



**House
Legislative
Analysis
Section**

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WOOD HARVESTERS, LOG TRUCKS

House Bill 4557 as enrolled
Public Act 50 of 1994
Second Analysis (1-20-95)

Sponsor: Rep. Pat Gagliardi
House Committee: Transportation
Senate Committee: Transportation and
Tourism

THE APPARENT PROBLEM:

In 1979, the Michigan Vehicle Code was amended to extend to wood harvesters' vehicles the favorable registration fees applying to farming vehicles. Those fees, at 74 cents per hundred pounds of empty weight, were and are considerably cheaper than the commercial vehicle rates that otherwise might apply. The application of the law has been a matter of dispute, however.

The law says that the special agricultural rate is to be applied to "a road tractor, truck, or truck tractor owned by a wood harvester and used exclusively in connection with the wood harvesting operations, and not used for hire." The state police have interpreted the language to mean that someone who only transports harvested wood does not qualify for wood harvester plates, as he or she does not harvest the wood, and is using his or her vehicle for hire. Truckers, on the other hand, say that a vehicle qualifies if it is used by its owner solely to haul the products of wood harvesting from the forest to a mill site. After a number of its members who fit this latter interpretation were ticketed by the state police, the Independent Truckers Association sought a favorable declaratory judgment in Alger County, asking the circuit court to allow owner-operators to use "log plates" in their businesses. That court case has yet to be resolved, but the state police have suspended the issuance of citations in such instances pending a legislative resolution of the controversy.

In a related matter, log trucks and other vehicles carrying "tubular products" lengthwise of the vehicle generally must have their loads tied down every ten feet of length, and fraction thereof (tie-down requirements do not apply for fully enclosed loads). Truckers note that the tie-down requirement means that an excess length of even a foot or so means that the trucker must go to the time and expense of

adding an extra tie-down. It has been suggested that the requirement to tie down fractions of ten feet be eliminated.

THE CONTENT OF THE BILL:

The bill would amend the Michigan Vehicle Code to do the following with regard to wood harvesters (who may obtain special truck or truck tractor plates for 74 cents per 100 pounds of empty weight):

** specify that "wood harvester" is to include someone hauling and transporting raw materials only from the forest from the mill site, and that "wood harvesting operations" is not to include the transportation of processed lumber.

** delete language saying that a wood harvesting vehicle may not be used for hire.

The bill would delete a requirement that logs or tubular products carried lengthwise be tied down on any excess fraction of ten feet, as well as every full ten feet.

The bill also would prohibit the Department of State from releasing reports of job-related accidents on the records of certain emergency personnel, including police officers, firefighters, and ambulance drivers.

MCL 257.720 and 257.801

FISCAL IMPLICATIONS:

The Department of State has noted that to the degree that the bill allows truckers to obtain wood harvesting plates instead of commercial plates, it would mean a loss of revenue for the state. (7-14-

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93) Testimony before the House Transportation Committee indicated that the difference between the registrations for a log truck and a commercial vehicle would be around \$1,700. (7-14-93) According to the state police motor carrier division, the difference would vary according to the type of rig involved, but a typical comparison would be about \$340 for a log plate and trailer plate versus \$2,400 for commercial plates for a truck pulling a trailer. (7-20-93)

The Senate Fiscal Agency has reported that the bill would result in a loss of revenue to the Michigan Transportation Fund. The difference between the cost of a registration for a log truck and a commercial vehicle was reported to be about \$1,700. The actual revenue loss would depend on the additional number of vehicles that would qualify for wood harvesting plates under the bill. If 75 to 100 truckers obtained a wood harvesting plate, the revenue loss would range from \$127,500 to \$170,000.

ARGUMENTS:

For:

The bill simply would clarify the law on wood harvester vehicle registrations. In doing so, it would protect independent operators who drive their own rigs and use them exclusively for wood harvesting operations from overzealous enforcement of the law. Such truckers are fundamentally involved in wood harvesting, not some other business; they have little in common with the big commercial trucking firms. They deserve and are supposed to have the benefit of the comparatively inexpensive wood harvester license plates.

Against:

By allowing truckers to obtain wood harvester registrations, the bill would subvert the intent of the law that treats wood harvesting as a form of agricultural enterprise and allows both farm vehicles and wood harvesting vehicles to be registered at the same special rate. When the law was enacted, it was with the idea that wood harvesting, like tree farming, was analogous to cash crop farming. Wood harvesters are people who cut down trees; people who only haul the logs away are truckers, not wood harvesters. They do not have the expenses of a wood harvesting operation, only those of a trucking operation; they should not qualify for wood harvester plates.

For:

The bill would relieve those who operate log trucks of a requirement that a lengthwise load be tied down for any extra fraction of ten feet, as well as every ten feet. Tying down the load every ten feet or so would be sufficient for safety; it makes no sense for a trucker to have to undertake the time and expense of tying down an excess length that may only amount to a foot, or even less.

Against:

By eliminating the requirement that any excess fraction of ten feet of load be tied down, the bill would allow lengths of nine or nine-and-one-half feet to go without an extra tie-down, thus raising questions of safety. Moreover, federal regulations require tie-downs every ten feet or fraction thereof. The bill thus would benefit only truckers whose operations are wholly contained within Michigan. Those who cross state borders would have to comply with federal law. More to the point, however, is that by enacting a tie-down requirement that conflicted with federal law, the bill would be contrary to efforts to make Michigan law consistent with federal law.

For:

The bill would protect vital emergency personnel from unfair adjustments in their insurance premiums. By prohibiting the release of a police officer's (or fire fighter's or ambulance driver's) on-the-job accident record, the bill would ensure that a person's duty-related driving record is not inappropriately used to set rates for his or her personal vehicle insurance.