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Senate Bill 344 through 346 (as introduced 5-24-19)
Sponsor: Senator Tom Barrett (S.B. 344 & 346)
Senator Erika Geiss (S.B. 345)
Committee: Transportation and Infrastructure

Date Completed: 6-19-19

CONTENT

Senate Bill 345 would amend the Michigan Vehicle Code to define "military surplus vehicle" and "historic military surplus vehicle".

Senate Bill 344 would amend the Michigan Vehicle Code to do the following:

- Specify that a military surplus vehicle would be subject to the Code's registration and title provisions.
- Specify that a military surplus vehicle could not be precluded from applying for a certificate of title or renewal of a registration plate if it contained certain equipment on a vehicle.
- Allow the Secretary of State (SOS) to issue to the owner of a historic military surplus vehicle a historic military surplus vehicle registration plate.
- Prescribe a \$35 fee for a historic military surplus vehicle registration plate or a registration tab.
- Allow the SOS to revoke a registration issued under the bill under certain circumstances.

Senate Bill 346 would amend Part 63 (Motor Vehicle Emissions Testing for West Michigan) and Part 65 (Motor Vehicle Emissions Testing for Southeast Michigan) of the Natural Resources and Environmental Protection Act to exempt a military surplus vehicle from certain emission inspections.

Senate Bills 344 and 345 are tie-barred, and those bills would take effect 90 days after each bill's enactment.

Senate Bill 345

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 purposes of this definition, use of the vehicle during the month of August in each year is considered an exhibition. Under the bill, the term would include a historic military surplus vehicle in the definition.

"Historic military surplus vehicle" would mean a military surplus vehicle that is over 25 years old, and that is owned solely as a collector's item for participation in club activities, exhibitions, tours, parades, and similar uses, including mechanical testing, but is not used for general

transportation. Use of the vehicle during the month of August in each year would be considered an exhibition.

"Military surplus vehicle" would mean a vehicle, other than a tracked vehicle, that meets all of the following requirements:

- The vehicle is a high mobility multipurpose wheeled vehicle, commonly known as a Humvee or HMMWV, or other motor vehicle manufactured for military usage.
- The vehicle was manufactured by or under the direction of the United States Armed Forces.
- The vehicle was originally manufactured in compliance with Federal regulations and military standards.
- The vehicle was authorized for sale to civilians.

Senate Bill 344

Certificate of Title & Registration Requirements

Under the Code, every motor vehicle, recreational vehicle, trailer, semitrailer, and pole trailer, when driven or moved on a street or highway, with certain exceptions, is subject to the registration and certificate of title provisions under the Code. Under the bill, this would apply to a military surplus vehicle.

Additionally, the bill specifies that a military surplus vehicle could not be precluded from applying for a certificate of title or applying for or renewing a registration plate under the Code if it contained all of the following equipment:

- Headlights, which would include one headlight on each side, and high- and low-beam headlights.
- Front and rear turn signals.
- At least one taillight; if the vehicle were equipped with two taillights, both would have to be in working order.
- Registration plate light and brake lights.
- Horn.
- Bright light indicator.
- Windshield wipers and washers.
- Safety belts (this provision would apply only to 1965 and newer model vehicles.)
- Safety glass windshield, which could not be made of plexiglass, would have to be of a sufficient size to protect the driver and passengers, would have to be free of any cracks or obstructions, and would have to be made of transparent material.
- Adjustable outside rearview mirror on the driver's side, except as provided below.
- Outside rearview mirror on each side of the vehicle (this would only apply to a truck with a half-ton or more capacity).
- Bumpers, which would only apply to a passenger vehicle, and would have to be between 14 and 22 inches above the ground when the vehicle was not in four-wheel drive.
- Tires, which would have to have 2/32-inch tread, could not have exposed cord or tread separation, and would have to be approved for use by the United States Department of Transportation.
- Exhaust, which would have to be in good working order and could not produce excessive noise.
- Differential gear.

The bill also specifies that a military surplus vehicle could not be precluded from applying for a certificate of title or applying for or renewing a registration plate under the Code if it

contained brake equipment as required under Section 705 of the Code. (Among other things, Section 705 requires brakes adequate to control the movement of and to stop and hold the vehicle, including two separate means of applying the brakes, each of which means must be effective to apply the brakes to at least two wheels. If these two means of applying the brakes are connected in any way, they must be constructed in a way that failure of one part of the operating mechanism does not leave the motor vehicle without brakes on at least two wheels.)

The above requirements would apply regardless of whether the Federal government designated the military surplus vehicle as off-road use only.

