

**SUBSTITUTE FOR
SENATE BILL NO. 169**

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending the title, a division heading, and sections 35a, 36, 244, and 602b (MCL 257.35a, 257.36, 257.244, and 257.602b), the title as amended by 2010 PA 10, section 35a as amended by 1980 PA 515, section 244 as amended by 2008 PA 539, and section 602b as amended by 2013 PA 36, and by adding sections 2b, 663, 665, 666, and 817.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and

1 distressed vehicles; to provide for the licensing of dealers; to
2 provide for the examination, licensing, and control of operators
3 and chauffeurs; to provide for the giving of proof of financial
4 responsibility and security by owners and operators of vehicles; to
5 provide for the imposition, levy, and collection of specific taxes
6 on vehicles, and the levy and collection of sales and use taxes,
7 license fees, and permit fees; to provide for the regulation and
8 use of streets and highways; to create certain funds; to provide
9 penalties and sanctions for a violation of this act; to provide for
10 civil liability of **MANUFACTURERS, THE MANUFACTURERS OF AUTOMATED**
11 **TECHNOLOGY, UPFITTERS,** owners, and operators of vehicles and
12 service of process on residents and nonresidents; to regulate the
13 introduction and use of certain evidence; to provide for the levy
14 of certain assessments; to provide for the enforcement of this act;
15 to provide for the creation of and to prescribe the powers and
16 duties of certain state and local agencies; to impose liability
17 upon the state or local agencies; to provide appropriations for
18 certain purposes; to repeal all other acts or parts of acts
19 inconsistent with this act or contrary to this act; and to repeal
20 certain parts of this act on a specific date.

21 **SEC. 2B. (1) "AUTOMATED MOTOR VEHICLE" MEANS A MOTOR VEHICLE**
22 **ON WHICH AUTOMATED TECHNOLOGY HAS BEEN INSTALLED, EITHER BY A**
23 **MANUFACTURER OF AUTOMATED TECHNOLOGY OR AN UPFITTER THAT ENABLES**
24 **THE MOTOR VEHICLE TO BE OPERATED WITHOUT ANY CONTROL OR MONITORING**
25 **BY A HUMAN OPERATOR. AUTOMATED MOTOR VEHICLE DOES NOT INCLUDE A**
26 **MOTOR VEHICLE ENABLED WITH 1 OR MORE ACTIVE SAFETY SYSTEMS OR**
27 **OPERATOR ASSISTANCE SYSTEMS, INCLUDING, BUT NOT LIMITED TO, A**

1 SYSTEM TO PROVIDE ELECTRONIC BLIND SPOT ASSISTANCE, CRASH
2 AVOIDANCE, EMERGENCY BRAKING, PARKING ASSISTANCE, ADAPTIVE CRUISE
3 CONTROL, LANE-KEEPING ASSISTANCE, LANE DEPARTURE WARNING, OR
4 TRAFFIC JAM AND QUEUING ASSISTANCE, UNLESS 1 OR MORE OF THESE
5 TECHNOLOGIES ALONE OR IN COMBINATION WITH OTHER SYSTEMS ENABLE THE
6 VEHICLE ON WHICH THE TECHNOLOGY IS INSTALLED TO OPERATE WITHOUT ANY
7 CONTROL OR MONITORING BY AN OPERATOR.

8 (2) "AUTOMATED TECHNOLOGY" MEANS TECHNOLOGY INSTALLED ON A
9 MOTOR VEHICLE THAT HAS THE CAPABILITY TO ASSIST, MAKE DECISIONS
10 FOR, OR REPLACE AN OPERATOR.

11 (3) "AUTOMATIC MODE" MEANS THE MODE OF OPERATING AN AUTOMATED
12 MOTOR VEHICLE WHEN AUTOMATED TECHNOLOGY IS ENGAGED TO ENABLE THE
13 MOTOR VEHICLE TO OPERATE WITHOUT ANY CONTROL OR MONITORING BY AN
14 OPERATOR.

