

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4426**

A bill to amend 1949 PA 300, entitled  
"Michigan vehicle code,"  
by amending sections 248c, 320, 320a, 606, 608, 609, and 610 (MCL  
257.248c, 257.320, 257.320a, 257.606, 257.608, 257.609, and  
257.610), section 248c as amended by 2015 PA 48, section 320 as  
amended by 2004 PA 362, section 320a as amended by 2012 PA 592, and  
section 606 as amended by 1980 PA 518.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 248c. (1) A vehicle salvage pool, auction, or broker  
2 shall not sell, transfer, or release a distressed, late model  
3 vehicle to anyone other than 1 or more of the following:

4           (a) The vehicle's former owner or lienholder of record as kept  
5 by the secretary of state, as applicable.

1 (b) A licensed salvage agent of an automotive recycler.

2 (c) A licensed salvage agent of a foreign salvage vehicle  
3 dealer.

4 (2) An insurance company may direct a salvage pool that  
5 obtains possession of a vehicle to release the vehicle to the owner  
6 or lienholder of record as kept by the secretary of state, as  
7 applicable. The insurance company shall provide the salvage pool  
8 with a release statement under subsection (3) authorizing the  
9 salvage pool to release the vehicle to the vehicle's owner or  
10 lienholder of record as kept by the secretary of state, as  
11 applicable.

12 (3) A release statement authorizing a salvage pool to release  
13 a vehicle to a vehicle's owner or lienholder of record as kept by  
14 the secretary of state shall contain the following information:

15 (a) The claim number relating to the vehicle.

16 (b) The name and address of the owner of the vehicle.

17 (c) The vehicle identification number and description of the  
18 vehicle.

19 (d) The signature of an authorized representative of the  
20 insurance company.

21 (4) Upon receiving a release statement concerning a vehicle  
22 from an insurance company under subsection (2), a salvage pool  
23 shall send a notice to the owner and any lienholder of record as  
24 kept by the secretary of state of the vehicle that the vehicle is  
25 available for pickup by the owner or lienholder of record as kept  
26 by the secretary of state. The notice shall be accompanied by an  
27 invoice for any outstanding charges owed to the salvage pool. The

1 notice shall inform the owner and any lienholder of record as kept  
2 by the secretary of state that the owner and lienholder of record  
3 as kept by the secretary of state have 30 days from the **POSTMARKED**  
4 date of the notice and upon payment of applicable charges to pick  
5 up the vehicle from the salvage pool, **AND SHALL WARN THE OWNER AND**  
6 **LIENHOLDER OF RECORD THAT FAILURE TO REDEEM THE VEHICLE WITHIN 30**  
7 **DAYS AFTER THE POSTMARKED DATE OF THE NOTICE WILL RESULT IN THE**  
8 **SALE OF THE VEHICLE AND THE TERMINATION OF ALL RIGHTS OF THE OWNER**  
9 **AND THE LIENHOLDER OF RECORD TO THE VEHICLE AND THE PROCEEDS OF A**  
10 **SALE UNDER SUBSECTION (5).** A notice under this subsection shall be  
11 sent by the salvage pool to the applicable address on record with  
12 the secretary of state by certified mail or by another commercially  
13 available delivery service providing proof of delivery.

14 (5) If the owner or lienholder of record as kept by the  
15 secretary of state does not pick up the vehicle within the 30-day  
16 period described in subsection (4), the salvage pool may sell the  
17 vehicle for parts only to a licensed salvage agent of an automotive  
18 recycler or to a licensed salvage agent of a foreign salvage  
19 vehicle dealer if the vehicle is a distressed late-model vehicle,  
20 or to a licensed salvage agent of an automotive recycler, to a  
21 licensed salvage agent of a foreign salvage vehicle dealer, or to a  
22 vehicle scrap metal processor if the vehicle is not a distressed  
23 late-model vehicle. The salvage pool shall provide the buyer and  
24 the secretary of state with a copy of the release statement under  
25 subsection (2), proof of notice under subsection (4) to the owner  
26 and lienholder of record as kept by the secretary of state, and a  
27 bill of sale. The secretary of state shall use the documentation

1 provided to issue the appropriate salvage or scrap certificate of  
2 title.

