

Michigan Movers Association

Advocacy Briefing

June 2007

Pending State Legislation

Legislation proposed in the 94th Session:

Industry Regulation

Senate Bill 266 Sponsored by Senator Garcia (R-Howell) The MMA supports passage of SB 266 if the provisions negotiated below remain intact and no amendments are offered which permit binding estimates or other changes, which we feel would deregulate and destabilize the industry or place shippers at risk.

The points negotiated by the MMA are as follows:

- All "Exempt Zones" will be eliminated, including the Detroit "Commercial Zone".
- All carriers will need to have authority to operate. This will permit the MPSC to pursue rogue movers.
- Local moves will be permitted up to 40 miles point to point. A mover will be able to charge based on man-hours or weight and distance. We request that a provision be added to define acceptable web-based map finder(s) or utilize existing commercial truck routes to determine mileage.
- New mover applicants will no longer have to prove that their authority does not create excess service availability in their market area. The MPSC will continue to consider the character of the bond or insurance proposed to be given to insure the protection of the public and whether the applicant is fit, willing and able to provide service commensurate with the extent of the certificate sought.
- Movers may transport property for or on behalf of non-profit institutions or houses of public worship free of charge.
- Movers will have the option of replacing damaged items up to a value of \$500, and not be bound by the \$.60/lb. replacement value restriction.

Status: Passed the Senate on 3/13/07 by a vote of 37-0. The bill currently sits in the House Commerce Committee and is scheduled to be voted out of committee in early June.

Sales Tax Exemption on Rolling Stock

House Bill 4378 Sponsored by Representative Hopgood (D-Taylor) This legislation would eliminate the general sales tax exemption from the sale of rolling stock (certain large trucks, trailers, and related parts) purchased by or rented or leased to an interstate motor carrier and used in interstate commerce.

Status: House Tax Policy Committee

House Bill 4379 Sponsored by Representative Farrah (D-Southgate) This legislation would eliminate the general sales tax exemption from the sale of rolling stock (certain large trucks, trailers, and related parts) purchased by or rented or leased to an interstate motor carrier and used in interstate commerce.

Status: House Tax Policy Committee

House Bill 4380 Sponsored by Representative Accavitti (D-Eastpointe) This legislation would eliminate the general sales tax exemption from the sale of rolling stock (certain large trucks, trailers, and related parts) purchased by or rented or leased to an interstate motor carrier and used in interstate commerce.

Status: House Tax Policy Committee

Senate Bill 315 Sponsored by Senator Gleason (D-Flint) This legislation would eliminate the general sales tax exemption from the sale of rolling stock (certain large trucks, trailers, and related parts) purchased by or rented or leased to an interstate motor carrier and used in interstate commerce.

Status: Senate Finance Committee

Senate Bill 319 Sponsored by Senator Gleason (D-Flint) This legislation would eliminate the general sales tax exemption from the sale of rolling stock (certain large trucks, trailers, and related parts) purchased by or rented or leased to an interstate motor carrier and used in interstate commerce.

Status: Senate Finance Committee

Motor Fuel Tax Increase

House Bill 4575 Sponsored by Representative DeRoche (R-Novi) This legislation would amend increase the tax on gasoline from the current rate of 19 cents per gallon. The bill would increase the tax rate by three cents each year for three years. The rate through December 31, 2008 would be 22 cents per gallon. The rate for the 2009 calendar year would be 25 cents per gallon, and the rate for the period beginning January 1, 2010 would be 28 cents per gallon.

Status: House Transportation Committee

House Bill 4576 Hopgood (D-Taylor) This legislation would increase the tax rate on diesel motor fuel from the current rate of 15 cents per gallon. The bill would increase the rate by 7 cents to 22 cents per gallon "on and before December 31, 2008." The rate for the 2009 calendar year would be 25 cents per gallon, and the rate for the period beginning January 1, 2010 would be 28 cents per gallon.

Status: House Transportation Committee