15 (4) "MANUFACTURER OF AUTOMATED TECHNOLOGY" MEANS A
16 MANUFACTURER OR SUBCOMPONENT SYSTEM PRODUCER RECOGNIZED BY THE
17 SECRETARY OF STATE THAT DEVELOPS OR PRODUCES AUTOMATED TECHNOLOGY.

18 (5) "UPFITTER" MEANS A PERSON THAT MODIFIES A MOTOR VEHICLE
19 AFTER IT WAS MANUFACTURED BY INSTALLING AUTOMATED TECHNOLOGY IN
20 THAT MOTOR VEHICLE TO CONVERT IT TO AN AUTOMATED VEHICLE. UPFITTER
21 INCLUDES A SUBCOMPONENT SYSTEM PRODUCER RECOGNIZED BY THE SECRETARY
22 OF STATE THAT DEVELOPS OR PRODUCES AUTOMATED TECHNOLOGY.

23 Sec. 35a. "Operate" or "operating" means ~~being~~ 1 OR MORE OF
24 THE FOLLOWING:

25 (A) BEING in actual physical control of a vehicle. THIS
26 SUBDIVISION APPLIES regardless of whether or not the person is
27 licensed under this act as an operator or chauffeur.

1 (B) CAUSING AN AUTOMATED MOTOR VEHICLE TO MOVE UNDER ITS OWN
2 POWER IN AUTOMATIC MODE UPON A HIGHWAY OR STREET REGARDLESS OF
3 WHETHER THE PERSON IS PHYSICALLY PRESENT IN THAT AUTOMATED MOTOR
4 VEHICLE AT THAT TIME. THIS SUBDIVISION APPLIES REGARDLESS OF
5 WHETHER THE PERSON IS LICENSED UNDER THIS ACT AS AN OPERATOR OR
6 CHAUFFEUR. AS USED IN THIS SUBDIVISION, "CAUSING AN AUTOMATED MOTOR
7 VEHICLE TO MOVE UNDER ITS OWN POWER IN AUTOMATIC MODE" INCLUDES
8 ENGAGING THE AUTOMATED TECHNOLOGY OF THAT AUTOMATED MOTOR VEHICLE
9 FOR THAT PURPOSE.

10 Sec. 36. "Operator" means ~~every~~ **A** person, other than a
11 chauffeur, who ~~is in actual physical control of~~ **DOES EITHER OF THE**
12 **FOLLOWING:**

13 **(A) OPERATES** a motor vehicle upon a highway **OR STREET.**

14 **(B) OPERATES AN AUTOMATED MOTOR VEHICLE UPON A HIGHWAY OR**
15 **STREET.**

16 Sec. 244. (1) A manufacturer owning a vehicle of a type
17 otherwise required to be registered under this act may operate or
18 move the vehicle upon a street or highway primarily for the
19 purposes of transporting or testing or in connection with a golf
20 tournament or a public civic event, if the vehicle displays, in the
21 manner prescribed in section 225, 1 special plate approved by the
22 secretary of state.

23 (2) A producer of a vehicle subcomponent system essential to
24 the operation of the vehicle or the safety of an occupant may
25 operate or move a motor vehicle upon a street or highway solely to
26 transport or test the subcomponent system if the motor vehicle
27 displays, in the manner prescribed in section 225, 1 special plate

1 approved by the secretary of state. To be eligible for the special
2 plate, the subcomponent system producer must be either a recognized
3 subcomponent system producer or must be a subcomponent system
4 producer under contract with a vehicle manufacturer.

5 (3) SUBJECT TO SECTION 665, A MANUFACTURER OF AUTOMATED
6 TECHNOLOGY MAY OPERATE OR OTHERWISE MOVE A MOTOR VEHICLE OR AN
7 AUTOMATED MOTOR VEHICLE UPON A STREET OR HIGHWAY SOLELY TO
8 TRANSPORT OR TEST AUTOMATED TECHNOLOGY IF THE MOTOR VEHICLE OR
9 AUTOMATED MOTOR VEHICLE DISPLAYS, IN THE MANNER PRESCRIBED IN
10 SECTION 225, A SPECIAL PLATE APPROVED BY THE SECRETARY OF STATE.

