

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 706**

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 2b, 642, and 665 (MCL 257.2b, 257.642, and
257.665), sections 2b and 665 as amended by 2016 PA 332 and section
642 as amended by 2012 PA 498, and by adding sections 665c, 665d,
665e, and 666a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2b. (1) "Automated driving system" means hardware and
2 software that are collectively capable of performing all aspects of
3 the dynamic driving task for a vehicle on a part-time or full-time
4 basis without any supervision by a human operator. ~~As used in this~~
5 ~~subsection, "dynamic driving task" means all of the following, but~~
6 ~~does not include strategic aspects of a driving task, including,~~



1 ~~but not limited to, determining destinations or waypoints:~~

2 ~~(a) Operational aspects, including, but not limited to,~~
3 ~~steering, braking, accelerating, and monitoring the vehicle and the~~
4 ~~roadway.~~

5 ~~(b) Tactical aspects, including, but not limited to,~~
6 ~~responding to events, determining when to change lanes, turning,~~
7 ~~using signals, and other related actions.~~

8 (2) "Automated motor vehicle" means a motor vehicle on which
9 an automated driving system has been installed, either by a
10 manufacturer of automated driving systems or an upfitter that
11 enables the motor vehicle to be operated without any control or
12 monitoring by a human operator. Automated motor vehicle does not
13 include a motor vehicle enabled with 1 or more active safety
14 systems or operator assistance systems, including, but not limited
15 to, a system to provide electronic blind spot assistance, crash
16 avoidance, emergency braking, parking assistance, adaptive cruise
17 control, lane-keeping assistance, lane departure warning, or
18 traffic jam and queuing assistance, unless 1 or more of these
19 technologies alone or in combination with other systems enable the
20 vehicle on which any active safety systems or operator assistance
21 systems are installed to operate without any control or monitoring
22 by an operator.

23 (3) "Automated technology" means technology installed on a
24 motor vehicle that has the capability to assist, make decisions
25 for, or replace a human operator.

26 **(4) "Automated vehicle roadway" means a segment of a roadway**
27 **that has been designated by the state transportation department for**
28 **an automated vehicle roadway system.**

29 **(5) "Automated vehicle roadway lane" means any lane or ramp on**



1 an automated vehicle roadway designated for the exclusive use of
2 motor vehicles by the state transportation department as described
3 under section 665c.

4 (6) "Automated vehicle roadway system" means a hardware and
5 software system that is capable of facilitating the deployment and
6 operation of an automated motor vehicle or a vehicle equipped with
7 varying levels of automated technology while traveling through a
8 segment of roadway that has been designated for such a system by
9 the state transportation department.

10 (7) "Automated vehicle roadway system provider" means an
11 entity that designs, installs, constructs, operates, or maintains
12 an automated vehicle roadway system.

13 (8) ~~(4)~~—"Automatic crash notification technology" means a
14 vehicle service that integrates wireless communications and vehicle
15 location technology to determine the need for or to facilitate
16 emergency medical response in the event of a vehicle crash.

17 (9) "Dynamic driving task" means all of the following, but
18 does not include strategic aspects of a driving task, including,
19 but not limited to, determining destinations or waypoints:

20 (a) Operational aspects, including, but not limited to,
21 steering, braking, accelerating, and monitoring the vehicle and the
22 roadway.

23 (b) Tactical aspects, including, but not limited to,
24 responding to events, determining when to change lanes, turning,
25 using signals, and other related actions.

26 (10) ~~(5)~~—"Manufacturer of automated driving systems" means a
27 manufacturer or subcomponent system producer recognized by the
28 secretary of state that develops or produces automated driving
29 systems or automated vehicles.



1 (11) ~~(6)~~—"Mobility research center" means a nonprofit entity
2 that has the ability to receive and accept from any federal, state,
3 or municipal agency, foundation, public or private agency, entity,
4 or individual a grant, contribution, or loan for or in aid of the
5 planning, construction, operation, upgrade, or financing of a
6 facility for testing advanced transportation systems, including,
7 but not limited to, connected or automated technology or automated
8 motor vehicles to increase mobility options.

