



COUNTY ROAD ASSOCIATION OF MICHIGAN

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Talking Points- Senate Bill 162

Summary:

Senate Bill 162, introduced by Sen. Barcia (D- Bay), amends the Motor Carrier Fuel Tax Act by expanding its fuel tax exemption to include a truck or other vehicle used exclusively for the transportation of raw milk.

CRAM position:

CRAM opposes this legislation.

Talking Points:

- Motor fuel taxes have declined steadily in the past several years. Total motor fuel tax collections in FY 2008 were less than the total amount collected in FY 1998. (The impact of the 1997 gasoline tax increase was first shown in FY 1998 numbers.)
- At a time when revenues available to road agencies is decreasing and costs of construction materials are skyrocketing, it is irresponsible to consider exempting a for-profit industry from motor fuel taxes.
- This legislation would exempt not just the milk haulers for small family farms, but also large Certified Agricultural Farming Operations (CAFOs). In several areas of the state these CAFOs have caused severe deterioration of the local road system without paying for the repairs caused by their heavy equipment. This legislation would increase the unnecessary burden to these road commissions.