3 Sec. 320. (1) The secretary of state after notice as provided  
4 in this section may conduct an investigation ~~and~~**OR** reexamination  
5 of a person, based upon 1 or more of the following:

6 (a) The secretary of state has reason to believe that the  
7 person is incompetent to drive a motor vehicle or is afflicted with  
8 a mental or physical infirmity or disability rendering it unsafe  
9 for that person to drive a motor vehicle.

10 (b) The person, as a driver, has in 1 or more instances been  
11 involved in an accident resulting in the death of a person.

12 (c) The person, within a 24-month period, has been involved in  
13 3 accidents resulting in personal injury or damage to the property  
14 of a person, and the official police report indicates a moving  
15 violation on the part of the driver in each of the accidents.

16 (d) The person has charged against him or her a total of 12 or  
17 more points as provided in section 320a within a period of 2 years,  
18 **OR A TOTAL OF 6 OR MORE POINTS AS PROVIDED IN SECTION 320A(Q)**  
19 **WITHIN A PERIOD OF 2 YEARS.**

20 (e) The person has been convicted of violating restrictions,  
21 terms, or conditions of the person's license.

22 (2) The secretary of state, upon good cause, **OR BASED SOLELY**  
23 **ON THE LICENSED OPERATOR'S OR CHAUFFEUR'S DRIVING RECORD**, may  
24 restrict, suspend, revoke, or impose other terms and conditions on  
25 the license of a person subject to **AN INVESTIGATION OR**  
26 reexamination and require the immediate surrender of the license of  
27 that person. The secretary of state shall, in all cases, prescribe

1 the period of restriction, suspension, revocation, or other terms  
2 and conditions.

3 (3) Service of notice shall be made by regular mail to the  
4 last known address of the licensee as shown on the most recent  
5 license application or change of address on the license as provided  
6 by section 315.

7 (4) A license shall not be suspended under this section for a  
8 period of more than 1 year.

9 (5) The reexamination may be held by the secretary of state  
10 pursuant to this section notwithstanding any restriction,  
11 suspension, revocation, or denial of a license under this section,  
12 section 303 or 319, chapter V, section 625 or 625b, or under any  
13 other law of this state. A suspension ordered pursuant to this  
14 section shall be in addition to other suspensions.

15 (6) If a licensed operator or chauffeur fails to appear for a  
16 reexamination scheduled by the secretary of state pursuant to this  
17 section, the licensed operator's or chauffeur's license may be  
18 suspended immediately and shall remain suspended until the licensed  
19 operator or chauffeur appears for a reexamination by the secretary  
20 of state. However, the secretary of state may restrict, suspend, or  
21 revoke the license based solely on the licensed operator's or  
22 chauffeur's driving record.

23 (7) Notwithstanding any other provision of this act, the  
24 secretary of state shall not issue a restricted license to a person  
25 to operate a commercial motor vehicle when a vehicle group  
26 designation is required to operate that vehicle.

27 Sec. 320a. (1) Within 5 days after receipt of a properly

1 prepared abstract from a court of this state or another state, the  
2 secretary of state shall record the date of conviction, civil  
3 infraction determination, or probate court disposition, and the  
4 number of points for each, based on the following formula, except  
5 as otherwise provided in this section and section 629c:

6 (a) Manslaughter, negligent homicide, or a  
7 felony resulting from the operation of a motor  
8 vehicle, ORV, or snowmobile.....6 points

9 (b) A violation of section 601b(2) or (3),  
10 601c(1) or (2), or 653a(3) or (4) or, beginning  
11 October 31, 2010, a violation of section 601d.....6 points

12 (c) A violation of section 625(1), (4), (5),  
13 (7), or (8), section 81134 or 82127(1) of the  
14 natural resources and environmental protection act,  
15 1994 PA 451, MCL 324.81134 and 324.82127, or a law or  
16 ordinance substantially corresponding to section  
17 625(1), (4), (5), (7), or (8), or section 81134  
18 or 82127(1) of the natural resources and  
19 environmental protection act, 1994 PA 451,  
20 MCL 324.81134 and 324.82127.....6 points

21 (d) Failing to stop and disclose identity  
22 at the scene of an accident when required by law.....6 points

