

# SENATE BILL No. 169

February 7, 2013, Introduced by Senators KOWALL, CASPERSON, BRANDENBURG, HANSEN, MOOLENAAR, EMMONS, WARREN, BIEDA, MEEKHOF, WALKER, RICHARDVILLE, HOOD and YOUNG and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending the title, a division heading, and section 244 (MCL 257.244), the title as amended by 2010 PA 10 and section 244 as amended by 2008 PA 539, and by adding sections 2b, 663, 664, 665, 666, and 817.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

TITLE

An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators

1 and chauffeurs; to provide for the giving of proof of financial  
2 responsibility and security by owners and operators of vehicles; to  
3 provide for the imposition, levy, and collection of specific taxes  
4 on vehicles, and the levy and collection of sales and use taxes,  
5 license fees, and permit fees; to provide for the regulation and  
6 use of streets and highways; to create certain funds; to provide  
7 penalties and sanctions for a violation of this act; to provide for  
8 civil liability of **MANUFACTURERS**, owners, and operators of vehicles  
9 and service of process on residents and nonresidents; to regulate  
10 the introduction and use of certain evidence; to provide for the  
11 levy of certain assessments; to provide for the enforcement of this  
12 act; to provide for the creation of and to prescribe the powers and  
13 duties of certain state and local agencies; to impose liability  
14 upon the state or local agencies; to provide appropriations for  
15 certain purposes; to repeal all other acts or parts of acts  
16 inconsistent with this act or contrary to this act; and to repeal  
17 certain parts of this act on a specific date.

18       **SEC. 2B. (1) "AUTOMATED TECHNOLOGY" MEANS TECHNOLOGY INSTALLED**  
19 **ON A MOTOR VEHICLE THAT HAS THE CAPABILITY TO OPERATE THE VEHICLE**  
20 **ON WHICH THE TECHNOLOGY IS INSTALLED WITHOUT DIRECT ACTIVE CONTROL**  
21 **OR MONITORING BY A HUMAN OPERATOR. AUTOMATED TECHNOLOGY DOES NOT**  
22 **INCLUDE A MOTOR VEHICLE ENABLED WITH 1 OR MORE ACTIVE SAFETY**  
23 **SYSTEMS OR OPERATOR ASSISTANCE SYSTEMS, INCLUDING, BUT NOT LIMITED**  
24 **TO, A SYSTEM TO PROVIDE ELECTRONIC BLIND SPOT ASSISTANCE, CRASH**  
25 **AVOIDANCE, EMERGENCY BRAKING, PARKING ASSISTANCE, ADAPTIVE CRUISE**  
26 **CONTROL, LANE KEEP ASSISTANCE, LANE DEPARTURE WARNING, OR TRAFFIC**  
27 **JAM AND QUEUING ASSISTANCE, UNLESS 1 OR MORE OF THESE LISTED**

1 SYSTEMS, ALONE OR IN COMBINATION WITH OTHER SYSTEMS, ENABLE THE  
2 VEHICLE ON WHICH THE TECHNOLOGY IS INSTALLED TO OPERATE WITHOUT  
3 ACTIVE CONTROL OR MONITORING BY A HUMAN OPERATOR.

4 (2) "AUTOMATED VEHICLE" MEANS A MOTOR VEHICLE EQUIPPED WITH  
5 AUTOMATED TECHNOLOGY.

6 (3) "AUTOMATIC MODE" MEANS THE OPERATION OF AN AUTOMATED  
7 VEHICLE BY AUTOMATED TECHNOLOGY.

8 (4) "UPFITTER" MEANS A PERSON WHO MODIFIES A MOTOR VEHICLE  
9 AFTER IT WAS MANUFACTURED BY INSTALLING AUTOMATED TECHNOLOGY IN  
10 THAT MOTOR VEHICLE TO CONVERT IT TO AN AUTOMATED VEHICLE.

11 Sec. 244. (1) A manufacturer owning a vehicle of a type  
12 otherwise required to be registered under this act may operate or  
13 move the vehicle upon a street or highway primarily for the  
14 purposes of transporting or testing or in connection with a golf  
15 tournament or a public civic event, if the vehicle displays, in the  
16 manner prescribed in section 225, 1 special plate approved by the  
17 secretary of state.

18 (2) A producer of a vehicle subcomponent system essential to  
19 the operation of the vehicle or the safety of an occupant may  
20 operate or move a motor vehicle, **INCLUDING AN AUTOMATED VEHICLE,**  
21 upon a street or highway solely to transport or test the  
22 subcomponent system if the motor vehicle displays, in the manner  
23 prescribed in section 225, 1 special plate approved by the  
24 secretary of state. To be eligible for the special plate, the  
25 subcomponent system producer must be either a recognized  
26 subcomponent system producer or must be a subcomponent system  
27 producer under contract with a vehicle manufacturer. **THE SECRETARY**

1 OF STATE MAY DETERMINE THAT AN UPFITTER IS A RECOGNIZED  
2 SUBCOMPONENT PRODUCER FOR PURPOSES OF TESTING AN AUTOMATED VEHICLE  
3 UNDER THIS SUBSECTION AND SECTION 664.

