

**SUBSTITUTE FOR
SENATE BILL NO. 706**

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 2b, 642, and 665 (MCL 257.2b, 257.642, and
257.665), sections 2b and 665 as amended by 2016 PA 332 and section
642 as amended by 2012 PA 498, and by adding sections 665c, 665d,
and 666a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2b. (1) "Automated driving system" means hardware and
2 software that are collectively capable of performing all aspects of
3 the dynamic driving task for a vehicle on a part-time or full-time
4 basis without any supervision by a human operator. ~~As used in this~~
5 ~~subsection, "dynamic driving task" means all of the following, but~~
6 ~~does not include strategic aspects of a driving task, including,~~

1 ~~but not limited to, determining destinations or waypoints.~~

2 ~~(a) Operational aspects, including, but not limited to,~~
3 ~~steering, braking, accelerating, and monitoring the vehicle and the~~
4 ~~roadway.~~

5 ~~(b) Tactical aspects, including, but not limited to,~~
6 ~~responding to events, determining when to change lanes, turning,~~
7 ~~using signals, and other related actions.~~

8 (2) "Automated motor vehicle" means a motor vehicle on which
9 an automated driving system has been installed, either by a
10 manufacturer of automated driving systems or an upfitter that
11 enables the motor vehicle to be operated without any control or
12 monitoring by a human operator. Automated motor vehicle does not
13 include a motor vehicle enabled with 1 or more active safety
14 systems or operator assistance systems, including, but not limited
15 to, a system to provide electronic blind spot assistance, crash
16 avoidance, emergency braking, parking assistance, adaptive cruise
17 control, lane-keeping assistance, lane departure warning, or
18 traffic jam and queuing assistance, unless 1 or more of these
19 technologies alone or in combination with other systems enable the
20 vehicle on which any active safety systems or operator assistance
21 systems are installed to operate without any control or monitoring
22 by an operator.

23 (3) "Automated technology" means technology installed on a
24 motor vehicle that has the capability to assist, make decisions
25 for, or replace a human operator.

26 **(4) "Automated vehicle roadway" means a segment of a roadway**
27 **that has been designated by the state transportation department for**
28 **an automated vehicle roadway system.**

29 **(5) "Automated vehicle roadway lane" means any lane or ramp on**

1 an automated vehicle roadway designated for the exclusive use of
2 motor vehicles by the state transportation department as described
3 under section 665c.

4 (6) "Automated vehicle roadway system" means a hardware and
5 software system that is capable of facilitating the deployment and
6 operation of an automated motor vehicle or a vehicle equipped with
7 varying levels of automated technology while traveling through a
8 segment of roadway that has been designated for such a system by
9 the state transportation department.

10 (7) "Automated vehicle roadway system provider" means an
11 entity that designs, installs, constructs, operates, or maintains
12 an automated vehicle roadway system.

13 (8) ~~(4)~~—"Automatic crash notification technology" means a
14 vehicle service that integrates wireless communications and vehicle
15 location technology to determine the need for or to facilitate
16 emergency medical response in the event of a vehicle crash.

17 (9) "Dynamic driving task" means all of the following, but
18 does not include strategic aspects of a driving task, including,
19 but not limited to, determining destinations or waypoints:

20 (a) Operational aspects, including, but not limited to,
21 steering, braking, accelerating, and monitoring the vehicle and the
22 roadway.

23 (b) Tactical aspects, including, but not limited to,
24 responding to events, determining when to change lanes, turning,
25 using signals, and other related actions.

26 (10) ~~(5)~~—"Manufacturer of automated driving systems" means a
27 manufacturer or subcomponent system producer recognized by the
28 secretary of state that develops or produces automated driving
29 systems or automated vehicles.

1 (11) "Minimal risk condition" means the ability of an
2 automated motor vehicle, upon experiencing a failure of its
3 automated driving system that renders the automated motor vehicle
4 unable to perform the dynamic driving task, to bring the vehicle to
5 a stop in a reasonably safe location for the vehicle and any human
6 operator.

