

Legislative Analysis



EXTEND SUNSET ON PROHIBITION AGAINST IMPOSING LOCAL FEE OR REGULATION ON AN ON-DEMAND AUTOMATED MOTOR VEHICLE NETWORK

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House Bill 6369 as reported from committee

Sponsor: Rep. Mike Harris

Committee: Transportation

Complete to 9-21-22

(Enacted as Public Act 232 of 2022)

SUMMARY:

House Bill 6369 would amend the Michigan Vehicle Code to extend, by five years, the sunset (expiration date) of a provision that prohibits a local unit of government from imposing a local fee, registration, franchise, or regulation on an *on-demand automated motor vehicle network*.¹

Currently, this prohibition applies through December 31, 2022. Under the bill, the prohibition would apply through December 31, 2027.

Both current law and the bill provide that this prohibition does not limit local authority, or state authority over roads and rights-of-way, with respect to communication networks or facilities.

On-demand automated motor vehicle network means a digital network or software application used to connect passengers to *automated motor vehicles*, not including commercial motor vehicles, in participating fleets for transportation between points chosen by passengers, for transportation between locations chosen by the passenger when the automated motor vehicle is operated by the automated driving system.

Automated motor vehicle means a motor vehicle on which an *automated driving system* has been installed, either by a manufacturer of automated driving systems or an upfitter that enables the motor vehicle to be operated without any control or monitoring by a human operator. Automated motor vehicle does not include a motor vehicle enabled with one or more active safety systems or operator assistance systems, such as a system to provide electronic blind spot assistance, crash avoidance, emergency braking, parking assistance, adaptive cruise control, lane-keeping assistance, lane departure warning, or traffic jam and queuing assistance, unless one or more of these technologies alone or in combination with other systems enable the vehicle on which any active safety systems or operator assistance systems are installed to operate without any control or monitoring by an operator.

Automated driving system means hardware and software that are collectively capable of performing all aspects of the dynamic driving task for a vehicle on a part-time or full-time basis without any supervision by a human operator.

MCL257.606b

¹ This prohibition was added in a 2016 revision of laws addressing automated vehicles. See the Senate Fiscal Agency analysis: <https://www.legislature.mi.gov/documents/2015-2016/billanalysis/Senate/pdf/2015-SFA-0995-N.pdf>

FISCAL IMPACT:

House Bill 6369 would not result in any fiscal changes to the state or local units of government. It would, however, prevent local units of government from collecting revenue by imposing future fees on an on-demand automated motor vehicle network operating within their boundaries to offset costs they may incur from supporting the network. On-demand automated motor vehicles networks are uncommon due to the still-emerging technology and industry, and very few communities would likely be impacted in the near-term following the current December 31, 2022, sunset date. Costs to local governments could include those for infrastructure for stop locations, website maintenance, communications, and personnel. Actual costs to local governments due to extending the sunset are indeterminate and would depend on many factors, including specifics of local service agreements with providers on cost-sharing of on-demand automated motor vehicle networks.

POSITIONS:

Representatives of the following entities testified in support of the bill (9-13-22):

- Autonomous Vehicle Industry Association
- MichAuto

The following entities indicated support for the bill (9-13-22):

- Detroit Regional Chamber
- Ford Motor Company
- General Motors

Legislative Analyst: E. Best
Fiscal Analyst: Michael Cnossen

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.