



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



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1035 (as introduced 2-7-06)
Sponsor: Senator Mike Prusi
Committee: Transportation

Date Completed: 2-27-06

CONTENT

The bill would amend the Michigan Vehicle Code to include a person hauling and transporting wood harvesting equipment in the definition of "wood harvester" for the purposes of vehicle registration taxation.

The Code prescribes registration taxes, which the Secretary of State must collect, for different types of vehicles. For a road tractor, truck, or truck tractor owned by a wood harvester and used exclusively in connection with the wood harvesting operations, the tax is 74 cents per 100 pounds of empty weight of the vehicle.

The term "wood harvester" includes the person or persons hauling and transporting raw materials in the form produced at the harvest site. Under the bill, the term also would include the person or persons hauling and transporting wood harvesting equipment.

Under the bill, "wood harvesting equipment" would include all of the following:

- A vehicle that directly harvests logs or timber, including a processor or a feller buncher.
- A vehicle that directly processes harvested logs or timber, including a slasher, delimber, processor, chipper, or saw table.
- A vehicle that directly processes harvested logs or timber, including a forwarder, grapple skidder, or cable skidder.
- A vehicle that directly loads harvested logs or timber, including a knuckle-boom loader, front-end loader, or forklift.
- A vehicle that directly builds or maintains harvest site roads, including a bulldozer or road grader.

MCL 257.801

Legislative Analyst: Julie Koval

FISCAL IMPACT

The extent to which trucks or truck tractors currently registered under MCL 257.801(1)(k) would qualify for a wood harvester plate under the bill is not determinable. (Section 801(1)(k) prescribes registration fees for trucks weighing 8,000 pounds or less towing a trailer or other combination of vehicles, and for trucks weighing 8,000 pounds or more, road tractors, and truck tractors.) To the extent that additional trucks or truck tractors qualified for a wood harvester registration, the bill would result in a revenue loss to the Michigan Transportation Fund (MTF). For example, a truck with an elected gross weight of 42,000 pounds would pay a registration tax of \$874 under MCL 257.801(1)(k). The same truck qualifying for a wood harvester registration would pay \$310.80. According to the Michigan

Department of Transportation, based on its assumption that most of these trucks are currently registered as wood harvesters, the bill would have an immaterial impact on Michigan Transportation Fund revenue.

Fiscal Analyst: Bill Bowerman

S0506\sb1035sa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.