7 (12) ~~(6)~~—"Mobility research center" means a nonprofit entity
8 that has the ability to receive and accept from any federal, state,
9 or municipal agency, foundation, public or private agency, entity,
10 or individual a grant, contribution, or loan for or in aid of the
11 planning, construction, operation, upgrade, or financing of a
12 facility for testing advanced transportation systems, including,
13 but not limited to, connected or automated technology or automated
14 motor vehicles to increase mobility options.

15 (13) ~~(7)~~—"Motor vehicle manufacturer" means a person that has
16 manufactured and distributed motor vehicles in the United States
17 that are certified to comply with all applicable federal motor
18 vehicle safety standards and that has submitted appropriate
19 manufacturer identification information to the National Highway
20 Traffic Safety Administration as provided in 49 CFR part 566. As
21 used in this section, section 665a, and section 665b only, motor
22 vehicle manufacturer also includes a person that satisfies all of
23 the following:

24 (a) ~~The person has~~ **Has** manufactured automated motor vehicles
25 in the United States that are certified to comply with all
26 applicable federal motor vehicle safety standards.

27 (b) ~~The person has~~ **Has** operated automated motor vehicles using
28 a test driver and with an automated driving system engaged on
29 public roads in the United States for at least 1,000,000 miles.

1 (c) ~~The person has~~ **Has** obtained an instrument of insurance,
2 surety bond, or proof of self-insurance in the amount of at least
3 \$10,000,000.00, and has provided evidence of that insurance, surety
4 bond, or self-insurance to the department in a form and manner
5 required by the department.

6 (14) ~~(8)~~ "On-demand automated motor vehicle network" means a
7 digital network or software application used to connect passengers
8 to automated motor vehicles, not including commercial motor
9 vehicles, in participating fleets for transportation between points
10 chosen by passengers, for transportation between locations chosen
11 by the passenger when the automated motor vehicle is operated by
12 the automated driving system.

13 (15) ~~(9)~~ "Participating fleet" means any of the following:

14 (a) Vehicles that are equipped with automated driving systems
15 that are operating on the public roads and highways of this state
16 in a SAVE project as provided in section 665b.

17 (b) Vehicles that are supplied or controlled by a motor
18 vehicle manufacturer, and that are equipped with automated driving
19 systems that are operating on the public roads and highways of this
20 state in an on-demand automated motor vehicle network.

21 (16) ~~(10)~~ "SAVE project" means an initiative that authorizes
22 eligible motor vehicle manufacturers to make available to the
23 public on-demand automated motor vehicle networks as provided in
24 section 665b.

25 (17) ~~(11)~~ "Upfitter" means a person that modifies a motor
26 vehicle after it was manufactured by installing an automated
27 driving system in that motor vehicle to convert it to an automated
28 motor vehicle. Upfitter includes a subcomponent system producer
29 recognized by the secretary of state that develops or produces

1 automated driving systems.

2 Sec. 642. (1) When a roadway has been divided into 2 or more
3 clearly marked lanes for traffic, the following rules in addition
4 to all ~~others~~**other rules that are** consistent with this act apply:

5 (a) A vehicle ~~shall~~**must** be driven as nearly as practicable
6 entirely within a single lane and ~~shall~~**must** not be moved from the
7 lane until the operator has first ascertained that the movement can
8 be made with safety. ~~Upon~~**On** a roadway with 4 or more lanes that
9 provides for 2-way movement of traffic, a vehicle ~~shall~~**must** be
10 operated within the extreme right-hand lane except when overtaking
11 and passing, but ~~shall~~**must** not cross the center line of the
12 roadway except where making a left turn.

13 (b) ~~Upon~~**On** a roadway that is divided into 3 lanes and
14 provides for 2-way movement of traffic, a vehicle ~~shall~~**must** not be
15 operated in the center lane except when overtaking and passing
16 another vehicle traveling in the same direction, when the center
17 lane is clear of traffic within a safe distance, or in preparation
18 for a left turn, or where the center lane is at the time allocated
19 exclusively to traffic moving in the same direction the vehicle is
20 proceeding and the allocation is designated by official traffic
21 control devices.

