



Information for Intrastate Motor Carriers

For-hire motor carriers may be required to obtain Virginia For-Hire Intrastate Operating Authority (Code of VA §46.2-2108.2 & §46.2-2001.1). This brochure contains basic program information for intrastate motor carriers transporting property or passengers for-hire, from point to point within Virginia.

First Steps: Things to Take Care of Before Going to DMV

If you're just getting started in business as a motor carrier, you should review this checklist to make sure that you have taken care of these items before you apply with DMV. This will ensure the quickest possible service.

◆ **Forming a business.** When you apply to DMV, you will need to provide information about your business, so it is essential that you set it up before you try to complete an application. Specifically, DMV will need to know: - the type of business entity you have (sole proprietorship, general partnership, limited partnership, corporation, limited liability company, etc.); - the official, legal name of the business (or the names of the individual owners, in the case of sole proprietorships and general partnerships); - the business address(es); and - the names of those authorized to conduct DMV transactions on behalf of the business. For more information: Office of the Clerk, State Corporation Commission (scc.virginia.gov)

◆ **Registering your business with the State Corporation Commission (SCC).** When processing your application, DMV will need to confirm you are properly registered with the SCC and that the information on your DMV application matches the information on file with the SCC. Every business, other than sole proprietorships and general partnerships, is required to register with the SCC. Also, sole proprietorships and general partnerships that intend to operate in Virginia under a fictitious name (such as a "trading as" or "doing business as" name) are required to register that fictitious name with the SCC. Even if your business is organized outside of Virginia—a "foreign" business entity—you must also make certain filings with the SCC before doing business in Virginia. For more information: Office of the Clerk, State Corporation Commission (scc.virginia.gov)

◆ **Obtaining a Federal Employer Identification Number (FEIN).** Your FEIN is used to identify your business in federal and state tax filings, but it also serves as an identifier for many other purposes, including establishing your records at DMV. Depending on the nature of your business, you may be able to use a Social Security Number as your FEIN; in other cases, you may need to obtain a Federal Employer Identification Number (FEIN) from the Internal Revenue Service. For more information: Internal Revenue Service (irs.gov).

Operating Authority Requirements

For detailed application information, visit dmv.virginia.gov/commercial/#mcs/programs/intrastate/how_apply.asp
Non-compliance may result in civil penalties and/or the issuance of summonses by law enforcement.

Passenger Carriers

Contract Passenger Carrier

Description: A person who contracts to transport groups of passengers and who charges a group fee.

Operating Requirements: The trip must be prearranged under a contract made with a group through a representative of the group. Even if the trip lasts less than one hour: the contract cannot be for less than a one-hour time-period, and no other group(s) may be transported during the time frame of the contract. You must carry a copy of the trip sheet, contract order, or wireless text dispatching device in the vehicle during the trip. The trip sheet, contract order, or wireless text dispatching device must contain the: name of the group being transported, origin and destination of the trip, and date and approximate pick-up time. The trip sheets, contract orders, or documentation produced by wireless text dispatching devices must be maintained at your place of business for three years and made immediately available to any of the following upon request: Virginia DMV, law enforcement, or airport authority. You may not station your vehicle(s) in front of or across the street from a hotel/motel, or within 100 feet of a taxicab stand without a completed trip sheet or contract order in the vehicle(s), or a written agreement with an airport authority or hotel/motel owner providing office space for your business at the airport/hotel/motel.

Tariff and Time Schedule Requirements: None



Insurance Requirements:

Bodily injury and property damage:
\$350,000 — 1 to 6 passengers (including driver)
\$1,500,000 — 7 to 15 passengers (including driver)
\$5,000,000 — 16 or more passengers (including driver)

Bond Requirements: You must keep a \$25,000 surety bond or letter of credit on file with DMV’s Motor Carrier Services for three years from the date your operating authority certificate is issued

Common Carrier — Irregular Routes

Description: A person who transports the general public for individual fees over any routes within specified areas of Virginia.

Operating Requirements: You are limited to operating only in the service areas listed on the certificate, charging no more for your services than the rates on file with the Virginia DMV, operating vehicles that are designed to carry 15 persons or less, including the driver. You may not pick up or deliver passengers to their residence in the city of Norfolk unless the vehicle is specially equipped to transport disabled persons. You must have written approval from the Virginia DMV to discontinue operating in any or all the service areas. You may not refuse service without good cause. You must provide services to the general public without discrimination.