23 (e) Operating a motor vehicle in violation  
24 of section 626.....6 points

25 (f) Fleeing or eluding an officer.....6 points

26 (g) A violation of section ~~627(9)~~**627(6)** pertaining  
27 to speed in a work zone described in that section

1 by exceeding the lawful maximum by more than  
2 15 miles per hour.....5 points

3 (h) A violation of any law ~~other than the~~  
4 ~~law described in subdivision (g)~~ or ordinance  
5 pertaining to speed by exceeding the lawful  
6 maximum by more than 15 miles per hour.....4 points

7 (i) A violation of section 625(3) or (6),  
8 section 81135 or 82127(3) of the natural  
9 resources and environmental protection act,  
10 1994 PA 451, MCL 324.81135 and 324.82127,  
11 or a law or ordinance substantially corresponding  
12 to section 625(3) or (6) or section 81135  
13 or 82127(3) of the natural resources and  
14 environmental protection act, 1994 PA 451,  
15 MCL 324.81135 and 324.82127.....4 points

16 (j) A violation of section 626a or a law  
17 or ordinance substantially corresponding to  
18 section 626a.....4 points

19 (k) A violation of section 653a(2).....4 points

20 (l) A violation of section ~~627(9)~~ **627(6)** pertaining  
21 to speed in a work zone described in that section  
22 by exceeding the lawful maximum by more than 10  
23 but not more than 15 miles per hour.....4 points

24 (m) Beginning October 31, 2010, a  
25 moving violation resulting in an at-fault  
26 collision with another vehicle, a person,  
27 or any other object.....4 points

1           (n) ~~A violation of any law other than the~~  
 2 ~~law described in subdivision (l) or ordinance~~  
 3 ~~pertaining to speed by exceeding the lawful~~  
 4 ~~maximum by more than 10 but not more than 15~~  
 5 ~~miles per hour or careless CARELESS~~ driving in violation  
 6 of section 626b or a law or ordinance substantially  
 7 corresponding to section 626b.....3 points

8           (o) A violation of ~~section 627(9)~~ **ANY LAW**  
 9 **OR ORDINANCE** pertaining to speed ~~in a work zone~~  
 10 ~~described in that section by exceeding the lawful~~  
 11 maximum by **MORE THAN 10 miles per hour or less BUT NOT**  
 12 **MORE THAN 15 MILES PER HOUR**.....3 points

13           (p) A violation of any law ~~other than the law~~  
 14 ~~described in subdivision (e) or ordinance~~  
 15 pertaining to speed by exceeding the lawful maximum  
 16 by **MORE THAN 5 MILES PER HOUR BUT NOT MORE THAN**  
 17 **10 miles per hour or less**.....2 points

18           (Q) **A VIOLATION OF ANY LAW OR ORDINANCE PERTAINING**  
 19 **TO SPEED BY EXCEEDING THE LAWFUL MAXIMUM BY MORE THAN 1 MILE**  
 20 **PER HOUR BUT NOT MORE THAN 5 MILES PER HOUR**.....1 POINT

21           (R) ~~(q)~~ Disobeying a traffic signal or stop sign,  
 22 or improper passing.....3 points

23           (S) ~~(r)~~ A violation of section 624a, 624b, or  
 24 a law or ordinance substantially corresponding to  
 25 section 624a or 624b.....2 points

26           (T) ~~(s)~~ A violation of section 310e(4) or (6) or  
 27 a law or ordinance substantially corresponding to



1 section 310e(4) or (6).....2 points

2 (U) ~~(t)~~All other moving violations pertaining to  
3 the operation of motor vehicles reported under  
4 this section.....2 points

5 (V) ~~(u)~~A refusal by a person less than 21 years of  
6 age to submit to a preliminary breath test required  
7 by a peace officer under section 625a.....2 points

8 (W) A VIOLATION OF SECTION 627(6) PERTAINING TO SPEED  
9 IN A WORK ZONE DESCRIBED IN THAT SECTION BY EXCEEDING THE  
10 LAWFUL MAXIMUM BY 10 MILES PER HOUR OR LESS.....3 POINTS

11 (2) Points shall not be entered for a violation of section  
12 310e(14), 311, 602b(1), 602c, 625m, 658, 710d, 717, 719, 719a, or  
13 723.

14 (3) Points shall not be entered for bond forfeitures.

