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Senate Bill 857 (as enrolled)  
Sponsor: Senator George A. McManus, Jr.  
Senate Committee: Transportation and Tourism  
House Committee: Transportation

**PUBLIC ACT 82 of 2000**

Date Completed: 2-23-01

### **RATIONALE**

In a number of retirement and planned communities across the country, especially those located in California, Arizona, and Florida, some residents are opting to use small, four-wheeled vehicles that have limited speed capabilities to make short trips to visit friends and run errands, instead of using conventional motor vehicles. The low-speed vehicles are larger and heavier in size than golf carts; are available in models that have two or four entry points, similar to those found on golf carts, with doors being optional; and, travel at maximum speeds of 25 miles per hour, which is faster than speeds of conventional golf carts. At a private resort community in Petoskey, some residents have purchased these vehicles to use within the development. While these vehicles could be used on private roads, they could not be driven on public streets, because they were not regulated under the Michigan Vehicle Code. In order for these vehicles to be used in Petoskey and in other communities across the State, it was suggested that regulations be established in the Vehicle Code to permit their use on public roadways.

**do not have to maintain highways in a condition that is safe and convenient for low-speed vehicles.**

- **Provide MDOT and local governments with immunity from liability for injuries or damages caused by the operation of a low-speed vehicle on a highway.**
- **Make low-speed vehicles subject to vehicle registration taxes.**

**The bill also deleted a December 31, 2000, sunset date on a requirement that vehicles owned by a nonprofit recycling center or conservation organization pay a registration tax of \$10 per plate.**

The bill defines "low-speed vehicle" as an electrically powered vehicle designed to be operated at a speed of up to 35 miles per hour with a capacity of up to four persons, including the driver, weighing up to 2,200 pounds as described in the Federal Motor Vehicle Safety Standard (49 CFR 571.500) that is equipped with all of the following: headlamps; front and rear turn signal lamps, tail lamps and stop lamps; reflex reflectors with one red on each side as far to the rear as practicable, and one red on the rear; an exterior mirror mounted on the driver's side of the vehicle and either an exterior mirror mounted on the passenger's side of the vehicle or an interior mirror; a parking brake; a windshield that meets the standards prescribed in the Code; a vehicle identification number; and, a seat belt assembly conforming to the Code's requirements installed at each designated seating position.

### **Operation**

The Code requires that every individual riding a bicycle or moped on a roadway be granted all of the rights and be subject to all of the duties applicable to the driver of a vehicle by Chapter 6 (Obedience to and Effect of Traffic Laws) of the Code, except as to special regulations in and provisions that by their

### **CONTENT**

**The bill amended the Michigan Vehicle Code to do the following:**

- **Permit a low-speed vehicle to be operated on public roads under certain circumstances.**
- **Prohibit a low-speed vehicle from being operated at a speed of more than 25 miles per hour; and prohibit its operation on a highway, road, or street with a speed limit over 35 miles per hour.**
- **Require an individual operating or riding in a low-speed vehicle to wear a crash helmet unless the vehicle is equipped with a roof that meets or exceeds Federal standards.**
- **Specify that the Michigan Department of Transportation (MDOT) and local governments**

nature do not apply. Under the bill, this provision also applies to an individual operating a low-speed vehicle.

In general, the bill includes low-speed vehicles in the Code's provisions that prescribe the conditions for operating a bicycle or moped. Specifically, a person operating a low-speed vehicle on a road must ride as near to the right of the road as practicable, exercising due care when passing a standing vehicle or one proceeding in the same direction; may not pass between lines of traffic, but may pass on the left of traffic moving in his or her direction in the case of a two-way street, or on the left or right of traffic in the case of a one-way street, in an unoccupied lane; and, may not operate the vehicle on a sidewalk constructed for use by pedestrians.

In addition, a low-speed may not be operated at a speed of more than 25 miles per hour and may not be operated on a highway, road, or street with a speed limit of more than 35 miles per hour except for the purpose of crossing that highway, road, or street. The Transportation Department may prohibit the operation of a low-speed vehicle on any highway under its jurisdiction if it determines that the prohibition is necessary in the interest of public safety.