Tariff Required

Insurance Requirements:

Bodily injury and property damage:
\$350,000 — 1 to 6 passengers (including driver)
\$1,500,000 — 7 to 15 passengers (including driver)

Bond Requirements: You must keep a \$25,000 surety bond or letter of credit on file with DMV’s Motor Carrier Services for three years from the date your operating authority certificate is issued.

Common Carrier — Regular Routes

Description: A person who transports the general public for individual fees over specific routes.

Operating Requirements: You must provide services to the general public without discrimination. You may not refuse service without good cause. You are limited to operating only on the routes listed on the certificate. operating only on the time schedule on file with the Virginia DMV. charging no more for your services than the rates on file with the Virginia DMV.

Tariff and Time Schedule Required

Insurance Requirements:

Bodily injury and property damage:
\$350,000 — 1 to 6 passengers (including driver)
\$1,500,000 — 7 to 15 passengers (including driver)
\$5,000,000 — 16 or more passengers (including driver)

Bond Requirements: You must keep a \$25,000 surety bond or letter of credit on file with DMV’s Motor Carrier Services for three years from the date your operating authority certificate is issued.

Non-Emergency Medical Transportation Carrier

Description: A motor carrier that exclusively provides nonemergency medical transportation and provides such transportation only through the Department of Medical Assistance Services, through a broker operating under a contact with that Department, or as a Medicaid Managed Care Organization or through a contractor of a Medicaid Managed Care Organization contracted with that Department to provide such transportation.

Operating Requirements: You are limited to providing nonemergency medical transportation through the Department of Medical Assistance Services, through a broker operating under contract with that Department, or as a Medicaid Managed Care organization contracted with the Department.

Tariff and Time Schedule Requirements: None

Insurance Requirements:

Bodily injury and property damage:
\$350,000 — 1 to 6 passengers (including driver)
\$1,500,000 — 7 to 15 passengers (including driver)
\$5,000,000 — 16 or more passengers (including driver)



Bond Requirements: You must keep a \$25,000 surety bond or letter of credit on file with DMV's Motor Carrier Services for three years from the date your operating authority certificate is issued.

Sight Seeing Carrier

Description: A person who transports the general public to and from points of interest in Virginia primarily for the passengers' experience and enjoyment and/or to promote tourism.

Operating Requirements: You must provide services to the general public without discrimination. You may not refuse service without good cause. You are limited to operating only on a round-trip basis. You must issue a ticket that must display the points of interest and the round-trip fare.

Tariff and Time Schedule Requirements: None

Insurance Requirements:

Bodily injury and property damage:

\$350,000 — 1 to 6 passengers (including driver)

\$1,500,000 — 7 to 15 passengers (including driver)

\$5,000,000 — 16 or more passengers (including driver)

Bond Requirements: You must keep a \$25,000 surety bond or letter of credit on file with DMV's Motor Carrier Services for three years from the date your operating authority certificate is issued.

Employee Hauler Carrier

Description: A person who transports employees of a business to and from their place of work.

Operating Requirements: You are limited to transporting only the employees of the businesses listed on the permit to and from their place of employment. Before you can transport the employees of any business not listed on the permit, you must apply for and receive an amended permit from the Virginia DMV. You can only transport the employees from a predetermined location (home, bus stop, park and ride, etc.) to their place of business and from their place of business back to the pick-up location. You cannot transport the employees from one work location to another.

Tariff and Time Schedule Requirements: None

Insurance Requirements:

Bodily injury and property damage:

\$350,000 — 1 to 6 passengers (including driver)

\$1,500,000 — 7 to 15 passengers (including driver)

\$5,000,000 — 16 or more passengers (including driver)

Bond Requirements: None

Non-Profit/Tax Exempt Passenger Carrier

Description: A non-profit corporation that uses only minibuses to transport its own members or the elderly, disabled, or economically disadvantaged members of a community. Minibus — any motor vehicle having a seating capacity of not less than seven or more than 31 passengers, including the driver, and used in the transportation of passengers.

