

Senate Fiscal Agency P. O. Box 30036 Lansing, Michigan 48909-7536



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Senate Bill 277 (Substitute S-1 as reported) Sponsor: Senator Joe Hune Committee: Transportation

(enacted version)

Date Completed: 10-3-13

RATIONALE

Under the Michigan Vehicle Code, all commercial vehicles that weigh more than 5,000 pounds, and all towing or platform bed wrecker or road service vehicles, must have the owner's or lessee's name, city, and state, or registered logo or emblem, painted on or permanently attached to each side of the vehicle. The letters must be at least three inches in height, not lower than the bottom edge of the door, and in sharp color contrast to the background.

Some have suggested removing this requirement in order to alleviate costs to and administrative burdens on commercial vehicle owners.

<u>CONTENT</u>

The bill would amend the Michigan Vehicle Code to remove a requirement for all commercial vehicles over 5,000 pounds to display the vehicle owner's information on the vehicle.

The bill would remove the display requirement as to commercial vehicles with a single or combination gross weight rating or total gross weight of more than 5,000 pounds, but retain it for all towing or platform bed wreckers or road service vehicles in operation on public highways in the State.

The bill would delete a provision allowing the use of removable devices as an acceptable method of vehicle identification for vehicles other than towing or platform bed wrecker road service vehicles. The bill also would delete a current exemption for a truck with a farm or manufacturer license plate that has a gross vehicle weight of less than 10,000 pounds.

MCL 257.723

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The requirement for all commercial vehicles over 5,000 pounds to display the owner's information is unnecessary, and can be burdensome and costly. The bill would be limited in scope. It would ease burdens on commercial vehicle owners while maintaining the regulation with regard to the road service industry.

The bill would not affect current requirements for towing and wrecker road service vehicles to display identification information. Reportedly, the road service industry generally does not support lifting these requirements with regard to its vehicles.

Legislative Analyst: Glenn Steffens

FISCAL IMPACT

The bill would have an indeterminate, but likely minor, negative fiscal impact on State and local government. By decreasing the number of vehicles to which the commercial vehicle identification rules apply, the bill could result in a marginal decrease in civil infraction tickets issued. Violators of this section who are found responsible for a civil infraction pay a fine of \$18, which benefits public libraries. In addition to the fine, a violator pays court costs and a \$40 Justice System Assessment, which benefits a variety of State entities such as the Highway Safety Fund of the Michigan State Police.

Fiscal Analyst: Dan O'Connor