15 (4) Points shall not be entered for overweight loads or for  
16 defective equipment.

17 (5) If more than 1 conviction, civil infraction determination,  
18 or probate court disposition results from the same incident, points  
19 shall be entered only for the violation that receives the highest  
20 number of points under this section.

21 (6) If a person has accumulated 9 points as provided in this  
22 section, the secretary of state may call the person in for an  
23 interview as to the person's driving ability and record after due  
24 notice as to time and place of the interview. If the person fails  
25 to appear as provided in this subsection, the secretary of state  
26 shall add 3 points to the person's record.

27 (7) If a person violates a speed restriction established by an

1 executive order issued during a state of energy emergency as  
2 provided by 1982 PA 191, MCL 10.81 to 10.89, the secretary of state  
3 shall enter points for the violation ~~pursuant to~~ **UNDER** subsection  
4 (1).

5 (8) The secretary of state shall enter 6 points upon the  
6 record of a person whose license is suspended or denied ~~pursuant to~~  
7 **UNDER** section 625f. However, if a conviction, civil infraction  
8 determination, or probate court disposition results from the same  
9 incident, additional points for that offense shall not be entered.

10 (9) If a Michigan driver commits a violation in another state  
11 that would be a civil infraction if committed in Michigan, and a  
12 conviction results solely because of the failure of the Michigan  
13 driver to appear in that state to contest the violation, upon  
14 receipt of the abstract of conviction by the secretary of state,  
15 the violation shall be noted on the driver's record, but no points  
16 shall be assessed against his or her driver's license.

17 Sec. 606. (1) ~~The provisions of this~~ **THIS** chapter ~~shall not be~~  
18 ~~considered to~~ **DOES NOT** prevent **A** local authorities **AUTHORITY** with  
19 respect to streets or highways under the jurisdiction of the local  
20 authority and within the reasonable exercise of the police power  
21 from **DOING ANY OF THE FOLLOWING:**

22 (a) Regulating the standing or parking of vehicles.

23 (b) Regulating the impoundment or immobilization of vehicles  
24 whose owner has failed to answer 6 or more parking violation  
25 notices or citations regarding illegal parking.

26 (c) Regulating traffic by means of police officers or traffic  
27 control signals.

1 (d) Regulating or prohibiting processions or assemblages on  
2 the highways or streets.

3 (e) Designating particular highways as 1-way highways and  
4 requiring that all vehicles on those highways be moved in 1  
5 specific direction.

6 ~~—— (f) Regulating the speed of vehicles in public parks.~~

7 (F) ~~(g)~~ Designating any highway as a through highway and  
8 requiring that all vehicles stop before entering or crossing the  
9 through highway; designating any intersection as a stop  
10 intersection and requiring all vehicles to stop at 1 or more  
11 entrances to ~~these intersections;~~ **THE INTERSECTION;** or designating  
12 intersections at which vehicular traffic shall be required **ANY**  
13 **INTERSECTION AS A YIELD INTERSECTION AND REQUIRING ALL VEHICLES** to  
14 yield the right of way at 1 or more entrances to ~~these~~  
15 intersections. **THE INTERSECTION.**

16 (G) ~~(h)~~ Restricting the use of highways as authorized in  
17 section 726.

18 (H) ~~(i)~~ Regulating the operation of bicycles and requiring the  
19 registration and licensing of bicycles, including the requirement  
20 of a registration fee.

21 (I) ~~(j)~~ Regulating or prohibiting the turning of vehicles at  
22 intersections.

23 ~~—— (k) Increasing the prima facie speed limits as authorized in~~  
24 ~~this act.~~

25 (J) ~~(l)~~ Adopting other traffic regulations as are specifically  
26 authorized by this chapter.

27 (2) **ALL TRAFFIC REGULATIONS DESCRIBED IN SUBSECTION (1) SHALL**

1 BE BASED ON STANDARD AND ACCEPTED ENGINEERING PRACTICES AS  
2 SPECIFIED IN THE MICHIGAN MANUAL ON UNIFORM TRAFFIC CONTROL  
3 DEVICES.

