



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 1040 (as reported without amendment)
Sponsor: Senator Hoon-Yung Hopgood
Committee: Transportation

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.

"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.

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.

Date Completed: 12-6-18

Fiscal Analyst: Joe Carrasco