11 (4) ~~(3)~~—A dealer owning a vehicle of a type otherwise required
12 to be registered under this act may operate or move the vehicle
13 upon a street or highway without registering the vehicle if the
14 vehicle displays, in the manner prescribed in section 225, 1
15 special plate issued to the owner by the secretary of state. As
16 used in this subsection, "dealer" includes an employee, servant, or
17 agent of the dealer.

18 (5) ~~(4)~~—Solely to deliver the vehicle, a transporter may
19 operate or move a vehicle of a type otherwise required to be
20 registered under this act upon a street or highway if the vehicle
21 displays, in the manner prescribed in section 225, a special plate
22 issued to the transporter under this chapter.

23 (6) ~~(5)~~—A licensee shall not use a special plate described in
24 this section on service cars or wreckers operated as an adjunct of
25 a licensee's business. A manufacturer, transporter, or dealer
26 making or permitting any unauthorized use of a special plate under
27 this chapter forfeits the right to use special plates and the

1 secretary of state, after notice and a hearing, may suspend or
2 cancel the right to use special plates and require that the special
3 plates be surrendered to or repossessed by the state.

4 (7) ~~(6)~~—A transporter shall furnish a sufficient surety bond
5 or policy of insurance as protection for public liability and
6 property damage as may be required by the secretary of state.

7 (8) ~~(7)~~—The secretary of state shall determine the number of
8 plates a manufacturer, dealer, or transporter reasonably needs in
9 his or her business.

10 (9) ~~(8)~~—If a vehicle that is required to be registered under
11 this act is leased or sold, the vendee or lessee is permitted to
12 operate the vehicle upon a street or highway for not more than 72
13 hours after taking possession if the vehicle has a dealer plate
14 attached as provided in this section. The application for
15 registration shall be made in the name of the vendee or lessee
16 before the vehicle is used. The dealer and the vendee or lessee are
17 jointly responsible for the return of the dealer plate to the
18 dealer within 72 hours, and the failure of the vendee or lessee to
19 return or the vendor or lessor to use due diligence to procure the
20 dealer plate is a misdemeanor, and in addition the license of the
21 dealer may be revoked. While using a dealer's plate, a vendee or
22 lessee shall have in his or her possession proof that clearly
23 indicates the date of sale or lease of the motor vehicle.

24 (10) ~~(9)~~—A vehicle owned by a dealer and bearing the dealer's
25 plate may be driven upon a street or highway for demonstration
26 purposes by a prospective buyer or lessee for a period of 72 hours.

27 (11) ~~(10)~~—The secretary of state may issue a registration

1 plate upon application and payment of the proper fee to an
2 individual, partnership, corporation, or association that in the
3 ordinary course of business has occasion to legally pick up or
4 deliver a commercial motor vehicle being driven to a facility to
5 undergo aftermarket modification, or to repair or service a
6 vehicle, or to persons defined as watercraft dealers under part 801
7 of the natural resources and environmental protection act, 1994 PA
8 451, MCL 324.80101 to 324.80199, or to the owner of a marina for
9 the purpose of delivering a vessel or trailer to a purchaser, to
10 transport a vessel between a body of water and a place of storage,
11 to transport a vessel or trailer to and from a boat show or
12 exposition, to repair, service, or store a vessel or trailer, or to
13 return a vessel or trailer to the customer after repair, service,
14 or storage. A registration plate issued under this subsection shall
15 be used to move the vehicle or trailer.

16 Sec. 602b. (1) Except as otherwise provided in this section, a
17 person shall not read, manually type, or send a text message on a
18 wireless 2-way communication device that is located in the person's
19 hand or in the person's lap, including a wireless telephone used in
20 cellular telephone service or personal communication service, while
21 operating a motor vehicle that is moving on a highway or street in
22 this state. As used in this subsection, a wireless 2-way
23 communication device does not include a global positioning or
24 navigation system that is affixed to the motor vehicle. Beginning
25 October 28, 2013, this subsection does not apply to a person
26 operating a commercial vehicle.