4 (3) ~~(2)~~—A local authority shall not erect or maintain a stop  
5 sign or traffic control device ~~at a location so as to require~~ **THAT**  
6 **REQUIRES** the traffic on any state trunk line highway to stop before  
7 entering or crossing any intersecting highway unless approval in  
8 writing has been first obtained from the director of the state  
9 transportation department.

10 (4) ~~(3)~~—An ordinance or regulation enacted under subsection  
11 (1) (a), (d), (e), (f), (g), (i), or (j) shall not be enforceable  
12 until signs giving notice of the local traffic regulations are  
13 posted upon or at the entrance to the highway or street or part of  
14 the highway or street affected, as may be most appropriate, and are  
15 sufficiently legible as to be seen by an ordinarily observant  
16 person. The posting of signs giving the notice shall not be  
17 required for a local ordinance ~~which~~ **THAT** does not differ from the  
18 provisions of this act regulating the parking or standing of  
19 vehicles; nor to ordinances of general application throughout the  
20 jurisdiction of the municipalities enacting the ordinances ~~which~~  
21 **THAT** prohibit, limit, or restrict all night parking or parking  
22 during the early morning hours, if signs, approximately 3 feet by 4  
23 feet, **AND** sufficiently legible as to be seen by an ordinarily  
24 observant person, giving notice of these ordinances relating to all  
25 night parking or parking during the early morning hours, are posted  
26 on highways at the corporate limits of the municipality.

27 (5) ~~(4)~~—A local authority, in providing by ordinance for the

1 impounding of any motor vehicle parked contrary to a local  
 2 ordinance, shall not require a bond or cash deposit by the owner of  
 3 the motor vehicle in excess of \$500.00 in order to recover the  
 4 possession of the motor vehicle pending final adjudication of the  
 5 case.

6       Sec. 608. The state ~~highway commissioner~~ **TRANSPORTATION**  
 7 **DEPARTMENT** and ~~commissioner~~ **DEPARTMENT** of state police shall adopt  
 8 a manual and specifications for a uniform system of ~~traffic control~~  
 9 **TRAFFIC CONTROL** devices consistent with the provisions of this  
 10 chapter for use upon highways within this state. ~~Such uniform~~  
 11 ~~system~~ **THE MANUAL** shall correlate with and so far as possible  
 12 conform to the ~~system~~ **FEDERAL MANUAL** then current as approved by  
 13 the ~~American Association of State Highway Officials and such manual~~  
 14 **UNITED STATES DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY**  
 15 **ADMINISTRATION, AND** may be revised whenever necessary to carry out  
 16 the provisions of this act. It is ~~hereby declared to be the policy~~  
 17 of ~~the~~ **THIS** state of Michigan to achieve, insofar as is  
 18 practicable, uniformity in the design, ~~and~~ shape, and color scheme  
 19 of traffic signs, signals, and guide posts erected and maintained  
 20 upon the streets and highways within ~~the~~ **THIS** state with other  
 21 states. **DEFINITIONS AND MEANINGS FOUND IN THE MANUAL ADOPTED UNDER**  
 22 **THIS SECTION ARE SUPPLEMENTAL TO THE DEFINITIONS IN CHAPTER I.**  
 23 **HOWEVER, IF A DEFINITION OR MEANING FOUND IN THE MANUAL ADOPTED**  
 24 **UNDER THIS SECTION CONFLICTS WITH A DEFINITION IN CHAPTER I, THE**  
 25 **DEFINITION IN CHAPTER I PREVAILS.**

26       Sec. 609. (1) ~~(a)~~ The state ~~highway commission~~ **TRANSPORTATION**  
 27 **DEPARTMENT** shall place or require to be placed, and maintain or

1 require to be maintained, ~~such traffic control devices, conforming~~  
 2 ~~to said manual and specifications,~~ upon all state highways **TRAFFIC**  
 3 **CONTROL DEVICES** as it ~~shall deem~~ **CONSIDERS** necessary to indicate  
 4 and ~~to~~ carry out the provisions of this chapter or to regulate,  
 5 warn, or guide traffic. **A TRAFFIC CONTROL DEVICE PLACED AND**  
 6 **MAINTAINED UNDER THIS SUBSECTION SHALL CONFORM TO THE MOST CURRENT**  
 7 **MICHIGAN MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES.**