22 (c) Official traffic control devices may be erected directing
23 specified traffic to use a designated lane or designating those
24 lanes to be used by traffic moving in a particular direction
25 regardless of the center of the roadway and operators of vehicles
26 shall obey the directions of the traffic-control device.

27 (d) Official traffic-control devices may be installed
28 prohibiting the changing of lanes on sections of roadway, and
29 operators of vehicles shall obey the directions of the traffic-

1 control devices.

2 (2) When any lane has been designated as an HOV lane under
3 section 1 of 1951 PA 51, MCL 247.651, and has been appropriately
4 marked with signs and pavement markings, the lane ~~shall~~**must** be
5 reserved during the periods indicated for the exclusive use of
6 buses and HOVs. The restrictions imposed on HOV lanes do not apply
7 to any of the following:

8 (a) Authorized emergency vehicles.

9 (b) Law enforcement vehicles.

10 (c) Transit buses operated by a regional transit authority
11 created under the regional transit authority act, **2012 PA 387, MCL**
12 **124.541 to 124.558.**

13 (3) When a segment of roadway has been designated as an
14 automated vehicle roadway or a lane or ramp of an automated vehicle
15 roadway as an automated vehicle roadway lane under section 665c,
16 all of the following must apply:

17 (a) If a user fee is required under section 665c(1)(c), the
18 user fee is paid.

19 (b) The motor vehicle complies with any applicable
20 requirements of section 665c(2).

21 (4) The requirements of subsection (3) apply in addition to
22 other existing rules or regulations governing the use of an
23 automated vehicle roadway or automated vehicle roadway lane that
24 are not inconsistent with subsection (3).

25 (5) The state transportation department may promulgate rules
26 under the administrative procedures act of 1969, 1969 PA 306, MCL
27 24.201 to 24.328, to implement the mechanisms to monitor a segment
28 of roadway that has been designated as an automated vehicle roadway
29 or a lane or ramp of an automated vehicle roadway that has been

1 **designated as an automated vehicle roadway lane and to enforce**
2 **violations of subsection (3).**

3 (6) ~~(3)~~—A person who violates this section is responsible for
4 a civil infraction **and may be fined as provided in section 907.**

5 Sec. 665. (1) Before beginning research or testing on a
6 highway or street in this state of an automated motor vehicle,
7 technology that allows a motor vehicle to operate without a human
8 operator, or any automated driving system installed in a motor
9 vehicle under this section, the manufacturer of automated driving
10 systems or upfitter performing that research or testing shall
11 submit proof satisfactory to the secretary of state that the
12 vehicle is insured under chapter 31 of the insurance code of 1956,
13 1956 PA 218, MCL 500.3101 to 500.3179.

14 (2) A manufacturer of automated driving systems or upfitter
15 shall ensure that all of the following circumstances exist when
16 researching or testing the operation, including operation without a
17 human operator, of an automated motor vehicle or any automated
18 technology or automated driving system installed in a motor vehicle
19 upon a highway or street:

20 (a) The vehicle is operated only by an employee, contractor,
21 or other person designated or otherwise authorized by that
22 manufacturer of automated driving systems or upfitter. This
23 subdivision does not apply to a university researcher or an
24 employee of the state transportation department or the department
25 described in subsection (3).

26 (b) An individual described in subdivision (a) has the ability
27 to monitor the vehicle's performance while it is being operated on
28 a highway or street in this state and, if necessary, promptly take
29 control of the vehicle's movements. If the individual does not, or

1 is unable to, take control of the vehicle, the vehicle ~~shall~~**must**
2 be capable of achieving a minimal risk condition.