Operating Requirements: You are limited to transporting members of your organization, if your organization is a membership corporation. You are limited to transporting elderly, handicapped, or economically disadvantaged members of the community you serve, if your organization is not a membership corporation. You are limited to the use of minibuses to transport the above persons. You may not operate over the same route or on an adjacent route with a similar schedule as persons issued a Common Carrier - Regular Route certificate or as a public transportation authority.

Tariff and Time Schedule Requirements: None

Insurance Requirements:

Bodily injury and property damage:

\$1,500,000 — 7 to 15 passengers (including driver)

\$5,000,000 — 16 or more passengers (including driver)

Bond Requirements: None

Taxicab

Description: A person who transports passengers in vehicles that are designed to transport no more than six passengers, excluding the driver.



Operating Requirements: You are limited to the use of vehicles with a seating capacity of no more than six passengers, excluding the driver. You cannot operate on a predetermined route. You cannot pick up passengers at a public transportation terminal (such as a bus station, airport, train station, etc.) and deliver them to another public transportation terminal on a regular basis. You must comply with the ordinances of all cities and counties in which you operate.

Tariff and Time Schedule Requirements: None

Insurance Requirements:

\$125,000 — Bodily injury and property damage

Bond Requirements: None

Transportation Network Companies (TNC)

Description: A motor carrier that provides prearranged rides for compensation using a digital platform that connects passengers with drivers using a personal vehicle.

Operating Requirements: A TNC may provide service on a prearranged basis only and only by means of a digital platform that enables passengers to connect with TNC partners using a TNC partner vehicle. A TNC partner vehicle is a personal vehicle that has been authorized by a TNC, and that is being used by a TNC partner, to provide prearranged rides on an intrastate basis in Virginia. Please refer to the Virginia Transportation Network Company Manual (DMV 277) and DMV.virginia.gov for details and insurance requirements.

Broker Passenger

Description: A person who arranges for transportation of passengers by motor carriers authorized by the Virginia Department of Motor Vehicles and who is not a motor carrier or an employee or agent of a motor carrier.

Operating Requirements: Under this type of license, you can only broker the transportation of passengers for trips within Virginia. You can only arrange for the transportation of passengers with motor carriers that are authorized by the Virginia DMV to conduct such operations. You must obtain and maintain a copy of the certificate of public convenience and necessity issued to those motor carriers that hold such authority.

Insurance Requirements: None

Bond Requirements: You are required to keep a surety bond or letter of credit in the amount of \$25,000 on file with DMV's Motor Carrier Services.

Property Carriers

Household Goods Carrier

Description: A person who transports only household goods. See definition of Household Goods below.

Operating Requirements: You are limited to transporting household goods as defined below. For deliveries over 30 miles, you must charge the same rates as listed in the tariff filed with DMV. Before you can change your rates, you must notify DMV at least 30 days before you wish to make the change and have received written approval from DMV. You or your agent may publish a joint tariff with another carrier(s) if a power of attorney or notice of concurrence is filed with DMV. You must send written notification to DMV, at least 60 days in advance, before you can revoke the power of attorney or notice of concurrence. A copy of the bill of lading must be carried when you are transporting the household goods. You must maintain a copy of the bill of lading at your place of business for at least three years.

Tariff Required

Insurance Requirements:

\$750,000 — Bodily injury and property damage

\$50,000 — Cargo only if transporting household goods.

Carriers transporting household goods only in passenger cars, motorcycles, autocycles, mopeds, and vehicles with a gross vehicle weight rating of 10,000 lbs. or less are not required to file cargo insurance with DMV.

Bond Requirements: You must keep a \$50,000 surety bond or letter of credit on file with DMV's Motor Carrier Services for five years from the date your operating authority certificate is issued.



Property Carrier

Description: A person who transports property.

Operating Requirements: You can transport household goods only if the goods are delivered to a place that is less than 31 road-miles from the place where you picked them up.

Household Goods – personal effects and property used or to be used in a dwelling, when transported or arranged to be transported (i) between residences or (ii) between a residence and a storage facility with the intent to later transport to a residence.

Transportation of such goods must be arranged and paid for by, or on behalf of, the householder.

Insurance Requirements:

\$750,000 — Bodily injury and property damage

\$50,000 — Cargo only if transporting household goods. Carriers transporting household goods only in passenger cars, motorcycles, autocycles, mopeds, and vehicles with a gross vehicle weight rating of 10,000 lbs. or less are not required to file cargo insurance with DMV.

