## **Legislative Analysis**



# ALLOW SOLICITATION OF CONTRIBUTIONS IN PUBLIC ROADWAY BY CHARITABLE ORGS

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 4160 as introduced Sponsor: Rep. Shane Hernandez

http://www.legislature.mi.gov

Analysis available at

**Committee: Transportation and Infrastructure** 

**Complete to 4-21-17** 

#### **REVISED SUMMARY:**

Rule 713 of the Uniform Traffic Code for Cities, Townships, and Villages reads as follows:

- (1) A person shall not stand in a roadway for the purpose of soliciting a ride, employment, or business from the occupant of any vehicle.
- (2) A person who violates this rule is responsible for a civil infraction.

Under <u>House Bill 4160</u>, this provision <u>would not apply</u> to a person soliciting contributions on behalf of <u>a charitable or civic organization</u> during daylight hours if that person maintains at least \$500,000 in liability insurance. The bill, which would amend Section 676b of the Michigan Vehicle Code, would define "charitable or civic organization" to mean a nonprofit organization that is recognized by this state or the United States government.

Specifically, the bill says that any provision of the Michigan Administrative Code that prohibits a person from standing in a roadway for the purpose of soliciting a ride, employment, or business from the occupant of any vehicle <u>would not apply</u> to a person who is soliciting contributions on behalf of a charitable or civic organization during daylight hours, if that person maintains at least \$500,000 in liability insurance. The Michigan Administrative Code is the statute under which state departments promulgate regulatory rules. The Uniform Traffic Code cited above, promulgated by the State Police is in the Administrative Code.

The Vehicle Code currently says that a person, without authority, shall not block, obstruct, impede, or otherwise interfere with the normal flow of vehicular or pedestrian traffic upon a public street or highway in this state, by means of a barricade, object, or device, or with his or her person. This provision would not be amended.

#### **BACKGROUND:**

An opinion by Attorney General Bill Schuette, issued on July 29, 2016, said that "Rule 713, of the Uniform Traffic Code, prohibits a person in the improved portion of a roadway from soliciting contributions in support of a civic or charitable organization from the occupant of any vehicle." The opinion was in response to a request from State Senator Phil Pavlov after a village in Huron County decided to no longer permit organizations to solicit in this way.

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### **FISCAL IMPACT:**

This bill could have a potentially negative, but likely minimal, fiscal impact to local units of government resulting from possibly forgoing civil infraction fine revenues that would have otherwise been collected through enforcement of the Uniform Traffic Code, which does not now exempt charitable or civic organizations.

The bill could also potentially prevent the loss of local government funds resulting from lawsuits directed at municipalities due to the injury of uninsured solicitors.

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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.