4 (3) A dealer owning a vehicle of a type otherwise required to  
5 be registered under this act may operate or move the vehicle upon a  
6 street or highway without registering the vehicle if the vehicle  
7 displays, in the manner prescribed in section 225, 1 special plate  
8 issued to the owner by the secretary of state. As used in this  
9 subsection, "dealer" includes an employee, servant, or agent of the  
10 dealer.

11 (4) Solely to deliver the vehicle, a transporter may operate  
12 or move a vehicle of a type otherwise required to be registered  
13 under this act upon a street or highway if the vehicle displays, in  
14 the manner prescribed in section 225, a special plate issued to the  
15 transporter under this chapter.

16 (5) A licensee shall not use a special plate described in this  
17 section on service cars or wreckers operated as an adjunct of a  
18 licensee's business. A manufacturer, transporter, or dealer making  
19 or permitting any unauthorized use of a special plate under this  
20 chapter forfeits the right to use special plates and the secretary  
21 of state, after notice and a hearing, may suspend or cancel the  
22 right to use special plates and require that the special plates be  
23 surrendered to or repossessed by the state.

24 (6) A transporter shall furnish a sufficient surety bond or  
25 policy of insurance as protection for public liability and property  
26 damage as may be required by the secretary of state.

27 (7) The secretary of state shall determine the number of

1 plates a manufacturer, dealer, or transporter reasonably needs in  
2 his or her business.

3 (8) If a vehicle that is required to be registered under this  
4 act is leased or sold, the vendee or lessee is permitted to operate  
5 the vehicle upon a street or highway for not more than 72 hours  
6 after taking possession if the vehicle has a dealer plate attached  
7 as provided in this section. The application for registration shall  
8 be made in the name of the vendee or lessee before the vehicle is  
9 used. The dealer and the vendee or lessee are jointly responsible  
10 for the return of the dealer plate to the dealer within 72 hours,  
11 and the failure of the vendee or lessee to return or the vendor or  
12 lessor to use due diligence to procure the dealer plate is a  
13 misdemeanor, and in addition the license of the dealer may be  
14 revoked. While using a dealer's plate, a vendee or lessee shall  
15 have in his or her possession proof that clearly indicates the date  
16 of sale or lease of the motor vehicle.

17 (9) A vehicle owned by a dealer and bearing the dealer's plate  
18 may be driven upon a street or highway for demonstration purposes  
19 by a prospective buyer or lessee for a period of 72 hours.

20 (10) The secretary of state may issue a registration plate  
21 upon application and payment of the proper fee to an individual,  
22 partnership, corporation, or association that in the ordinary  
23 course of business has occasion to legally pick up or deliver a  
24 commercial motor vehicle being driven to a facility to undergo  
25 aftermarket modification, or to repair or service a vehicle, or to  
26 persons defined as watercraft dealers under part 801 of the natural  
27 resources and environmental protection act, 1994 PA 451, MCL

1 324.80101 to 324.80199, or to the owner of a marina for the purpose  
2 of delivering a vessel or trailer to a purchaser, to transport a  
3 vessel between a body of water and a place of storage, to transport  
4 a vessel or trailer to and from a boat show or exposition, to  
5 repair, service, or store a vessel or trailer, or to return a  
6 vessel or trailer to the customer after repair, service, or  
7 storage. A registration plate issued under this subsection shall be  
8 used to move the vehicle or trailer.

9 ~~STREET CARS AND SAFETY ZONES~~ AUTOMATED VEHICLES

10 SEC. 663. A PERSON SHALL NOT OPERATE ANY VEHICLE ON THE  
11 HIGHWAYS OR STREETS OF THIS STATE IN AUTOMATIC MODE EXCEPT AS  
12 OTHERWISE PROVIDED IN SECTION 664.

13 SEC. 664. (1) SUBJECT TO SUBSECTIONS (2) AND (4), AN AUTOMATED  
14 VEHICLE MAY BE OPERATED ON THE HIGHWAYS OR STREETS OF THIS STATE BY  
15 EMPLOYEES, CONTRACTORS, OR OTHER PERSONS DESIGNATED BY  
16 MANUFACTURERS OF AUTOMATED TECHNOLOGY FOR THE PURPOSE OF TESTING  
17 THE TECHNOLOGY. UNLESS THE AUTOMATED VEHICLE IS BEING TESTED OR  
18 DEMONSTRATED ON A CLOSED COURSE, A HUMAN OPERATOR SHALL BE PRESENT  
19 IN THE AUTOMATED VEHICLE SO THAT HE OR SHE HAS THE ABILITY TO  
20 MONITOR THE VEHICLE'S PERFORMANCE AND, IF NECESSARY, INTERVENE. THE  
21 HUMAN OPERATOR SHALL POSSESS A VALID OPERATOR'S OR CHAUFFEUR'S  
22 LICENSE.