3 (c) The individual operating the vehicle under subdivision (a)
4 and the individual who is monitoring the vehicle for purposes of
5 subdivision (b) may lawfully operate a motor vehicle in the United
6 States.

7 (3) A university researcher or an employee of the state
8 transportation department or the department who is engaged in
9 research or testing of automated motor vehicles may operate an
10 automated motor vehicle if the operation is in compliance with
11 subsection (2).

12 (4) An automated motor vehicle may be operated on a street or
13 highway in this state.

14 (5) When engaged, an automated driving system allowing for
15 operation without a human operator ~~shall be~~**is** considered the
16 driver or operator of a vehicle for purposes of determining
17 conformance to any applicable traffic or motor vehicle laws and
18 ~~shall be~~**is** deemed to satisfy electronically all physical acts
19 required by a driver or operator of the vehicle. **An automated**
20 **vehicle roadway system provider is not an operator of a vehicle.**

21 ~~(6) The Michigan council on future mobility is created within~~
22 ~~the state transportation department. The council shall provide to~~
23 ~~the governor, legislature, department, state transportation~~
24 ~~department, department of insurance and financial services,~~
25 ~~department of technology, management, and budget, and department of~~
26 ~~state police recommendations for changes in state policy to ensure~~
27 ~~that this state continues to be the world leader in autonomous,~~
28 ~~driverless, and connected vehicle technology. The council created~~
29 ~~under this subsection shall consist of all of the following~~

1 ~~members, who shall serve without compensation.~~

2 ~~(a) Eleven individuals appointed by the governor who represent~~
3 ~~the interests of local government or are business, policy,~~
4 ~~research, or technological leaders in future mobility. The~~
5 ~~individuals appointed under this subdivision shall be voting~~
6 ~~members.~~

7 ~~(b) One individual appointed by the governor who is~~
8 ~~representative of insurance interests. The individual appointed~~
9 ~~under this subdivision shall be a voting member.~~

10 ~~(c) Two state senators appointed by the senate majority leader~~
11 ~~to serve as nonvoting ex officio members. One of the senators~~
12 ~~appointed under this subdivision shall be a member of the majority~~
13 ~~party, and 1 of the senators appointed under this subdivision shall~~
14 ~~be a member of the minority party.~~

15 ~~(d) Two state representatives appointed by the speaker of the~~
16 ~~house of representatives to serve as nonvoting ex officio members.~~
17 ~~One of the representatives appointed under this subdivision shall~~
18 ~~be a member of the majority party, and 1 of the representatives~~
19 ~~appointed under this subdivision shall be a member of the minority~~
20 ~~party.~~

21 ~~(e) The secretary of state or his or her designee. The~~
22 ~~individual appointed under this subdivision shall be a voting~~
23 ~~member.~~

24 ~~(f) The director of the state transportation department or his~~
25 ~~or her designee. The individual appointed under this subdivision~~
26 ~~shall be a voting member.~~

27 ~~(g) The director of the department of state police or his or~~
28 ~~her designee. The individual appointed under this subdivision shall~~
29 ~~be a voting member.~~

1 ~~(h) The director of the department of insurance and financial~~
2 ~~services or his or her designee. The individual appointed under~~
3 ~~this subdivision shall be a voting member.~~

4 ~~(i) The director of the department of technology, management,~~
5 ~~and budget or his or her designee. The individual appointed under~~
6 ~~this subdivision shall be a voting member.~~

7 ~~(7) The governor shall designate 1 or more of the members of~~
8 ~~the commission to serve as chairperson of the commission who shall~~
9 ~~serve at the governor's pleasure.~~

10 ~~(8) The council created under subsection (6) shall submit~~
11 ~~recommendations for statewide policy changes and updates no later~~
12 ~~than March 31, 2017 and shall continue to make recommendations~~
13 ~~annually thereafter, or more frequently in the commission's~~
14 ~~discretion.~~

15 (6) ~~(9)~~ A person may operate a platoon on a street or highway
16 of this state if the person files a plan for general platoon
17 operations with the department of state police and the state
18 transportation department before starting platoon operations. If
19 the plan is not rejected by either the department of state police
20 or the state transportation department within 30 days after receipt
21 of the plan, the person ~~shall be~~ **is** allowed to operate the platoon.

