

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

SFA**BILL ANALYSIS**

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

House Bill 5754 (Substitute H-1 as reported without amendment)
Sponsor: Representative Michael Nye
House Committee: Agriculture
Senate Committee: Farming, Agribusiness and Food Systems

Date Completed: 11-5-98

RATIONALE

Under the Michigan Vehicle Code, an owner of a truck, truck tractor, or road tractor that is used exclusively for the gratuitous transportation of farm crops between the field where produced and the place of storage, or used to transport fertilizer, seed, or spray material from the farm location to the field, may obtain a special registration plate upon application to the Secretary of State and payment of a \$20 fee for each special registration. Reportedly, a farmer who used as livestock bedding sand from a gravel and sand pit located on his dairy farm property was stopped by police and ticketed for displaying the farm registration plate on the vehicle used for transporting the sand. Apparently, the ticket was issued because the Code does not specify sand or livestock bedding as one of the materials that may be transported in a vehicle bearing a special farm plate. Some people believe that farmers should be allowed to transport livestock bedding, as well as feed, in vehicles bearing special farm registration plates.

CONTENT

The bill would amend the Michigan Vehicle Code to add the transportation of livestock bedding, and the transportation of feed from on-farm storage to an on-farm feeding site, to the uses for which a truck, truck tractor, or road tractor may obtain a special vehicle registration. ("Feed" would mean hay or silage. "Livestock bedding" would mean straw, sawdust, or sand.)

MCL 257.802

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

Under the bill, vehicles used to transport livestock bedding and feed from the field or on-farm storage to an on-farm site would be eligible for the special farm plates. Thus, a farmer who moved sand from a sand pit located on his or her dairy farm to another location on the farm could use a vehicle registered with a special farm plate.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The fiscal impact of this bill is indeterminate. Currently, the Michigan Vehicle Code establishes non-farm truck, truck tractor, and road tractor registration fees in proportion to gross vehicle weight. These fees vary from \$378 to \$2,398 (MCL 257.801(1)(k)). This bill would result in a loss of Michigan Transportation Fund (MTF) revenue if a vehicle that would have paid a registration fee based on gross vehicle weight instead would pay only the \$20 farm vehicle registration fee. However, the total loss in MTF revenue cannot be determined because the number of additional vehicles that would register for special farm status as a result of this proposal is unknown.

Fiscal Analyst: P. Alderfer

H9798\S5754A

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.