



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5452 (Substitute H-1 as passed by the House)
Sponsor: Representative Michael D. McCready
House Committee: Transportation and Infrastructure
Senate Committee: Infrastructure Modernization

Date Completed: 5-27-14

CONTENT

The bill would amend the Michigan Vehicle Code to increase the fees that the Michigan Department of Transportation (MDOT), a county road commission, or a local authority with jurisdiction over a highway may charge for a special permit for a vehicle or combination of vehicles that exceeds the maximum size, weight, or load prescribed in the Code or otherwise is not in conformity with the Code.

The current and proposed fees are shown in [Table 1](#) and [Table 2](#). In the case of fees charged by MDOT, the fee is a fixed amount. In the case of a jurisdictional authority other than MDOT, the fee is a maximum amount. (The Code specifies that the fee charged by a local jurisdiction is the amount charged on September 30, 1997, but may be increased annually up to the amount set in the Code. If a local jurisdiction charged a higher amount as of September 30, 1997, the fee may not be increased.)

Table 1
Excess Size, Weight, or Load, or Other Nonconformity

Permit Issuer	Reason for Permit	Current Fee	Proposed Fee
MDOT, County, or Local Authority	Single Permit	\$50	\$100
MDOT, County, or Local Authority	Multiple Trips or Annual Permit	\$100	\$500

Table 2
Oversize Vehicle or Combination Not Exceeding Weight or Load Limits

Permit Issuer	Reason for Permit	Current Fee	Proposed Fee
MDOT	Single Trip	\$15	\$30
MDOT	Multiple Trips or Annual Permit	\$30	\$150

Note: The fees shown in [Table 2](#) may be adjusted annually based on the percentage increase in the U.S. consumer price index. The fees currently charged are the amounts set in statute.

MCL 257.725

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

At the State level, the bill would generate approximately \$8.6 million in additional revenue (based on permit statistics from FY 2012-13). Currently, approximately \$4.0 million is

collected at the State level for special permits. Under the bill, the State would collect a total of approximately \$12.6 million for special permits. According to information provided by MDOT, a breakdown of the types of permits issued, the bill's proposed changes, and the resulting increase in revenue are shown in Table 3.

With regard to local governments, the bill would generate an indeterminate increase in revenue as a result of the permit fee increase. There are no data available with regard to the amount of permits issued at the local level.

Table 3

Special Permit Type	Number Issued in FY 2012-2013	Current Fee	Estimated Revenue Generated from Current Fee	Proposed Fee under HB 5452 (H-1)	Estimated Revenue Generated from Proposed Fee
Overweight (single trip)	3,248	\$50	\$162,400	\$100	\$324,800
Overweight (multiple trips)	2,744	\$100	\$274,400	\$500	\$1,372,000
Oversize & Overweight (single trip)	28,502	\$50	\$1,425,100	\$100	\$2,850,200
Oversize & Overweight (multiple trips)	11,951	\$100	\$1,195,100	\$500	\$5,975,500
Oversize (single trip)	56,547	\$15	\$848,205	\$30	\$1,696,410
Oversize (multiple trips)	2,252	\$30	\$67,560	\$150	\$337,800

Total Revenue Generated from Current Fee:	\$4.0 million
Total Revenue Generated from Proposed Fee:	\$12.6 million
Additional Revenue Generated Under HB 5452 (H-1):	\$8.6 million

Fiscal Analyst: Glenn Steffens

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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.