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BILL



ANALYSIS

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Senate Bill 1078 (as introduced 4-19-12)  
Sponsor: Senator Tom Casperson  
Committee: Transportation

Date Completed: 4-30-12

### **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.

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.

(The Code contains a number of regulations specific to motorcycles and their operation, including registration and equipment requirements. Operators must pass a motorcycle safety course or motorcycle skills test, and have a motorcycle endorsement on their driver license. A separate endorsement may be issued for a three-wheeled motorcycle. Subject to recently enacted exceptions, motorcycle operators, as well as riders who are minors, must wear crash helmets.)

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 those 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.

Fiscal Analyst: Joe Carrasco

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