9 (12) ~~(7)~~—"Motor vehicle manufacturer" means a person that has
10 manufactured and distributed motor vehicles in the United States
11 that are certified to comply with all applicable federal motor
12 vehicle safety standards and that has submitted appropriate
13 manufacturer identification information to the National Highway
14 Traffic Safety Administration as provided in 49 CFR part 566. As
15 used in this section, section 665a, and section 665b only, motor
16 vehicle manufacturer also includes a person that satisfies all of
17 the following:

18 (a) ~~The person has~~ **Has** manufactured automated motor vehicles
19 in the United States that are certified to comply with all
20 applicable federal motor vehicle safety standards.

21 (b) ~~The person has~~ **Has** operated automated motor vehicles using
22 a test driver and with an automated driving system engaged on
23 public roads in the United States for at least 1,000,000 miles.

24 (c) ~~The person has~~ **Has** obtained an instrument of insurance,
25 surety bond, or proof of self-insurance in the amount of at least
26 \$10,000,000.00, and has provided evidence of that insurance, surety
27 bond, or self-insurance to the department in a form and manner
28 required by the department.

29 (13) ~~(8)~~—"On-demand automated motor vehicle network" means a



1 digital network or software application used to connect passengers
 2 to automated motor vehicles, not including commercial motor
 3 vehicles, in participating fleets for transportation between points
 4 chosen by passengers, for transportation between locations chosen
 5 by the passenger when the automated motor vehicle is operated by
 6 the automated driving system.

7 (14) ~~(9)~~—"Participating fleet" means any of the following:

8 (a) Vehicles that are equipped with automated driving systems
 9 that are operating on the public roads and highways of this state
 10 in a SAVE project as provided in section 665b.

11 (b) Vehicles that are supplied or controlled by a motor
 12 vehicle manufacturer, and that are equipped with automated driving
 13 systems that are operating on the public roads and highways of this
 14 state in an on-demand automated motor vehicle network.

15 (15) ~~(10)~~—"SAVE project" means an initiative that authorizes
 16 eligible motor vehicle manufacturers to make available to the
 17 public on-demand automated motor vehicle networks as provided in
 18 section 665b.

19 (16) ~~(11)~~—"Upfitter" means a person that modifies a motor
 20 vehicle after it was manufactured by installing an automated
 21 driving system in that motor vehicle to convert it to an automated
 22 motor vehicle. Upfitter includes a subcomponent system producer
 23 recognized by the secretary of state that develops or produces
 24 automated driving systems.

25 Sec. 642. (1) When a roadway has been divided into 2 or more
 26 clearly marked lanes for traffic, the following rules in addition
 27 to all ~~others~~**other rules that are** consistent with this act apply:

28 (a) A vehicle ~~shall~~**must** be driven as nearly as practicable
 29 entirely within a single lane and ~~shall~~**must** not be moved from the



1 lane until the operator has first ascertained that the movement can
2 be made with safety. ~~Upon~~ **On** a roadway with 4 or more lanes that
3 provides for 2-way movement of traffic, a vehicle ~~shall~~ **must** be
4 operated within the extreme right-hand lane except when overtaking
5 and passing, but ~~shall~~ **must** not cross the center line of the
6 roadway except where making a left turn.

7 (b) ~~Upon~~ **On** a roadway that is divided into 3 lanes and
8 provides for 2-way movement of traffic, a vehicle ~~shall~~ **must** not be
9 operated in the center lane except when overtaking and passing
10 another vehicle traveling in the same direction, when the center
11 lane is clear of traffic within a safe distance, or in preparation
12 for a left turn, or where the center lane is at the time allocated
13 exclusively to traffic moving in the same direction the vehicle is
14 proceeding and the allocation is designated by official traffic
15 control devices.

16 (c) Official traffic control devices may be erected directing
17 specified traffic to use a designated lane or designating those
18 lanes to be used by traffic moving in a particular direction
19 regardless of the center of the roadway and operators of vehicles
20 shall obey the directions of the traffic-control device.

21 (d) Official traffic-control devices may be installed
22 prohibiting the changing of lanes on sections of roadway, and
23 operators of vehicles shall obey the directions of the traffic-
24 control devices.

25 (2) When any lane has been designated as an HOV lane under
26 section 1 of 1951 PA 51, MCL 247.651, and has been appropriately
27 marked with signs and pavement markings, the lane ~~shall~~ **must** be
28 reserved during the periods indicated for the exclusive use of
29 buses and HOVs. The restrictions imposed on HOV lanes do not apply



1 to any of the following:

2 (a) Authorized emergency vehicles.

3 (b) Law enforcement vehicles.

