Legislative Analysis



ALLOW SOLICITATION IN PUBLIC ROADWAYS BY CHARITABLE ORGANIZATIONS

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

House Bill 4160 as enacted Public Act 112 of 2017

Analysis available at http://www.legislature.mi.gov

Sponsor: Rep. Shane Hernandez

House Committee: Transportation and Infrastructure

Senate Committee: Transportation

Complete to 12-21-17

SUMMARY:

<u>House Bill 4160</u> amends the Michigan Vehicle Code to allow an individual to stand in a roadway for the purpose of soliciting contributions for a charitable or civic organization under certain circumstances.

Rule 713 of the Uniform Traffic Code for Cities, Townships, and Villages (R 28.1713 of the Michigan Administrative Code) contains the following provision:

A person shall not stand in a roadway for the purpose of soliciting a ride, employment, or business from the occupant of any vehicle.

Further, Section 676b of the Vehicle Code currently prohibits a person, without authority, from blocking, obstructing, impeding, or otherwise interfering with the normal flow of vehicular or pedestrian traffic on a public street or highway by means of a barricade, object, or device or with his or her person. (There is an exception for work on public utility facilities.)

<u>House Bill 4160</u> amends Section 676b to stipulate that both of the provisions described above <u>do not apply</u> to a person who is soliciting contributions on behalf of a charitable or civic organization during daylight hours, if all the following are satisfied:

- The charitable or civic organization complies with applicable local regulations. (Under the bill, a local government or road authority may enact or enforce regulations restricting the activity, but not any regulations that prohibit it.)
- The charitable or civic organization maintains at least \$500,000 in liability insurance.
- The person is 18 years or age or older and is wearing high-visibility safety apparel that meets current American standards promulgated by the International Safety Equipment Association.
- The portion of roadway on which the solicitation occurs is not a work zone and is within an intersection where traffic control devices are present.

The bill defines "charitable or civic organization" as a nonprofit organization qualified under section 501(c)(3) or 501(c)(4) of the federal Internal Revenue Code or a veterans' organization that has tax-exempt status under the Internal Revenue Code.

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Under the bill, a local government or road authority that has jurisdiction over a roadway on which solicitation occurs is not liable for any claim for damages arising out of the use of the roadway as described above.

Finally, a local government that has enacted or is enforcing regulations that are prohibited under the bill (i.e., those that prohibit roadway charitable solicitation) has 60 days after the bill's effective date to bring those regulations into compliance with the bill.

MCL 257.676b

BACKGROUND INFORMATION:

An opinion issued by Attorney General Bill Schuette on July 29, 2016, held that Section 676b of the Vehicle Code "prohibits a person from soliciting contributions, including contributions on behalf of civic or charitable organizations, from the occupants of vehicles if the person soliciting... interferes with the normal flow of vehicular traffic" and 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 Senator Phil Pavlov after a village in Huron County decided to no longer permit organizations to solicit in this way.

FISCAL IMPACT:

House Bill 4160 could result in potential, but likely minimal, decreases in revenue to local units of government. The potential impacts would be a result of possibly forgoing civil infraction fine revenues that could 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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[■] 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.

¹ http://www.ag.state.mi.us/opinion/datafiles/2010s/op10370.htm