

Senate Bill 516 (Substitute S-2 as reported)  
Sponsor: Senator John Proos  
Committee: Transportation

Date Completed: 10-31-11

### **RATIONALE**

To facilitate the movement of product for sale, some farmers have altered traditional vehicles to make them more suitable for the transport of agricultural commodities. For example, one Michigan farmer evidently hauls melons in old school buses with the windows removed. It has been suggested that the use of these modified agriculture vehicles should be recognized in the Michigan Vehicle Code and subject to safety requirements similar to those that apply to other vehicles and farm equipment operated on the roads.

In a related matter, apparently it is sometimes difficult to determine accurately the weight of a load of agricultural products, or to ensure that the weight is distributed properly among a vehicle's axles. As a result, from time to time, vehicles carrying these commodities are in excess of the maximum gross vehicle weights or axle weights prescribed in the Code, and drivers may be ticketed. Thus, it has been suggested that a vehicle transporting agricultural commodities or raw timber should be granted a 10% compliance allowance.

### **CONTENT**

**The bill would amend the Michigan Vehicle Code to include a modified agriculture vehicle in provisions related to speed limits, reflective devices, and vehicle registration taxes; and allow a vehicle carrying a load that was not less than 100% agricultural commodities or raw timber to exceed prescribed vehicle weight limits by 10%.**

"Modified agriculture vehicle" would mean a vehicle that has been modified from its

original use so that the transport of agricultural commodities is its primary purpose; and that has been certified by the United States Department of Transportation and the Environmental Protection Agency for road use before being modified.

The bill would prohibit a person operating a modified agriculture vehicle from exceeding a speed of 45 miles per hour.

Under the Code, when operated on the highway, every vehicle with a maximum potential speed of 25 miles per hour, implement of husbandry, farm tractor, or special mobile equipment must be identified with a reflective device. The Code specifies the shape, size, color, and placement of the device on the vehicle. Under the bill, these provisions also would apply to a modified agriculture vehicle.

The Code prescribes maximum axle loads and gross vehicle weights for different types of vehicles. Under the bill, a vehicle carrying a load that was not less than 100% agricultural commodities or raw timber would be considered to be in compliance with the maximum weight requirements if its axle weights were not more than 10% greater than the maximum weights otherwise permitted. A vehicle that was not in compliance with the maximum weight requirements, however, would be considered to be in violation for the full weight without consideration of the 10% compliance allowance.

The 10% allowance would not apply to a vehicle using an interstate highway or a vehicle using a road that was subject to seasonal weight restrictions while those restrictions were in effect.

The Code prescribes a vehicle registration tax according to the type and weight of the vehicle. For a road tractor, truck, or truck tractor owned by a farmer and used exclusively in connection with a farming operation, including a farmer hauling livestock or farm equipment for other farmers for remuneration in kind or in labor, but not for money, or used for the transportation of the farmer and his or her family, and not used for hire, the tax is 74 cents per 100 pounds of empty vehicle weight. If the vehicle is also used for a nonfarming operation, the farmer is subject to the highest registration tax applicable to the nonfarm use of the vehicle, but is not subject to more than one tax rate under the Code. Under the bill, these provisions also would apply to a modified agriculture vehicle.

MCL 257.627 et al.

## **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**

The ability to transport products efficiently is critical to the success of farmers trying to make a living, and some have found modifying traditional vehicles to be effective toward that end. The Vehicle Code should treat these modified agriculture vehicles like other vehicles, including those used in the agriculture industry, with regard to speed limits, reflective devices, and registration taxes.

In addition, the 10% compliance allowance would provide some protection for agricultural vehicle operators who exceed the Code's weight limits unintentionally by a nominal amount. Due to several variables associated with agricultural commodities, it can be difficult to determine the weight of a particular load with precision. For example, dry grain flows more easily into a vehicle than wet grain, so two loads may vary in weight depending on the moisture content, even though they have the same volume. Furthermore, even if a vehicle is within the limit for gross weight, agricultural products can shift easily during transport, resulting in excess weight on individual axles. In either case, drivers can be held responsible for a violation.

Several other states, including Indiana, evidently provide a weight buffer for vehicles carrying this type of load. Farmers hauling loads from Indiana can face significant penalties once they cross the Michigan border. Michigan should implement a "grace allowance" to assist the farmers, many of them small business owners, who contribute significantly to the State's economy.

### **Opposing Argument**

State statute contains vehicle weight limits for a reason: to reduce wear and tear on Michigan's roads. Roads and bridges are built to specific standards and cannot accommodate excessive weight, especially given the age and deterioration of the State's transportation infrastructure. While interstate highways might be engineered to handle heavier vehicles, the condition of the State's local streets, which are not built to all-season standards, could be worsened by the bill's compliance allowance. Addressing a transportation challenge faced by farmers is a worthwhile goal; however, giving the entire agricultural industry a blanket exemption from vehicular weight limits would not be an appropriate solution.

**Response:** The bill would not exempt agricultural vehicles from the Code's weight limits, but merely would provide a cushion for farmers who cannot determine the exact weight of every load. Furthermore, the 10% buffer would not apply to a vehicle on a road subject to seasonal weight restrictions under the State's frost law, which should mitigate concerns about potential damage.

Legislative Analyst: Julie Cassidy

## **FISCAL IMPACT**

The bill could potentially have a positive fiscal impact on the State in the form of additional license plate revenue. Any additional revenue would be deposited into the Michigan Transportation Fund. The amount of additional revenue is indeterminate and dependent on the number of vehicles affected by the bill.

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.