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House Bill 5453 (Substitute S-2 as passed by the Senate)
Sponsor: Representative Robert L. Kosowski
House Committee: Transportation and Infrastructure
Senate Committee: Infrastructure Modernization

Date Completed: 11-20-14

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- **Increase the schedule of civil fines for vehicles exceeding axle load limits.**
- **Require a person who violated vehicle height or length restrictions to pay a civil fine of up to \$500.**
- **Modify the civil fines ordered for exceeding the permitted per-axle weight limit under a special permit.**
- **Increase the axle loading maximum for vehicles transporting solid waste.**
- **Require that 50% of the civil fines collected for height, length, and weight violations be distributed to the Michigan Transportation Fund.**

Vehicle Weight Limits & Fines

Section 722 of the Code prescribes axle and wheel load limits for vehicles and the method, time, and place for restricting axle load limits on certain roads. Under Section 724, an owner or lessee of a vehicle, or another person who causes or allows a vehicle to be loaded and driven or moved on a highway when the weight of the vehicle violates Section 722 is responsible for a civil violation and must pay a civil fine. The current schedule of civil fines and the proposed schedule under the bill are shown in Table 1.

Table 1

Excess Load Over	But Not Over	For Each Pound in Excess	
		Current Law	HB 5453 (S-2)
1,000 pounds	2,000 pounds	\$0.03	\$0.06
2,000 pounds	3,000 pounds	\$0.06	\$0.12
3,000 pounds	4,000 pounds	\$0.09	\$0.18
4,000 pounds	5,000 pounds	\$0.12	\$0.24
5,000 pounds	10,000 pounds	\$0.15	\$0.30
10,000 pounds	—	\$0.20	\$0.40

If a court determines that a motor vehicle would be lawful by a proper distribution of the load on all axles of the vehicle or the combination of vehicles, but one or more of the axles exceeded the maximum allowable axle weight by more than 1,000 pounds but less than 4,000 pounds, the court may impose a misload fine of \$200 per axle for up to three axles. The bill would require a court to impose this fine.

If a court determines that a motor vehicle would meet the loading conditions specified in a special permit issued under Section 725 by a proper distribution of the load on all of the axles of the vehicle, but one or more axles exceeded the permitted axle weight by 1,000 pounds or less, the court must impose a \$200 fine per axle. Under the bill, if the one or more of the axles exceeded the permitted axle weight by more than 1,000 pounds, the court would have to impose a fine according to the schedule shown in Table 1 for the number of pounds in excess of the permitted axle weight.

(Section 725 allows the Michigan Department of Transportation, a county road commission, or a local authority having jurisdiction over a highway to issue a written special permit authorizing an applicant to operate a vehicle or combination of vehicles that is either of the following: a) of a size, weight, or load exceeding the maximum specified by Chapter 6 of the Michigan Vehicle Code, or b) otherwise not in conformity with Chapter 6.)

Axle Loading Maximums, Solid Waste

Under the Code, certain axle loading maximums are increased for vehicles transporting agricultural commodities or raw timber, excluding farm equipment and fuel, from the place of harvest or storage to the first point of delivery on a road. The bill would extend this provision to vehicles transporting solid waste.

The bill would define "solid waste" as that term is defined in Section 11506 of the Natural Resources and Environmental Protection Act: "garbage, rubbish, ashes, incinerator ash, incinerator residue, street cleanings, municipal and industrial sludges, solid commercial waste, solid industrial waste, and animal waste". That term does not include human or medical waste, organic livestock or poultry waste, ferrous or nonferrous scrap directed to processing or reuse, slag or slag products, materials used as animal feed or applied to land for an agricultural purpose, source or site separated materials, coal ash (under certain circumstances), certain soils, and other waste regulated by statute.

Vehicle Height and Length Limits

Section 719 prescribes the standards for the height and length of various vehicles operating in this State. A violation of this section is a civil infraction. The bill would require a person who violated this section to pay a civil fine of up to \$500. The bill also would indicate this change in Section 907, which prescribes civil fines for Code violations. (Unless a specific fine is prescribed for a particular violation, the maximum fine for a civil infraction under the Code is \$100.)

Allocation of Civil Fines

Currently, a civil fine ordered under Section 907 for a violation of the Michigan Vehicle Code or other State statute must be exclusively applied to the support of public libraries and county law libraries in the same manner as penal fines assessed and collected for violations of penal law. (The Revised Judicature Act contains a similar provision.) A civil fine ordered for violation of a code or ordinance regulating the operation of a commercial motor vehicle must be allocated as follows: a) 70% to the local authority in which the citation is issued, and b) 30% for library purposes as provided by law.

The bill would require 50% of a civil fine ordered under Section 719(7) (the civil fine ordered for violating vehicle height and length limits) or Section 724(3) (the civil fine ordered for violating vehicle weight limits) to be distributed to the Michigan Transportation Fund.

FISCAL IMPACT

The bill would have an indeterminate fiscal impact at the State and local levels.

The bill would establish a maximum civil fine of \$500 for civil infractions that resulted from violating vehicle length and height requirements. Under current law, the maximum fine for such an infraction is \$100. According to the State Court Administrative Office, the recommended fine for a first-time offender is \$35. To the extent that higher fines were imposed, the bill would increase revenue to local units of government.

The bill also likely would increase revenue by doubling overweight penalties at the State and local levels. However, it is unclear what effect an increase in penalties would have on potential violators; doubling these fines could deter future violations. Notably, these penalties apply to violations of State requirements as well as similar local ordinances regarding overweight vehicles. There are limited data available regarding overweight fines across State and local levels of government, so the potential extent of any resulting increase in revenue is indeterminate.

As discussed above, these penalties currently are distributed to public libraries and local units of government. The bill would redirect 50% of the revenue from these fines to the Michigan Transportation Fund. Since the number of potential violations is unknown, it is unclear whether the amount of revenue directed to local units of government and to libraries would increase or decrease. This is due the potential for deterrence via increased penalties, which could result in decreased revenue derived from these violations. If the number of violations fell due to higher penalties, local units of government and libraries would see a reduction in revenue that corresponded to the decrease in violations as a result of the bill.

Additionally, to the extent that increased penalties reduced the number of offenses, local road agencies and the Department of Transportation could see reductions in road maintenance costs as a result of fewer overweight vehicles damaging roads.

This analysis assumes that any statutory conflicts regarding Public Act 51 of 1951 or the Revised Judicature Act would be resolved through corollary amending legislation. (Section 10 of Public Act 51 of 1951, the Michigan Transportation Fund (MTF) law, establishes the Fund and specifies, among other things, the sources from which money may be deposited into the MTF. Money collected under the Motor Fuel Tax Act (except the license fee provided in that Act), taxes, fees, and licenses from registration plates under Sections 801 through 810 of the Michigan Vehicle Code, and money received under the Motor Carrier Act, as well as income or profit derived from the investment of money in the MTF may be deposited into the Fund. Except as otherwise provided in Public Act 51, no other money from any source may be deposited into the Fund.)

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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.