

Legislative Analysis



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House Bill 4277 as introduced
Sponsor: Rep. Rick Outman
Committee: Transportation and Infrastructure
Complete to 6-1-15

Analysis available at
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SUMMARY:

Under the Michigan Vehicle Code, the term "special mobile equipment" refers to every vehicle not designed or used primarily for the transportation of persons or property and incidentally operated or moved over the highways, including farm tractors, road construction or maintenance machinery, mobile office trailers, mobile tool shed trailers, among other vehicles listed in the section.

House Bill 4227 would amend the Code to include "generator trailers used exclusively to generate power, portable conveyors" within the definition of "special mobile equipment."

MCL 257.62

FISCAL IMPACT:

The term "special mobile equipment" is used in six other sections of the Michigan Vehicle Code. Three sections deal with equipment required or prohibited on motor vehicles: Section 688 deals with additional lights or reflectors on vehicles; Section 707b provides exhaust system requirements; and Section 710 prohibits certain studs or other traction devices. A fourth section, Section 724, includes "special mobile equipment" in the requirement that certain vehicles stop at weigh stations. The inclusion of generator trailers in the amended definition of "special mobile equipment" would appear to have little or no direct fiscal impact with respect to these four sections.

Section 216 of the Michigan Vehicle Code exempts "special mobile equipment" from the normal registration and certificate of title provisions applicable to motor vehicles. The section does provide for a special registration for special mobile equipment and a related special registration service fee. The service fee, which is actually established in Section 802(7), is \$15.00 each for the first three special registrations, and \$5.00 for each special registration issued in excess of the first three special registrations. These service fees are credited to the Transportation Administration Collection Fund, a restricted revenue fund used to support Department of State vehicle registration functions.

Expanding the definition of "special mobile equipment" to include generator trailers could reduce the number of vehicles subject to normal registration requirements and increase the number of special registrations under Section 802(7). This could reduce registration taxes for credit to the Michigan Transportation Fund, and increase service fee revenue for credit to the Transportation Administration Collection Fund. The amount of these potential

revenue impacts cannot be readily estimated at this time. We do not believe the impact would be significant in amount.

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