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BILL ANALYSIS

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Senate Bill 1399 (as passed by the Senate)
Sponsor: Senator Shirley Johnson
Committee: Transportation

Date Completed: 10-19-06

RATIONALE

Under the Michigan Vehicle Code, the Secretary of State may issue a registration plate to an individual or entity that in the ordinary course of business legally picks up and moves a vehicle for certain purposes, such as service or repair. It has been suggested that a commercial motor vehicle (CMV) being taken to a facility for modification should be included among the vehicles on which an in-transit registration plate may be used, so the CMV could be driven rather than towed.

CONTENT

The bill would amend the Michigan Vehicle Code to allow the Secretary of State to issue a registration plate to a person legally picking up or delivering a commercial motor vehicle being driven to a facility to undergo aftermarket modification.

Under the Code, the Secretary of State may issue a registration plate upon application and payment of the proper fee to an individual, partnership, corporation, or association that in the ordinary course of business has occasion legally to pick up or deliver a vehicle not required to be titled under the Code or to repair or service a vehicle, or to a dealer under Part 801 (Marine Safety) of the Natural Resources and Environmental Protection Act for the purpose of delivering a vessel or trailer to a customer or to and from a boat show or exposition.

Under the bill, the Secretary of State also could issue a registration plate, upon application and payment of the proper fee, to an individual, partnership, corporation, or association that in the ordinary course of business had occasion legally to pick up or deliver a CMV being driven to a facility to undergo aftermarket modification.

MCL 257.226a

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Many companies that use CMVs in the course of business purchase the basic vehicles from a dealership and transport them to another facility for specific modification. Current law does not provide for the use of an in-transit license plate for these vehicles, so they must be towed. Due to the large size of CMVs, the towing cost can be burdensome. The bill would extend the use of the temporary in-transit plate to CMVs being moved for aftermarket modification purposes, resulting in lower costs and shorter delays in putting the vehicles to use. After the vehicles were modified, regular CMV plates would have to be obtained.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.