



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 1078 (Substitute S-1 as reported)
Sponsor: Senator Tom Casperson
Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to exclude from the definition of "motorcycle" an enclosed three-wheeled vehicle equipped with safety belts and airbags for each vehicle occupant and a windshield certified by the manufacturer to meet Federal motor vehicle safety standards.

Under the Code, "motorcycle" means a motor vehicle equipped with a saddle or seat for the use of the rider and designed to travel on not more than three wheels in contact with the ground, excluding a tractor.

MCL 257.31

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The Department of State indicates that the removal of these vehicles from the definition of "motorcycle" would subject the vehicles to a registration fee at the ad valorem tax rate (the same as passenger vehicles) rather than the fixed rate of \$23. The ad valorem rate is based on the retail value of the vehicle at time of sale. The Department indicates that the average initial cost of the vehicles being excluded from the definition of motorcycle under this bill is an estimated \$16,000. Once adjusted for depreciation, the estimated average registration cost would increase to about \$60.

The amount of additional revenue to the State is indeterminate as the number of affected vehicles is unknown.

Date Completed: 5-8-12

Fiscal Analyst: Joe Carrasco