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BILL ANALYSIS

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Senate Bill 163 (as reported with amendments)

Sponsor: Senator Richard D. Fessler

Committee: State Affairs, Tourism, and Transportation

Date Completed: 3-26-87

RATIONALE

In 1974, as a fuel conservation measure in wake of the 1973-74 Arab oil embargo, the speed limit for motor vehicles was lowered. The Federal Emergency Highway Energy Conservation Act of 1974 required all states to legislate maximum highway speed limits of 55 miles per hour to replace the then existing 70 miles per hour limit. Michigan complied by enacting Public Act 28 of 1974, since the Federal Act provided for a suspension of all Federal highway funds to noncomplying states. Reducing the highway speed of vehicles, it was argued, was necessary to conserve gasoline consumption at a time of dwindling gasoline supplies that sometimes created long lines at those service stations able to obtain adequate amounts of fuel. Now, however, some feel that the lowered speed limit has outlived its purpose and should be raised since fuel economy is no longer as crucial an issue in this era of relatively low gasoline prices and abundant supplies.

With Federal legislation pending that would allow the states to raise speed limits to 65 miles per hour on stretches of interstate highways outside urbanized areas, it has been proposed that Michigan take advantage of this impending opportunity and raise its speed limit to 65 in those areas where that speed may be permitted by the Federal legislation.

CONTENT

The bill would amend the Michigan Vehicle Code to increase the maximum lawful rate of speed by vehicles on a "rural interstate highway" from 55 to 65 miles per hour and to do the following:

- Define "rural interstate highway" as a highway in the interstate system located outside an urbanized area with a population of 50,000 or more.
- Deny the Governor the authority to reduce the maximum speed limit on a rural interstate highway.
- Remove a provision that permits the Department of Transportation to reduce the maximum speed limit to 55 miles per hour on any street, highway or freeway.
- Delete a provision requiring the entry of points for violating a speed law or ordinance by exceeding the lawful maximum speed that was reduced by Public Act 28 of 1974 (which set the maximum rate of speed on any street, highway, expressway, or freeway at 55 miles per hour).
- Require the 65-mile-per-hour maximum speed limit to be reduced to a 55-mile-per-hour maximum speed limit two years after the bill's effective date.

MCL 257.320a, 257.628, 257.629b

FISCAL IMPACT

The bill would result in some minimal costs associated with replacing speed limit signs, but these costs are indeterminate at this time. (Should Congress fail to enact

Federal highway legislation that would allow increased speed limits, however, the bill could jeopardize approximately \$300.0 million in Federal aid for State highway projects. Until action is taken on Federal highway legislation, the fiscal impact of S.B. 163 is indeterminate.)

ARGUMENTS**Supporting Argument**

The original rationale for lowering the speed limit from 70 to 55 miles per hour was to save fuel at a time of an oil crisis. With gasoline supplies now plentiful, this crisis and, therefore, the argument for a 55-mile-per-hour limit, no longer apply. In addition, gasoline consumption at higher speeds is less of a factor since today's cars are more fuel efficient than those on the road in 1974. Moreover, opinion polls have suggested that motorists overwhelmingly favor a change in the speed limit of vehicles from 55 to 65 for rural interstate highways.

Supporting Argument

Much of the expenditure of billions of dollars on more than 1,100 miles of interstate highways in Michigan was intended to build roads capable of handling speeds higher than 55 miles per hour, and should be returned to serving that purpose by raising the speed limit to 65 miles per hour for rural interstate traffic. Additionally, the Michigan State Police have better things to do with their time than attempt to enforce the ineffective 55-mile-per-hour law.

Opposing Argument

Simply put, raising the speed limit would cost lives: some say 500 lives a year. The recent downward trend in highway fatalities would be reversed. No reasonable person can disagree with the claim that our present speed limit has saved lives, with some estimates crediting the 55-mile-per-hour limit with saving 26,000 since 1974.

Response: While some have maintained that the 55-mile-per-hour limit has saved many lives, raising the limit to 65 on rural interstate highways would not cause a dramatic increase in highway deaths or injuries, since rural interstates account for 19% of the nation's traffic but only 4% of the highway fatalities. Most of the reduction in the number of total lives lost due to traffic accidents by enactment of the 55-mile-per-hour limit has come from the fatality figures of noninterstate local, county and State roadways. These would not be affected by the provisions of the bill.

Opposing Argument

The Federal legislation that would allow increased speeds may be appropriate for western states, where towns and cities are often separated by vast expanses of open country, but not for heavily urbanized Michigan. Although

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the bill is not supposed to affect urban roadways, the heavily traveled areas of urbanized, industrialized southern Michigan along the I-75 and I-94 corridors could be considered partly rural in nature and subject to the higher speed limit, causing problems for both motorists and law enforcement agencies. Instead of leaving the designation of rural roadways to departmental discretion, perhaps the bill should limit the higher speed to the Upper Peninsula and outstate portions of the Lower Peninsula, and expressly exclude heavily urbanized southeastern Michigan.

Opposing Argument

Although another section of the vehicle code limits truck speeds to 55, the bill could be construed so as to increase the speed limit not only for automobiles, but for trucks too. Trucks never have been allowed to travel as fast as 65 miles per hour because higher truck speeds create problems for all drivers on the road and contribute to increased severity of accidents. The speed limit for large trucks should remain 55 miles per hour even if the speed limit for passenger vehicles is 65 miles per hour. While some say that trucks' speed would still be governed by another section of the vehicle code that sets a 55-mile-per-hour speed for trucks, tractors, and tractors with a trailer, weighing over 5,000 pounds (MCL 257.627), the law could still be interpreted so as to allow the bill to control. In order to preclude such a result, the bill should expressly state that trucks could not exceed 55 miles per hour.

Opposing Argument

The speed limit should not be increased without recognizing that, absent increased enforcement efforts and additional tools for law enforcement agencies, Michigan would witness an increase in loss of life and the attendant social and economic costs. The bill would increase speed limits at a time when law enforcement agencies already are stretched too thin to handle the growing traffic volume, without the increased patrol demand that the higher speed limit would entail. Fifteen years ago, State troopers spent two-thirds of their time on road patrol; today it's only one-fourth. Since 1979, the number of troopers on the road has shrunk from approximately 1,300 to only 1,000. During the same period, the number of drivers in Michigan has increased by 500,000. If the speed limit were raised, the following safety-oriented measures should be implemented: increasing the number of officers patrolling the highways; increasing points for speed violations; prohibiting use of radar detectors by motorists; making violation of the safety belt law a primary offense; and requiring the State Safety Commission annually to review the effects of the increased speed limit and report its findings to the Legislature.

Opposing Argument

Federal enabling legislation that would allow the State to raise the speed limit to 65 miles per hour has not yet been signed into law. Should the State enact S.B. 163 prior to passage of the Federal legislation, Michigan could lose all Federal highway funding, according to current law. While it may be unlikely that the State would take such an action, it would seem prudent to include a provision in the bill preventing it from taking effect unless or until Federal enabling legislation were enacted. Furthermore, the precise language and implications of the Federal bill are at this point unclear. It would serve all interested parties well merely to wait until the Federal bill becomes law before moving on any State bill. This would give everyone sufficient time in which to study the provisions and possible impact of the Federal bill and to design a proper and reasoned response to it.

Opposing Argument

While gasoline fuel economy is not the crucial issue that it once was, conservation of this nonrenewable resource is still an important goal, one in which the 55-mile-per-hour law has been instrumental in helping to achieve.

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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.