



## Tip Sheet: Faith-Based Organization Related Transportation Understanding Federal Regulations for Passenger Carriers

### Tips for Vans, Buses, and Vehicles Used by Faith-Based Organizations

Many faith-based organizations such as churches own vans and/or buses of various sizes. Several criteria determine whether a van or bus used to transport passengers is subject to commercial or safety regulations.

#### What Determines if a Van or Bus is Regulated?

Generally, Federal safety regulations apply when you operate a “commercial motor vehicle” in interstate commerce. To determine if your bus or van is a commercial motor vehicle, it is necessary to consider vehicle size, passenger capacity, and in some cases whether the operations are for-hire. If you transport passengers in any size vehicle interstate and for-hire, the operating authority registration and other commercial regulations also generally apply. There are specific exemptions, however, for certain operations.

#### Am I Conducting For-Hire Passenger Transportation?

If you transport passengers across a State line, even occasionally, and accept any type of payment for transportation, you are operating for-hire and in interstate commerce. Some examples of for-hire passenger transportation by a faith-based organization are:

- Collecting a fee for transporting parishioners in an organization-owned bus or van (for example, a church retreat for parishioners who pay a fee for both transportation and lodging).
- Operating an organization-owned vehicle to transport other groups for a fee.
- Charging fees to members and/or non-members for transportation to a religious, charity, or volunteer event.

#### Commercial Regulations

Unless exempted, for-hire motor carriers transporting passengers in interstate

commerce must comply with FMCSA’s commercial regulations, including operating authority registration requirements.

Transportation is for-hire if a company or entity accepts payment for the transportation service. Sometimes the for-hire nature of the transportation is not obvious, such as when transportation is paid for as part of a total package fee.

#### Safety Regulations

Unless excepted, motor carriers transporting passengers in commercial motor vehicles must comply with FMCSA’s safety regulations. Again, to determine whether your bus or van is a commercial motor vehicle, it is necessary to consider vehicle size, passenger capacity, and in some cases whether the operations are for-hire.

#### Financial Responsibility

The required level of financial responsibility (insurance or other acceptable security) for for-hire, interstate passenger transportation is determined by the highest seating capacity of your vehicles. Vehicles with a seating capacity of 15 or fewer passengers (including the driver) require \$1.5 million of coverage, and \$5 million is required for vehicles with a seating capacity of 16 or more passengers (including the driver).

#### Faith-Based Organization-Related Transportation Exemptions and Exceptions

Some kinds of passenger transportation commonly performed by faith-based organizations are exempted or excepted from some or all of FMCSA’s jurisdiction. The following are some examples:

- A faith-based organization transports passengers for compensation in interstate commerce, but all transportation occurs wholly within a commercial zone. Commercial zones are geographical areas



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in and around municipalities that are designated by regulation. This organization is not required to obtain operating authority registration from FMCSA.

- A faith-based organization organizes a retreat. Participants pay a single fee for lodging, food, education, and transportation. The organization transports passengers in interstate commerce with its owned 15-passenger vans that have both a gross vehicle weight and gross vehicle weight rating of less than 10,001 pounds. These vans are also never operated beyond the seating capacity. The organization is not required to comply with most of the safety regulations, but is required to register with FMCSA and to comply with other regulations.
- A faith-based organization that transports members with its buses in a private capacity and collects no compensation for the passenger transportation is not required to comply with certain driver qualification regulations and some recordkeeping requirements.

### Example Scenario

A faith-based organization sponsors a trip for its members to an amusement park in a neighboring state. Members of the organization may invite family and friends, including non-members to participate. All trip participants pay a fee that covers transportation, lodging, food, and park admission. The organization operates its own bus, which is designed to transport more than 15 passengers, to provide passenger transportation. The trip will extend beyond the commercial zone in which the organization is located.

### Regulatory Implications of the Scenario

- **The organization must obtain operating authority registration from FMCSA.** The organization is providing for-hire interstate passenger transportation. Though the compensation is indirect, received as a part of the total package cost, this is still an example of for-hire transportation.

- **The organization must maintain adequate financial responsibility** (insurance or other acceptable security). To operate a vehicle with a seating capacity of 16 or more passengers (including the driver) for-hire in interstate transportation, the organization must maintain \$5 million in financial responsibility.
- **The organization must comply with FMCSA's safety regulations.** The organization is operating a commercial motor vehicle in interstate commerce. Any driver of the bus must have commercial driver's license with a passenger endorsement. All drivers must be subject to drug and alcohol testing.

### For More Information

FMCSA has a website with information about Federal regulations for passenger transportation. You can get additional assistance by:

- Calling the FMCSA Information Line at **1 (800) 832-5660**
- Contacting your local FMCSA field office **[www.fmcsa.dot.gov/mission/field-offices](http://www.fmcsa.dot.gov/mission/field-offices)**

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