



Senate Fiscal Agency
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Senate Bill 220 (Substitute S-2)
Sponsor: Senator Lana Theis
Committee: Transportation and Infrastructure

Date Completed: 4-21-21

CONTENT

The bill would amend the Michigan Vehicle Code to require the Secretary of State (SOS) to provide a system for applicants of registrations for vehicles used exclusively in connection with a farming operation, a wood harvesting operation, milk hauling from the farm to the first point of delivery, or the gratuitous transportation of certain farm materials between on-farm locations to renew their special registration at no additional charge in a branch office, by first-class mail, and online.

The Code prescribes certain registration fees for vehicles according to their weights and intended uses, as well as fees for special registrations.

Under the Code, for a road tractor, modified agricultural vehicle, truck, or truck tractor owned by a farmer and used exclusively in connection with a farming operation, including a farmer hauling livestock or farm equipment for other farmers for remuneration in kind or in labor, but not for money, or used for the transportation of the farmer and the farmer's family, and not used for hire, the SOS must collect a registration fee of 74 cents per 100 pounds of empty weight of the road tractor, truck, or truck tractor. The same rate per 100 pounds applies to a registration for a road tractor, truck, or truck tractor owned by a wood harvester and used exclusively in connection with the wood harvesting operations or a truck used exclusively to haul milk from the farm to the first point of delivery.

In addition, upon application to the SOS, an owner of a truck, truck tractor, or road tractor that is used exclusively for the purpose of gratuitously transporting farm crops or livestock bedding between the field where produced and the place of storage, feed from on-farm storage and on-farm feeding site, or fertilizer, seed, or spray material from the farm location to the field may obtain a special registration. The service fee for each special registration is \$20 and the special registration is valid for up to 12 months and expires on December 31.

Under the bill, beginning January 1, 2022, the SOS would have to provide a system for applicants of registrations described above to renew their special registration at no additional charge in a branch office, by first-class mail, and online.

MCL 257.802

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill could have a negative fiscal impact on the Department of State for information technology programming costs associated with providing an online or first-class mail-in option

for the renewal of special registrations outlined in the bill. The Department would have to reprogram its software to accommodate the proposed changes and has estimated that cost at \$75,000.

Fiscal Analyst: Joe Carrasco