8 (2) ~~(b) No~~ **A** local authority shall **NOT** place or maintain ~~any~~  
 9 ~~traffic control~~ **A TRAFFIC CONTROL** device upon ~~any~~ **A** trunk line  
 10 highway under the jurisdiction of the state ~~highway commissioner~~  
 11 **TRANSPORTATION DEPARTMENT**, except by the latter's permission, or  
 12 upon ~~any~~ **A** county road without the permission of the county road  
 13 commission having jurisdiction ~~thereof.~~ **OVER THAT ROAD.** With the  
 14 approval of the ~~department of state highways,~~ **STATE TRANSPORTATION**  
 15 **DEPARTMENT**, the board of county road commissioners of ~~any~~ **A** county,  
 16 at its option, may install and maintain ~~uniform traffic control~~  
 17 **TRAFFIC CONTROL** devices ~~according to the standards promulgated by~~  
 18 ~~the department of state highways and as required by the commission~~  
 19 ~~on trunk line highways,~~ **CONFORMING TO THE MICHIGAN MANUAL ON**  
 20 **UNIFORM TRAFFIC CONTROL DEVICES** if the cost would be less than that  
 21 estimated by the state ~~highway commission,~~ ~~billing~~ **TRANSPORTATION**  
 22 **DEPARTMENT AND BILL** the state ~~highway commission~~ **TRANSPORTATION**  
 23 **DEPARTMENT** for its share of the cost of installation.

24 Sec. 610. (1) ~~(a)~~ Local authorities and county road  
 25 commissions in their respective jurisdictions shall place and  
 26 maintain ~~such~~ **THE** traffic control devices upon highways under their  
 27 jurisdiction as ~~they may deem~~ **THAT THEY CONSIDER** necessary to

1 indicate and to carry out the provisions of this chapter or local  
 2 traffic ordinances or to regulate, warn, or guide traffic. All ~~such~~  
 3 traffic control devices ~~hereafter erected~~ shall conform to the  
 4 ~~state manual and specifications.~~ **MICHIGAN MANUAL ON UNIFORM TRAFFIC**  
 5 **CONTROL DEVICES.**

6 (2) ~~(b)~~ The state ~~highway commissioner~~ **TRANSPORTATION**  
 7 **DEPARTMENT** shall withhold from any ~~township,~~ incorporated village,  
 8 city, or county ~~, failing~~ **THAT FAILS** to comply with the provisions  
 9 of sections **606**, 608, 609, 612, and 613, the share of weight ~~FUEL~~  
 10 and gasoline ~~VEHICLE tax refunds~~ **REVENUE THAT WOULD** otherwise **BE**  
 11 due the ~~township,~~ incorporated village, city, or county **UNDER**  
 12 **SECTION 10 OF 1951 PA 51, MCL 247.660.** Notice of ~~such~~ failure **TO**  
 13 **COMPLY**, and a ~~reasonable~~ **1 YEAR'S** time to comply ~~therewith,~~ **AFTER**  
 14 **NOTICE**, shall first be given.

15 (3) ~~(c)~~ A person, firm, or corporation shall not sell or offer  
 16 for sale to local authorities and local authorities shall not  
 17 purchase or manufacture any traffic control device ~~which~~ **THAT** does  
 18 not conform to the Michigan manual of ~~ON~~ uniform traffic control  
 19 devices, except ~~by~~ **WITH THE** permission of the director of the **STATE**  
 20 **TRANSPORTATION** department. ~~of state highways.~~

21 Enacting section 1. Sections 320, 320a, 606, 608, 609, and 610  
 22 of the Michigan vehicle code, 1949 PA 300, MCL 257.320, 257.320a,  
 23 257.606, 257.608, 257.609, and 257.610, as amended by this  
 24 amendatory act, take effect 1 year after the date this amendatory  
 25 act is enacted into law.

26 Enacting section 2. Section 248c of the Michigan vehicle code,  
 27 1949 PA 300, MCL 257.248c, as amended by this amendatory act, takes

1 effect 90 days after the date this amendatory act is enacted into  
2 law.

3 Enacting section 3. This amendatory act does not take effect  
4 unless all of the following bills of the 98th Legislature are  
5 enacted into law:

6 (a) House Bill No. 4423.

7 (b) House Bill No. 4424.

8 (c) House Bill No. 4425.