
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 4769 (as reported without amendment)
Sponsor: Representative Rick Johnson
House Committee: Transportation
Senate Committee: Transportation and Tourism

CONTENT

The bill would amend the Michigan Vehicle Code to set the vehicle registration tax for a truck used exclusively to haul milk from the farm to the milk processing plant at 74 cents per 100 pounds of empty weight of the vehicle.

Currently, this rate applies to a wood harvester who owns a road tractor, truck, or truck tractor that is used exclusively in connection with wood harvesting operations. The Code defines "wood harvester" as the person or persons hauling and transporting raw materials only from the forest to the mill site.

MCL 257.801

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would cause a revenue loss to the Michigan Transportation Fund (MTF) depending on the number of vehicles that exclusively haul milk from the farm to the milk processing plant, and the weight category of those vehicles. The proposed change would decrease the vehicle registration tax for each affected vehicle by approximately \$1,385. There are 419 milk tankers currently registered with the Michigan Department of Agriculture. After netting out vehicles that would not qualify for the 74-cent rate, 265 trucks would qualify. Under the current MTF distribution formula, the impact would be as follows:

Comprehensive Transportation Fund	\$ (36,700)
State Trunkline	(129,147)
County Road Commissions	(129,147)
Cities and Villages	<u>(72,006)</u>
TOTAL	\$(367,000)

Date Completed: 3-3-00

Fiscal Analyst: B. Bowerman