27 (2) Except as otherwise provided in this section, a person

1 shall not read, manually type, or send a text message on a wireless
2 2-way communication device that is located in the person's hand or
3 in the person's lap, including a wireless telephone used in
4 cellular telephone service or personal communication service, while
5 operating a commercial motor vehicle or a school bus on a highway
6 or street in this state. As used in this subsection, a wireless 2-
7 way communication device does not include a global positioning or
8 navigation system that is affixed to the commercial motor vehicle
9 or school bus. This subsection applies beginning October 28, 2013.

10 (3) Except as otherwise provided in this section, a person
11 shall not use a hand-held mobile telephone to conduct a voice
12 communication while operating a commercial motor vehicle or a
13 school bus on a highway, including while temporarily stationary due
14 to traffic, a traffic control device, or other momentary delays.
15 This subsection does not apply if the operator of the commercial
16 vehicle or school bus has moved the vehicle to the side of, or off,
17 a highway and has stopped in a location where the vehicle can
18 safely remain stationary. As used in this subsection, "mobile
19 telephone" does not include a 2-way radio service or citizens band
20 radio service. This subsection applies beginning October 28, 2013.
21 As used in this subsection, "use a hand-held mobile telephone"
22 means 1 or more of the following:

23 (a) Using at least 1 hand to hold a mobile telephone to
24 conduct a voice communication.

25 (b) Dialing or answering a mobile telephone by pressing more
26 than a single button.

27 (c) Reaching for a mobile telephone in a manner that requires

1 a driver to maneuver so that he or she is no longer in a seated
2 driving position, restrained by a seat belt that is installed as
3 required by 49 CFR 393.93 and adjusted in accordance with the
4 vehicle manufacturer's instructions.

5 (4) Subsections (1), (2), and (3) do not apply to an
6 individual who is using a device described in subsection (1) or (3)
7 to do any of the following:

8 (a) Report a traffic accident, medical emergency, or serious
9 road hazard.

10 (b) Report a situation in which the person believes his or her
11 personal safety is in jeopardy.

12 (c) Report or avert the perpetration or potential perpetration
13 of a criminal act against the individual or another person.

14 (d) Carry out official duties as a police officer, law
15 enforcement official, member of a paid or volunteer fire
16 department, or operator of an emergency vehicle.

17 **(E) OPERATE OR PROGRAM THE OPERATION OF AN AUTOMATED MOTOR**
18 **VEHICLE WHILE TESTING THE AUTOMATED MOTOR VEHICLE IN COMPLIANCE**
19 **WITH SECTION 665, IF THAT AUTOMATED MOTOR VEHICLE DISPLAYS A**
20 **SPECIAL PLATE ISSUED UNDER SECTION 224(3) IN THE MANNER REQUIRED**
21 **UNDER SECTION 225.**

22 (5) An individual who violates this section is responsible for
23 a civil infraction and shall be ordered to pay a civil fine as
24 follows:

25 (a) For a first violation, \$100.00.

26 (b) For a second or subsequent violation, \$200.00.

27 (6) This section supersedes all local ordinances regulating

1 the use of a communications device while operating a motor vehicle
2 in motion on a highway or street, except that a unit of local
3 government may adopt an ordinance or enforce an existing ordinance
4 substantially corresponding to this section.

5 ~~STREET CARS AND SAFETY ZONES~~ AUTOMATED VEHICLES

6 SEC. 663. EXCEPT AS OTHERWISE PROVIDED IN SECTION 665, A
7 PERSON SHALL NOT OPERATE AN AUTOMATED MOTOR VEHICLE UPON A HIGHWAY
8 OR STREET IN AUTOMATIC MODE.

9 SEC. 665. (1) BEFORE BEGINNING RESEARCH OR TESTING OF AN
10 AUTOMATED MOTOR VEHICLE OR ANY AUTOMATED TECHNOLOGY INSTALLED IN A
11 MOTOR VEHICLE UNDER THIS SECTION, THE MANUFACTURER OF AUTOMATED
12 TECHNOLOGY PERFORMING THAT RESEARCH OR TESTING SHALL SUBMIT PROOF
13 SATISFACTORY TO THE SECRETARY OF STATE THAT THE VEHICLE IS INSURED
14 UNDER CHAPTER 31 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL
15 500.3101 TO 500.3179.