4 (c) Transit buses operated by a regional transit authority
5 created under the regional transit authority act, **2012 PA 387, MCL**
6 **124.541 to 124.558.**

7 (3) **When a segment of roadway has been designated as an**
8 **automated vehicle roadway or a lane or ramp of an automated vehicle**
9 **roadway as an automated vehicle roadway lane under section 665c,**
10 **both of the following must apply:**

11 (a) **If a user fee is required under section 665c(1)(c), the**
12 **user fee is paid.**

13 (b) **The motor vehicle or automated motor vehicle complies with**
14 **any applicable requirements of section 665c(2).**

15 (4) **The requirements of subsection (3) apply in addition to**
16 **other existing rules or regulations governing the use of an**
17 **automated vehicle roadway or automated vehicle roadway lane that**
18 **are not inconsistent with subsection (3).**

19 (5) ~~(3)~~ **A person who violates this section is responsible for**
20 **a civil infraction and may be fined as provided in section 907.**

21 Sec. 665. (1) Before beginning research or testing on a
22 highway or street in this state of an automated motor vehicle,
23 technology that allows a motor vehicle to operate without a human
24 operator, or any automated driving system installed in a motor
25 vehicle under this section, the manufacturer of automated driving
26 systems or upfitter performing that research or testing shall
27 submit proof satisfactory to the secretary of state that the
28 vehicle is insured under chapter 31 of the insurance code of 1956,
29 1956 PA 218, MCL 500.3101 to 500.3179.



1 (2) A manufacturer of automated driving systems or upfitter
2 shall ensure that all of the following circumstances exist when
3 researching or testing the operation, including operation without a
4 human operator, of an automated motor vehicle or any automated
5 technology or automated driving system installed in a motor vehicle
6 upon a highway or street:

7 (a) The vehicle is operated only by an employee, contractor,
8 or other person designated or otherwise authorized by that
9 manufacturer of automated driving systems or upfitter. This
10 subdivision does not apply to a university researcher or an
11 employee of the state transportation department or the department
12 described in subsection (3).

13 (b) An individual described in subdivision (a) has the ability
14 to monitor the vehicle's performance while it is being operated on
15 a highway or street in this state and, if necessary, promptly take
16 control of the vehicle's movements. If the individual does not, or
17 is unable to, take control of the vehicle, the vehicle ~~shall~~**must**
18 be capable of achieving a minimal risk condition.

19 (c) The individual operating the vehicle under subdivision (a)
20 and the individual who is monitoring the vehicle for purposes of
21 subdivision (b) may lawfully operate a motor vehicle in the United
22 States.

23 (3) A university researcher or an employee of the state
24 transportation department or the department who is engaged in
25 research or testing of automated motor vehicles may operate an
26 automated motor vehicle if the operation is in compliance with
27 subsection (2).

28 (4) An automated motor vehicle may be operated on a street or
29 highway in this state.



1 (5) When engaged, an automated driving system allowing for
2 operation without a human operator ~~shall be~~**is** considered the
3 driver or operator of a vehicle for purposes of determining
4 conformance to any applicable traffic or motor vehicle laws and
5 ~~shall be~~**is** deemed to satisfy electronically all physical acts
6 required by a driver or operator of the vehicle. **An automated**
7 **vehicle roadway system provider is not an operator of a vehicle.**

8 ~~(6) The Michigan council on future mobility is created within~~
9 ~~the state transportation department. The council shall provide to~~
10 ~~the governor, legislature, department, state transportation~~
11 ~~department, department of insurance and financial services,~~
12 ~~department of technology, management, and budget, and department of~~
13 ~~state police recommendations for changes in state policy to ensure~~
14 ~~that this state continues to be the world leader in autonomous,~~
15 ~~driverless, and connected vehicle technology. The council created~~
16 ~~under this subsection shall consist of all of the following~~
17 ~~members, who shall serve without compensation:~~

18 ~~(a) Eleven individuals appointed by the governor who represent~~
19 ~~the interests of local government or are business, policy,~~
20 ~~research, or technological leaders in future mobility. The~~
21 ~~individuals appointed under this subdivision shall be voting~~
22 ~~members.~~

23 ~~(b) One individual appointed by the governor who is~~
24 ~~representative of insurance interests. The individual appointed~~
25 ~~under this subdivision shall be a voting member.~~

