

SUBSTITUTE FOR  
HOUSE BILL NO. 4977

A bill to amend 1960 PA 124, entitled  
"An act to create the Michigan highway reciprocity board; to  
prescribe its powers and duties; and to repeal certain acts and  
parts of acts,"  
by amending the title and sections 1 and 3 (MCL 3.161 and 3.163).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE  
2 An act to create the Michigan highway reciprocity board; to  
3 prescribe its powers and duties; **to provide for the powers and**  
4 **duties of certain state and local governmental officers and**  
5 **entities; to allow certain reciprocal compacts, agreements, and**  
6 **arrangements;** and to repeal certain acts and parts of acts.  
7 Sec. 1. ~~When~~**As** used in this act:

(a) "Person" means any individual, firm, partnership, association, and corporation.

(b) "Jurisdiction" means, **except as otherwise provided in section 3**, other states of the United States, the District of Columbia, territories and possessions of the United States, foreign countries, or political subdivisions of foreign countries.

(c) "Properly registered" as applied to place of registration or licensing means the jurisdiction in which the board acting under section 5 determines a vehicle must be registered or licensed in order to be granted the privileges and benefits of this act when operating in this state.

(d) "Board" means the ~~Michigan highway reciprocity board~~. **department of state.**

Sec. 3. Notwithstanding any other provision of law to the contrary, **both of the following apply:**

(a) **Except as otherwise provided in subsection (b)**, the board may enter into ~~and make such reciprocal~~ compacts, agreements, or arrangements ~~as that~~ the board ~~deems~~ **considers** proper or expedient and in the interests of the people of this state, with the proper authorities of other jurisdictions, either individually or with a group of jurisdictions, concerning the fees, charges, taxation, operation, and regulation of trucks, tractors, trailers, automobiles, buses, and all other automotive equipment engaged in international, interstate, or intrastate commerce ~~upon and over on~~ the public highways.

(b) **Beginning on the effective date of the amendatory act that added this subdivision, the department of treasury may enter into qualified fuel tax reciprocity agreements that the department of treasury considers proper or expedient and in the interests of the**

1 people of this state, with the proper authorities of other  
2 jurisdictions, either individually or with a group of  
3 jurisdictions. The department of treasury has the sole authority to  
4 enter into qualified fuel tax reciprocity agreements. As used in  
5 this subdivision:

6 (i) "Jurisdiction" means other states of the United States that  
7 share a common border with this state and are members of the  
8 international fuel tax agreement.

9 (ii) "International fuel tax agreement" means the agreement  
10 described in section 2a of the motor carrier fuel tax act, 1980 PA  
11 119, MCL 207.212a.

12 (iii) "Motor carrier" means a person who operates or causes to  
13 be operated a qualified commercial motor vehicle on a public road  
14 or highway in this state and at least 1 other state.

15 (iv) "Qualified commercial motor vehicle" means a motor vehicle  
16 used, designed, or maintained for transportation of persons or  
17 property and 1 of the following:

18 (A) Having 3 or more axles regardless of weight.

19 (B) Having 2 axles and a gross vehicle weight or registered  
20 gross vehicle weight exceeding 26,000 pounds or 12,000 kilograms.

21 (C) Is used in a combination of vehicles, if the weight of  
22 that combination exceeds 26,000 pounds or 12,000 kilograms gross  
23 vehicle or registered gross vehicle weight.

24 (v) "Qualified fuel tax reciprocity agreement" means a  
25 compact, agreement, or arrangement that, in exchange for reciprocal  
26 treatment for a motor carrier, or a class or category of motor  
27 carrier, from this state in another jurisdiction, allows a motor  
28 carrier, or a class or category of motor carrier, from the other  
29 jurisdiction to operate or cause to be operated a qualified

1 commercial motor vehicle on a public highway in this state for the  
2 purpose of carrying raw forest products to a sawmill or factory  
3 within 30 air miles of the border of this state without doing any  
4 of the following:

5 (A) Carrying, obtaining, or displaying a license, decal,  
6 permit, or other credentials otherwise required by the  
7 international fuel tax agreement or the motor carrier fuel tax act,  
8 1980 PA 119, MCL 207.211 to 207.234.

9 (B) Paying, reporting, or filing returns for taxes imposed by  
10 or subject to the international fuel tax agreement, the motor  
11 carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234, or  
12 section 5 of the streamlined sales and use tax revenue equalization  
13 act, 2004 PA 175, MCL 205.175.

14 (vi) "Raw forest products" means logs, pilings, posts, poles,  
15 cordwood products, wood chips, sawdust, pulpwood, intermediary  
16 lumber, fuel wood, and Christmas trees, that are not altered by a  
17 manufacturing process off the land, sawmill, or factory from which  
18 they are taken and are not finished products suitable for sale at  
19 retail.