Bond Requirements: None

Vehicle Declaration

Before any motor vehicle is used by a motor carrier to transport property for compensation, the owner of the vehicle shall declare to the DMV that the operation of such vehicle is for hire (Code of VA §46.2-2121.1).

Leased Vehicles

Motor carriers are allowed to lease vehicles for their company’s use in providing for-hire transportation services. If a vehicle is not owned or registered in the name of the holder of the intrastate operating authority certificate or permit, a lease agreement must be executed between the lessor (vehicle owner) and lessee (holder of the operating authority certificate/permit) for the vehicle to be used in the operation of the business.

For a motor vehicle lease agreement to be valid for for-hire operations all of the following requirements must be met. The leased vehicle must be insured by the licensed carrier’s fleet coverage policy. The licensed carrier must maintain operational control of the leased vehicle. This means all advertising and contracting must be completed in the name of the licensed carrier. The for-hire vehicle registration card for the leased vehicle must reflect the permit or certificate number of the licensed carrier leasing the vehicle for use in that carrier’s business. A copy of the lease agreement must be carried in the vehicle at all times. To ensure that the parties to a lease arrangement understand these requirements and that such vehicles are operated appropriately, the initial issuance of for-hire plates for passenger carrying vehicles not owned or registered in the name of the holder of the intrastate operating authority certificate or permit must be authorized by the Motor Carrier Services department at DMV headquarters.

Leasing Authority Not Allowed

A licensed motor carrier (one holding an operating authority certificate or permit) is not allowed to enter into arrangements authorizing others to operate a for-hire transportation business or service under their permit or certificate. This practice is commonly referred to as “leasing authority” and is not legal in Virginia.

Exempt Operations

Some for-hire operations are not required to obtain For-Hire Intrastate Operating Authority (Code of VA §46.2-2101 & §46.2-2000.1). Even if you are exempt from obtaining operating authority, passenger carriers are still required to obtain for-hire vehicle registration and license plates. Property carriers are still required to register their vehicles as for-hire use unless the carrier exclusively operates vehicles of the following description: a passenger car, motorcycle, autocycle, moped, or a vehicle with a gross vehicle weight rating of 10,000 lbs. or less. If you have both exempt and non-exempt operations, you must obtain operating authority. If you have vehicles that are used in both exempt and non-exempt operations, you must register the vehicles under your operating authority.

Exempt Passenger Carrier Operations

- Motor vehicles that deliver passengers within the boundaries of the same Virginia city or town where the passengers were picked up.
- Motor vehicles used only to transport school children and teachers



- Motor vehicles owned or operated by or for hotels, used **only** to transport hotel guests between the hotel and local railroad or bus terminal or airport.
- Motor vehicles operated under contract with the United States to transport only passengers.

Exempt Property Carrier Operations

- Motor vehicles that deliver property within the boundaries of the same Virginia city or town where the property was picked up
- Motor vehicles operated and used by a cooperative association that is a non-profit corporation and used only in its business
- Motor vehicles carrying only newspapers, water, livestock, poultry, poultry products, buttermilk, fresh milk and cream, meats, butter and cheese produced on a farm, fish, shellfish, slate, horticultural or agricultural commodities (not including manufactured products thereof), and forest products, including lumber and staves (but not including manufactured products thereof)
- Motor vehicles transporting farm supplies to farms
- Motor vehicles hauling for the Department of Transportation
- Motor vehicles carrying fertilizer to warehouses for later distribution to local farms
- Motor vehicles collecting and disposing of trash, garbage, or refuse
- Motor vehicles used for transporting property by an air carrier or carrier affiliated with a direct air carrier whether or not such property has had or will have a prior or subsequent air movement
- Motor carriers only operating passenger cars, motorcycles, autocycles, mopeds, and vehicles with a gross vehicle weight rating of 10,000 pounds or less.

Note: If you operate a mixed vehicle fleet which includes the above vehicles, and other vehicles not described, none of the vehicles are exempt from operating authority.

Please direct questions to mcsonline@dmv.virginia.gov, 804-249-5146, or 800-828-1120 (deaf and hearing impaired only)