra designated “Form K - Uniform Notice of Cancellation of Motor Carrier Insurance Policies” or “Form L - Uniform Notice of Cancellation of Motor Carrier Surety Bonds.” If such cancelled insurance policy or bond is reinstated, a new certificate, in the form provided by this section, shall be filed with the commissioner, except there shall be typed or printed thereon, in capital letters, the words “REINSTATEMENT OF INSURANCE POLICY” or “REINSTATEMENT OF BOND”, as may be appropriate.

(e) Certificates of insurance shall be in accordance with the forms set forth in Appendix B-7 of this Title, infra, designated “Form E - Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance” and “Form H - Uniform Motor Carrier Cargo Certificate of Insurance.”

(f) When a certificate of insurance is filed as provided in subdivision (e) of this section, there shall be attached to the original policy of insurance, an endorsement in the form set forth in Appendix B-7 of this Title, infra, and marked “Form F - Uniform Motor Carrier Bodily Injury and Property Damage Liability Insurance Endorsement” and/or “Form I - Uniform Motor Carrier Cargo Insurance Endorsement,” as may be appropriate.

(g) When a bond is filed in lieu of a certificate evidencing insurance, the bond shall be in the form set forth in Appendix B-7 of this Title, infra, and marked “Form G - Uniform Motor Carrier Bodily Injury and Property Damage Liability Surety Bond” and/or “Form J - Uniform Motor Carrier Cargo Surety Bond” and/or “Form 10 - Broker Surety Bond,” as may be appropriate.

(h) The commissioner will consider applications for permission to establish self-insurance funds in lieu of filing bonds or certificates of insurance in accordance with the provisions of Part 508 of this Title. Until such authority is granted, bonds or certificates evidencing insurance, must be filed. Until otherwise ordered, all orders and certificates of the commissioner authorizing or directing bus lines and street railway corporations operating buses and truck operators to establish and maintain self-insurance funds shall continue in full force and effect insofar as said orders or certificates authorize the carriers therein named to be self-insurers.

(i) No bond or certificate of insurance shall be filed with the commissioner unless a direct contractual relationship exists between the certificate or permit holder and the insurance or bonding company making the filing.

(j) The commissioner may at any time refuse to accept any surety bond or certificate of insurance if in its judgment it does not provide adequate protection for the public.