23 (2) ONLY A PERSON WHO POSSESSES A VALID OPERATOR'S OR  
24 CHAUFFEUR'S LICENSE MAY OPERATE AN AUTOMATED VEHICLE IN AUTOMATIC  
25 MODE ON A HIGHWAY OR STREET OF THIS STATE FOR TESTING PURPOSES  
26 UNDER THIS SECTION.

27 (3) A PERSON IS CONSIDERED TO BE THE OPERATOR OF AN AUTOMATED

1 VEHICLE OPERATING IN AUTOMATIC MODE WHEN THE PERSON CAUSES THE  
2 AUTOMATED VEHICLE'S AUTOMATED TECHNOLOGY TO ENGAGE, REGARDLESS OF  
3 WHETHER THE PERSON IS PHYSICALLY PRESENT IN THAT VEHICLE WHILE IT  
4 IS OPERATING IN AUTOMATIC MODE.

5 (4) BEFORE BEGINNING TESTING OF AUTOMATED VEHICLES UNDER THIS  
6 SECTION, THE ENTITY PERFORMING THAT TESTING SHALL SUBMIT PROOF  
7 SATISFACTORY TO THE SECRETARY OF STATE THAT THE VEHICLE IS INSURED  
8 UNDER CHAPTER 31 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL  
9 500.3101 TO 500.3179.

10 (5) NO LATER THAN FEBRUARY 1, 2014, THE STATE TRANSPORTATION  
11 DEPARTMENT IN CONJUNCTION WITH THE SECRETARY OF STATE SHALL SUBMIT  
12 A REPORT TO THE SENATE STANDING COMMITTEES ON TRANSPORTATION AND  
13 ECONOMIC DEVELOPMENT AND TO THE HOUSE OF REPRESENTATIVES STANDING  
14 COMMITTEES ON TRANSPORTATION AND COMMERCE RECOMMENDING ANY  
15 ADDITIONAL LEGISLATIVE OR REGULATORY ACTION THAT MAY BE NECESSARY  
16 FOR THE CONTINUED SAFE TESTING AND OPERATION OF AUTOMATED VEHICLES.

17 SEC. 665. (1) ALL OF THE FOLLOWING REQUIREMENTS APPLY TO AN  
18 AUTOMATED VEHICLE REGISTERED UNDER THIS ACT:

19 (A) IT SHALL MEET FEDERAL STANDARDS AND REGULATIONS FOR A  
20 MOTOR VEHICLE.

21 (B) IT SHALL HAVE A MEANS TO ENGAGE AND DISENGAGE THE  
22 AUTOMATED TECHNOLOGY THAT IS EASILY ACCESSIBLE TO THE OPERATOR.

23 (C) IT SHALL HAVE A MEANS TO VISUALLY INDICATE WHEN THE  
24 VEHICLE IS OPERATING IN AUTOMATED MODE.

25 (D) IT SHALL HAVE A MEANS TO ALERT ITS OPERATOR IF AN  
26 AUTOMATED TECHNOLOGY FAILURE AFFECTING ITS ABILITY TO SAFELY  
27 OPERATE IN AUTOMATED MODE IS DETECTED WHILE IT IS OPERATING IN

1 AUTOMATED MODE IN ORDER TO INDICATE TO ITS OPERATOR TO TAKE CONTROL  
2 OF THE VEHICLE.

3 (E) IT SHALL BE CAPABLE OF BEING OPERATED IN COMPLIANCE WITH  
4 APPLICABLE TRAFFIC AND MOTOR VEHICLE LAWS OF THIS STATE.

5 (2) IF FEDERAL REGULATIONS PROMULGATED BY THE NATIONAL HIGHWAY  
6 TRAFFIC SAFETY ADMINISTRATION ARE IN CONFLICT WITH THIS SECTION,  
7 THE FEDERAL REGULATIONS SUPERSEDE THE PROVISIONS OF THIS SECTION.

8 SEC. 666. (1) A PERSON WHO VIOLATES SECTION 663 IS GUILTY OF A  
9 MISDEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 90 DAYS OR  
10 A FINE OF NOT MORE THAN \$100.00, OR BOTH.

11 (2) A PERSON WHO VIOLATES SECTION 664(1) OR (4) OR SECTION  
12 665(1) IS RESPONSIBLE FOR A CIVIL INFRACTION AND MAY BE FINED AS  
13 PROVIDED IN SECTION 907.

14 SEC. 817. THE MANUFACTURER OF A VEHICLE IS NOT CIVILLY LIABLE  
15 FOR DAMAGES RESULTING FROM THE CONVERSION OF THAT VEHICLE INTO AN  
16 AUTOMATED VEHICLE BY ANOTHER PERSON OR BY THE INSTALLATION OF  
17 EQUIPMENT BY ANOTHER PERSON TO CONVERT IT INTO AN AUTOMATED  
18 VEHICLE, UNLESS THE DEFECT ALLEGED WAS PRESENT IN THE VEHICLE WHEN  
19 IT WAS MANUFACTURED.