26 ~~(c) Two state senators appointed by the senate majority leader~~
27 ~~to serve as nonvoting ex officio members. One of the senators~~
28 ~~appointed under this subdivision shall be a member of the majority~~
29 ~~party, and 1 of the senators appointed under this subdivision shall~~



1 ~~be a member of the minority party.~~

2 ~~(d) Two state representatives appointed by the speaker of the~~
 3 ~~house of representatives to serve as nonvoting ex officio members.~~
 4 ~~One of the representatives appointed under this subdivision shall~~
 5 ~~be a member of the majority party, and 1 of the representatives~~
 6 ~~appointed under this subdivision shall be a member of the minority~~
 7 ~~party.~~

8 ~~(e) The secretary of state or his or her designee. The~~
 9 ~~individual appointed under this subdivision shall be a voting~~
 10 ~~member.~~

11 ~~(f) The director of the state transportation department or his~~
 12 ~~or her designee. The individual appointed under this subdivision~~
 13 ~~shall be a voting member.~~

14 ~~(g) The director of the department of state police or his or~~
 15 ~~her designee. The individual appointed under this subdivision shall~~
 16 ~~be a voting member.~~

17 ~~(h) The director of the department of insurance and financial~~
 18 ~~services or his or her designee. The individual appointed under~~
 19 ~~this subdivision shall be a voting member.~~

20 ~~(i) The director of the department of technology, management,~~
 21 ~~and budget or his or her designee. The individual appointed under~~
 22 ~~this subdivision shall be a voting member.~~

23 ~~(7) The governor shall designate 1 or more of the members of~~
 24 ~~the commission to serve as chairperson of the commission who shall~~
 25 ~~serve at the governor's pleasure.~~

26 ~~(8) The council created under subsection (6) shall submit~~
 27 ~~recommendations for statewide policy changes and updates no later~~
 28 ~~than March 31, 2017 and shall continue to make recommendations~~
 29 ~~annually thereafter, or more frequently in the commission's~~



1 ~~discretion.~~

2 (6) ~~(9)~~—A person may operate a platoon on a street or highway
3 of this state if the person files a plan for general platoon
4 operations with the department of state police and the state
5 transportation department before starting platoon operations. If
6 the plan is not rejected by either the department of state police
7 or the state transportation department within 30 days after receipt
8 of the plan, the person ~~shall be~~ **is** allowed to operate the platoon.

9 (7) ~~(10)~~—All of the following apply to a platoon:

10 (a) Vehicles in a platoon ~~shall are~~ not ~~be~~ considered a
11 combination of vehicles for purposes of this act.

12 (b) The lead vehicle in a platoon ~~shall is~~ not ~~be~~ considered
13 to draw the other vehicles.

14 (c) If the platoon includes a commercial motor vehicle, an
15 appropriately endorsed driver who holds a valid commercial driver
16 license shall be present behind the wheel of each commercial motor
17 vehicle in the platoon.

18 **Sec. 665c. (1) The state transportation department may do all**
19 **of the following:**

20 (a) **Designate a segment of a roadway under its jurisdiction as**
21 **an automated vehicle roadway.**

22 (b) **Designate a lane or ramp of an automated vehicle roadway**
23 **as an automated vehicle roadway lane.**

24 (c) **Require a user fee for the use of an automated vehicle**
25 **roadway or automated vehicle roadway lane.**

26 (d) **Enter into an agreement with an automated vehicle roadway**
27 **system provider for the design, construction, manufacture,**
28 **operation, maintenance, or management of an automated vehicle**
29 **roadway system for a designated automated vehicle roadway or**



1 automated vehicle roadway lane. As part of an agreement entered
2 pursuant to this subdivision, the state transportation department
3 may include provisions authorizing the automated vehicle roadway
4 system provider to establish and collect user fees for the use of
5 the automated vehicle roadway or automated vehicle roadway lane. An
6 automated vehicle roadway system provider may use the fees
7 collected pursuant to this subdivision to properly design,
8 construct, manage, operate, or maintain its automated vehicle
9 roadway system.

10 (2) If the state transportation department designates a
11 segment of roadway as an automated vehicle roadway under subsection
12 (1) (a) or a lane or ramp of an automated vehicle roadway as an
13 automated vehicle roadway lane under subsection (1) (b), any of the
14 following may apply:

15 (a) The roadway, lane, or ramp may be subject to requirements
16 established by the state transportation department as a condition
17 for use.