22 (7) ~~(10)~~ All of the following apply to a platoon:

23 (a) Vehicles in a platoon ~~shall~~ **are** not ~~be~~ considered a
24 combination of vehicles for purposes of this act.

25 (b) The lead vehicle in a platoon ~~shall~~ **is** not ~~be~~ considered
26 to draw the other vehicles.

27 (c) If the platoon includes a commercial motor vehicle, an
28 appropriately endorsed driver who holds a valid commercial driver
29 license shall be present behind the wheel of each commercial motor

1 vehicle in the platoon.

2 Sec. 665c. (1) The state transportation department may do all
3 of the following:

4 (a) Designate a segment of a roadway under its jurisdiction as
5 an automated vehicle roadway.

6 (b) Designate a lane or ramp of an automated vehicle roadway
7 as an automated vehicle roadway lane.

8 (c) Require a user fee for the use of an automated vehicle
9 roadway or automated vehicle roadway lane.

10 (d) Enter into an agreement with an automated vehicle roadway
11 system provider for the design, construction, manufacture,
12 operation, maintenance, or management of an automated vehicle
13 roadway system for a designated automated vehicle roadway or
14 automated vehicle roadway lane. As part of an agreement entered
15 pursuant to this subdivision, the state transportation department
16 may include provisions authorizing the automated vehicle roadway
17 system provider to establish and collect user fees for the use of
18 the automated vehicle roadway or automated vehicle roadway lane. An
19 automated vehicle roadway system provider may use the fees
20 collected pursuant to this subdivision to properly design,
21 construct, manage, operate, or maintain its automated vehicle
22 roadway system.

23 (2) If the state transportation department designates a
24 segment of roadway as an automated vehicle roadway under subsection
25 (1)(a) or a lane or ramp of an automated vehicle roadway as an
26 automated vehicle roadway lane under subsection (1)(b), any of the
27 following may apply:

28 (a) The roadway, lane, or ramp may be subject to requirements
29 established by the state transportation department as a condition

1 for use.

2 (b) The roadway, lane, or ramp may be reserved for the
3 exclusive use of motor vehicles as determined by the state
4 transportation department.

5 (3) This section supersedes all local ordinances that regulate
6 automated vehicle roadway systems, automated vehicle roadways,
7 automated vehicle roadway lanes, or automated vehicle roadway
8 system providers, except that a local unit of government may adopt
9 an ordinance or enforce an existing ordinance that does not
10 conflict with this section.

11 Sec. 665d. The Michigan council on future mobility and
12 electrification created under Executive Reorganization Order No.
13 2020-1, MCL 257.929, may conduct or contract with a third-party
14 vendor to conduct a study that analyzes the impact that the
15 development, construction, or implementation of an automated
16 vehicle roadway, automated vehicle roadway system, or related
17 infrastructure will have on labor and employment in areas within
18 this state where an automated vehicle roadway, automated vehicle
19 roadway system, or related infrastructure is developed,
20 constructed, or implemented.

21 Sec. 666a. (1) An operator of a motor vehicle or automated
22 motor vehicle shall not operate a motor vehicle or automated motor
23 vehicle on an automated vehicle roadway or automated vehicle
24 roadway lane without complying with section 642(3). A person that
25 violates this subsection is responsible for a civil infraction and
26 may be fined as provided in section 907.

27 (2) The state transportation department may promulgate rules
28 under the administrative procedures act of 1969, 1969 PA 306, MCL
29 24.201 to 24.328, to implement the mechanisms to monitor a segment

1 of roadway that has been designated as an automated vehicle roadway
2 or a lane or ramp of an automated vehicle roadway that has been
3 designated as an automated vehicle roadway lane and to enforce
4 violations of subsection (1).