16 (2) A MANUFACTURER OF AUTOMATED TECHNOLOGY SHALL ENSURE THAT
17 ALL OF THE FOLLOWING CIRCUMSTANCES EXIST WHEN RESEARCHING OR
18 TESTING THE OPERATION OF AN AUTOMATED MOTOR VEHICLE OR ANY
19 AUTOMATED TECHNOLOGY INSTALLED IN A MOTOR VEHICLE UPON A HIGHWAY OR
20 STREET:

21 (A) THE VEHICLE IS OPERATED ONLY BY AN EMPLOYEE, CONTRACTOR,
22 OR OTHER PERSON DESIGNATED OR OTHERWISE AUTHORIZED BY THAT
23 MANUFACTURER OF AUTOMATED TECHNOLOGY.

24 (B) AN INDIVIDUAL IS PRESENT IN THE VEHICLE WHILE IT IS BEING
25 OPERATED ON A HIGHWAY OR STREET OF THIS STATE AND THAT INDIVIDUAL
26 HAS THE ABILITY TO MONITOR THE VEHICLE'S PERFORMANCE AND, IF
27 NECESSARY, IMMEDIATELY TAKE CONTROL OF THE VEHICLE'S MOVEMENTS.

1 (C) THE INDIVIDUAL OPERATING THE VEHICLE UNDER SUBDIVISION (A)
2 AND THE INDIVIDUAL WHO IS PRESENT IN THE VEHICLE FOR PURPOSES OF
3 SUBDIVISION (B) ARE LICENSED TO OPERATE A MOTOR VEHICLE IN THE
4 UNITED STATES.

5 (3) NO LATER THAN FEBRUARY 1, 2016, THE STATE TRANSPORTATION
6 DEPARTMENT IN CONSULTATION WITH THE SECRETARY OF STATE AND EXPERTS
7 FROM VARIOUS SIZES OF AUTOMOBILE MANUFACTURING AND AUTOMATED
8 TECHNOLOGY MANUFACTURING INDUSTRIES SHALL SUBMIT A REPORT TO THE
9 SENATE STANDING COMMITTEES ON TRANSPORTATION AND ECONOMIC
10 DEVELOPMENT AND TO THE HOUSE OF REPRESENTATIVES STANDING COMMITTEES
11 ON TRANSPORTATION AND COMMERCE RECOMMENDING ANY ADDITIONAL
12 LEGISLATIVE OR REGULATORY ACTION THAT MAY BE NECESSARY FOR THE
13 CONTINUED SAFE TESTING OF AUTOMATED MOTOR VEHICLES AND AUTOMATED
14 TECHNOLOGY INSTALLED IN MOTOR VEHICLES.

15 SEC. 666. (1) A PERSON WHO VIOLATES THIS DIVISION IS
16 RESPONSIBLE FOR A CIVIL INFRACTION AND MAY BE FINED AS PROVIDED IN
17 SECTION 907.

18 (2) THIS DIVISION DOES NOT PROHIBIT A PERSON FROM BEING
19 CHARGED WITH, CONVICTED OF OR BEING FOUND RESPONSIBLE FOR, ORDERED
20 TO PAY A FINE OR COSTS, OR PUNISHED FOR ANY OTHER VIOLATION OF LAW
21 ARISING OUT OF THE SAME TRANSACTION AS THE VIOLATION OF THIS
22 DIVISION.

23 SEC. 817. A MANUFACTURER OF AUTOMATED TECHNOLOGY IS IMMUNE
24 FROM CIVIL LIABILITY FOR DAMAGES THAT ARISE OUT OF ANY MODIFICATION
25 MADE BY ANOTHER PERSON TO A MOTOR VEHICLE OR AN AUTOMATED MOTOR
26 VEHICLE, OR TO ANY AUTOMATED TECHNOLOGY, AS PROVIDED IN SECTION
27 2949B OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL

1 **600.2949B.**

2 Enacting section 1. This amendatory act takes effect 90 days
3 after the date it is enacted into law.

4 Enacting section 2. This amendatory act does not take effect
5 unless Senate Bill No. 663 of the 97th Legislature is enacted into
6 law.