18 (b) The roadway, lane, or ramp may be reserved for the
19 exclusive use of motor vehicles as determined by the state
20 transportation department.

21 (3) This section supersedes all local ordinances that regulate
22 automated vehicle roadway systems, automated vehicle roadways,
23 automated vehicle roadway lanes, or automated vehicle roadway
24 system providers, except that a local unit of government may adopt
25 an ordinance or enforce an existing ordinance that does not
26 conflict with this section.

27 Sec. 665d. The Michigan council on future mobility and
28 electrification created under Executive Reorganization Order No.
29 2020-1, MCL 257.929, may conduct or contract with a third-party



1 vendor to conduct a study that analyzes the impact that the
2 development, construction, or implementation of an automated
3 vehicle roadway, automated vehicle roadway system, or related
4 infrastructure will have on labor and employment in areas within
5 this state where an automated vehicle roadway, automated vehicle
6 roadway system, or related infrastructure is developed,
7 constructed, or implemented.

8 Sec. 665e. Within 1 year after the effective date of the
9 amendatory act that added this section, the state transportation
10 department shall submit a report to the transportation committee of
11 the house of representatives and the transportation and
12 infrastructure committee of the senate that includes an update on
13 the progress of developing automated vehicle roadways or automated
14 vehicle roadway lanes including, but not limited to, discussions on
15 the exclusive and mixed-use of the automated vehicle roadway or
16 automated vehicle roadway lane. The report required under this
17 section must be submitted annually for 2 years after the initial
18 report required under this section is submitted.

19 Sec. 666a. (1) An operator of a motor vehicle or automated
20 motor vehicle shall not operate a motor vehicle or automated motor
21 vehicle on an automated vehicle roadway or automated vehicle
22 roadway lane without complying with section 642(3). A person that
23 violates this subsection is responsible for a civil infraction and
24 may be fined as provided in section 907.

25 (2) A sworn statement of an authorized agent of the state
26 transportation department or a police officer from the department
27 of state police, based upon the inspection of data produced by the
28 automated vehicle roadway system, is prima facie evidence of the
29 facts attested to in the sworn statement. Any data indicating a



1 violation of subsection (1) must be available for inspection in any
2 proceeding for a violation of subsection (1). Data of noncompliance
3 with subsection (1) that contain personal identification
4 information must be destroyed within 90 days after final
5 disposition of the matter. Any data that does not indicate a
6 violation of subsection (1) that contain personal identification
7 information must be destroyed within 10 days of collection.

8 (3) Evidence obtained pursuant to subsection (2) that the
9 operator of a motor vehicle or automated motor vehicle violated
10 subsection (1), together with proof that the individual was at the
11 time of the violation the registered owner of the motor vehicle or
12 automated motor vehicle, creates a rebuttable presumption that the
13 registered owner of the motor vehicle or automated motor vehicle is
14 the person that did not comply with subsection (1). For purposes of
15 this subsection, the owner of a leased or rental motor vehicle or
16 automated motor vehicle shall provide the name and address of the
17 person to whom the vehicle was leased or rented at the time of the
18 noncompliance. The presumption under this subsection is rebutted if
19 either of the following applies:

20 (a) The registered owner of the motor vehicle or automated
21 motor vehicle files an affidavit with the clerk of the court that
22 states that he or she was not the operator of the motor vehicle or
23 automated motor vehicle at the time of the violation and provides
24 reasonable proof to accompany the affidavit.

25 (b) A certified copy of a police report showing that the motor
26 vehicle or automated motor vehicle had been reported to the police
27 as stolen before the time of the violation is presented before the
28 appearance date on the citation.

29 (4) Notwithstanding section 742, a citation for a violation of



1 subsection (1) may be executed by mailing a copy of the citation by
2 first-class mail to the address of the owner of the motor vehicle
3 or automated motor vehicle as shown on the records of the secretary
4 of state. If the summoned individual fails to appear on the date of
5 return set out in the citation previously mailed by first-class
6 mail pursuant to this subsection, a copy of the citation must be
7 sent by certified mail, with return receipt requested. If the
8 summoned individual fails to appear on either of the dates of
9 return set out in the copies of the citation mailed pursuant to
10 this subsection, the citation must be executed in the manner
11 provided by law for personal service.

12 (5) The automated vehicle roadway system shall not produce
13 data for any purpose other than the operation of the automated
14 vehicle roadway system or noncompliance with subsection (1).