Assembled Military Surplus Vehicles

Under the Code, the SOS must issue a vehicle identification number and a certificate title to an assembled vehicle that satisfies all applicable requirements of the Code after an applicant's payment of the proper fees and submission of all documentation required, if the assembled vehicle contained certain items similar to the list provided above. "Assembled vehicle" means one or more of the following:

- A vehicle that is built from new or used materials or parts by a person not recognized as a manufacturer.
- A vehicle that has been altered or modified to the extent that it no longer reflects its original manufacturer configuration.
- A vehicle that has had its body replaced with a different style of body unit from another vehicle.
- A vehicle that has been assembled from a kit.
- An off-road vehicle, regardless of whether the original manufacturer's certificate of origin specifies that the vehicle is an off-road vehicle.

The bill would include within the definition of assembled vehicle a military surplus vehicle, regardless of whether designated by the Federal government as off-road use only.

Historic Military Vehicle Registration Plate

The Code authorizes the SOS to issue to the owner of a historic vehicle a historic vehicle registration plate that bears the inscription "historical vehicle Michigan" and the registration number. Under the bill, this would apply to a historic vehicle other than a historic military surplus vehicle.

Instead, the bill would authorize the SOS to issue to the owner of a historic military surplus vehicle a historic military surplus vehicle registration plate that bore the inscription "historic military vehicle Michigan" and the registration number. In addition, the plate would have to be olive drab in color with white lettering and inscribed with a vignette of a white star.

The owner of a historic military surplus vehicle applying for this registration plate or a registration tab would have to pay a fee of \$35, and would have to certify that the vehicle for which the registration was requested was owned and operated solely as a historic military surplus vehicle, and that the vehicle had been inspected and found safe to operate on the highways of the State. The registration certificate would not need to specify the weight of the vehicle. The registration would not be transferable to another historic military surplus vehicle.

A registration issued under the bill would remain valid until the registrant either sold, transferred, or scrapped the vehicle or modified it in a manner that required the issuance of a new certificate of title for the vehicle.

The SOS could revoke a registration issued under the bill, for cause shown and after a hearing, for the applicant's failure to comply with the bill, for use of the vehicle for which the registration was issued for purposes other than those enumerated in Section 20b, (which Senate Bill 345 would add) or because the vehicle was not safe to operate on the highways of the State. (Section 20b would define "historic military surplus vehicle".)

Senate Bill 346

Part 63 (Motor Vehicle Emissions Testing for West Michigan) of the Act requires the Michigan Department of Transportation to administer a motor vehicle emissions inspection and maintenance program designed to meet the performance standards for an emissions inspection and maintenance program as established by the United States Environmental Protection Agency (EPA) in 40 CFR 51.352 in the counties of Kent, Ottawa, and Muskegon in those areas that are not in attainment of the national ambient air quality standards for ozone.

Similarly, Part 65 (Motor Vehicle Emissions Testing for Southeast Michigan) of the Act authorizes the Department to administer an emissions inspection test program to meet the performance standards for a motor vehicle emissions testing program as established by the EPA in 40 CFR 51.532 in the counties of Wayne, Oakland, and Macomb. The test and repair program may only be implemented as a contingency measure included in the maintenance plan approved by the EPA as part of the redesignation as an ozone attainment area. The contingency measure must include authority to expand the program to Washtenaw County in addition to these counties.

Part 63 and Part 65 exempt certain vehicles from the inspection requirement, such as motor vehicles manufactured before 1975, vehicles licensed as historic vehicles under the Michigan Vehicle Code, and motor vehicles that use only certain fuel sources. The bill would exempt a military surplus vehicle from the inspection requirements of Part 63 and Part 65.

(51.532 requires basic inspection and maintenance tests to be designed and implemented to meet or exceed minimum performance standards. The EPA must establish performance standards based upon certain inputs and local characteristics, and the emission reduction benefits of the State's program design must be estimated using the most current version of the EPA emission model.)

MCL 257.216 et al. (S.B. 344)
257.20a et al. (S.B. 345)
324.6311 & 324.6512 (S.B. 346)

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

Senate Bill 344

The bill could result in additional revenues for the Michigan Transportation Fund resulting from the revenue that would be generated from the \$35 registration fee. The amount of additional revenue is indeterminate and would depend on the number of military surplus vehicles that met the registration guidelines outlined in the bill. In addition, the Department of State would be required to develop and produce a new registration plate for eligible military surplus vehicles. The Department has not yet determined the cost of developing the new registration plate but, for comparison, the cost of developing a new fund-raising plate (for example, a State university fund-raising plate) is an estimated \$90,000. This cost would decrease the net revenue to the State raised from the new registration fee for military surplus vehicles proposed in the bill.

Senate Bill 345

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

The bill would allow for military surplus vehicles to be registered as a historic vehicle meaning that the vehicle could be driven to participate in club activities, exhibitions, tours, parades, and similar events. Also, the use of historic vehicles is allowed during the month of August, as that month is considered an exhibition for the purpose of historic vehicles.

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.

Senate Bill 346

The bill would have no fiscal impact on the State or local government. The Department does not currently administer a motor vehicle emissions inspection and maintenance program.

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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.