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BILL



ANALYSIS

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Senate Bill 1040 (as introduced 5-30-18)  
Sponsor: Senator Hoon-Yung Hopgood  
Committee: Transportation

Date Completed: 11-21-18

### **CONTENT**

**The bill would amend the Michigan Vehicle Code to specify that a historic vehicle would include a military surplus vehicle that was over 25 years old.**

The Code allows the owner of a historic vehicle to apply for a historic vehicle registration plate or registration tab. The owner must pay a fee of \$30, certify that the vehicle is owned and operated solely as a historic vehicle, and certify that it has been inspected and found safe to operate on Michigan highways. The registration expires on April 15 in the tenth year following the date of its issuance.

Under the Code, "historic vehicle" means a vehicle that is over 25 years old, and that is owned solely as a collector's item and for participation in club activities, exhibitions, tours, parades, and similar uses, including mechanical testing, but is not used for general transportation. For the purposes of the definition, use of the vehicle during the month of August each year is considered an exhibition. Under the bill, the term would include a military surplus vehicle that was over 25 years old.

"Military surplus vehicle" would mean a high mobility, multipurpose wheeled vehicle or a motor vehicle manufactured for military usage that was manufactured by or under the direction of the United States Armed Forces or the armed forces of any other country and was subsequently authorized for sale to civilians. The term would not include a tracked vehicle or a half-tracked vehicle.

The bill would take effect 90 days after its enactment.

MCL 257.20a et al.

Legislative Analyst: Drew Krogulecki

### **FISCAL IMPACT**

The bill could have a minimal, positive fiscal impact on State revenue. The amount of additional revenue is indeterminate and would depend on the number of vehicles that became eligible and were registered under the bill. Currently, a decommissioned military surplus vehicle is not eligible to be registered as a street-legal vehicle in Michigan. Those vehicles may be titled as off-road vehicles to be operated only on off-road trails but may not be registered, thus no registration fee (or tax) is collected from these types of vehicles.

The bill would allow for a military surplus vehicle to be registered as a historic vehicle, meaning that it could be driven to participate in club activities, exhibitions, tours, parades,

and similar uses. Also, the use of historic vehicles is allowed during the month of August, as use of the vehicle during that month is considered an exhibition.

Currently, historic vehicles pay a single registration fee of \$30 that is good for ten years. Under the bill, for each vehicle that became eligible for registration as a historic vehicle, the State would collect \$30 every ten years. Again, the amount of additional revenue is indeterminate and would depend on the number of military surplus vehicles that registered under 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.