#### Helmets

The bill requires that an individual operating or riding in a low-speed vehicle wear a crash helmet on his or her head. The crash helmet must meet the requirements of the rules promulgated by the Department of State Police under the Code. The bill specifies that this provision does not apply to an individual operating or riding in a low-speed vehicle equipped with a roof that meets or exceeds the standards of roof-crush resistance, provided under Federal regulations.

#### Brakes

Under the Code, a motor vehicle, other than a motorcycle or a moped, when operated upon a highway must be equipped with brakes that are adequate to control the movement of and to stop and hold the vehicle, including two separate means of applying the brakes, each of which must be effective to apply the brakes to at least two wheels. Under the bill, this also applies to a low-speed vehicle operated upon a highway.

#### Identification Number, Odometer

Under the Code, a moped must have a manufacturer's identification number permanently affixed to its frame. The bill extends this requirement to a low-speed vehicle.

The Code also provides that when the owner of a registered motor vehicle transfers his or her title or interest in that vehicle, the owner must present to the transferee before delivering the vehicle written disclosure of odometer mileage. This odometer information is not required for certain vehicles. The bill adds a low-speed vehicle to the types of vehicles for which odometer information is not required.

#### Immunity

Under the bill, the State Department of Transportation, a board of county road commissioners, a county board of commissioners, and a county, city, or village have no duty to maintain any highway under their jurisdiction in a condition reasonably safe and convenient for the operation of low-speed vehicles.

The bill also provides that these entities are immune from tort liability for injuries or damages sustained by any person arising in any way out of the operation or use of a low-speed vehicle on maintained or unmaintained highways, shoulders, and rights-of-way over which MDOT, the board of county road commissioners, the county board of commissioners, or the county, city, or village has jurisdiction. The bill specifies that this immunity does not apply to actions that constitute gross negligence, which is defined as conduct so reckless as to demonstrate a substantial lack of concern for whether an injury results.

#### Registration Fees

The bill includes low-speed vehicles among the vehicles that are subject to a registration fee based upon a vehicle's list price. For a road tractor, or truck tractor owned by a wood harvester and used exclusively in connection with the wood harvesting operations, the Code specifies a registration tax of 74 cents per 100 pounds of empty weight for the road tractor, truck, or truck tractor. Under the bill, this registration tax also applies to a truck used exclusively to haul milk from the farm to the first point of delivery.

For a vehicle owned and operated by a nonprofit recycling center or a Federally recognized nonprofit conservation organization, the Code requires a registration tax of \$10 per plate. The bill deleted a December 31, 2000, sunset date on this provision.

MCL 257.25b et al.

#### 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**

Many residents of retirement or resort communities do not want to use a conventional gas-powered motor vehicle, such as a passenger car, to make short trips to visit friends in the community or to run errands. They prefer, instead, to use newly marketed four-wheeled vehicles because they are smaller in size than a passenger vehicle, travel between 20 and 25 miles per hour, run on electricity, and provide a quieter and cleaner form of transportation. Owners of these vehicles had been restricted to operating them on private property because the Vehicle Code did not provide for their operation on public roads. As a result of the bill, a low-speed vehicle may be driven on public roads where speed limits are not over 35 miles per hour. These vehicles are subject to some of the Code's regulations already established for operating a bicycle or moped.

**Supporting Argument**

To permit the manufacture and sale of small, four-wheeled motor vehicles with top speeds of 20-25 miles per hour, the National Highway Traffic Safety Administration (NHTSA) in 1998 established rules to reclassify small passenger-carrying vehicles as low-speed vehicles, rather than passenger cars. Consequently, low-speed vehicles are subject to a new Federal Motor Vehicle Safety Standard (49 CFR 571.500) that requires the vehicles to be equipped with headlamps, stop lamps, turn signal lamps, tail lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, seat belts, and vehicle identification numbers. In recognition of this new classification of vehicle, the bill adds a definition of "low-speed vehicle" that meets the requirements in the Federal standard.

Legislative Analyst: L. Arasim

**FISCAL IMPACT**

The bill will result in additional vehicle registration tax revenue collected by the Secretary of State and deposited in the Michigan Transportation Fund associated with the requirement that low-speed vehicles pay a registration tax. This revenue will be divided between road agencies as follows: State Trunkline Fund (39.1%), county road commissions (39.1%), and cities and villages (21.8%). The Secretary of State will experience additional administrative costs associated with registering low-speed vehicles.

Fiscal Analyst: C. Thiel

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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.