



# HOUSE BILL No. 5266

October 17, 1995, Introduced by Reps. Brater, Baird, Cherry, LaForge, Prusi, Leland, Martinez, Brewer, Willard, Goschka, Profit, Bobier, Alley, DeHart, Tesanovich, Scott, Anthony, Parks, Schroer and Mathieu and referred to the Committee on Transportation.

A bill to amend sections 208, 217, 221, and 232 of Act No. 300 of the Public Acts of 1949, entitled as amended "Michigan vehicle code," section 208 as amended by Act No. 449 of the Public Acts of 1994 and section 217 as amended by Act No. 300 of the Public Acts of 1993, being sections 257.208, 257.217, 257.221, and 257.232 of the Michigan Compiled Laws.

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

1 Section 1. Sections 208, 217, 221, and 232 of Act No. 300  
2 of the Public Acts of 1949, section 208 as amended by Act No. 449  
3 of the Public Acts of 1994 and section 217 as amended by Act  
4 No. 300 of the Public Acts of 1993, being sections 257.208,  
5 257.217, 257.221, and 257.232 of the Michigan Compiled Laws, are  
6 amended to read as follows:

1       Sec. 208. (1) Records of the department, other than those  
2 declared by law to be confidential for the department's use AND  
3 THOSE SPECIFICALLY DESIGNATED AS CONFIDENTIAL BY AN INDIVIDUAL  
4 UNDER SECTION 221, shall be open to public inspection under rules  
5 the secretary of state promulgates, pursuant to section 3 of the  
6 freedom of information act, Act No. 442 of the Public Acts of  
7 1976, being section 15.233 of the Michigan Compiled Laws.

8       (2) Except as otherwise specified in this section, the sec-  
9 retary of state may destroy any department records maintained on  
10 file for 7 years, including the information contained in the cen-  
11 tral file maintained under section 204a.

12       (3) Records of convictions of any offense for which points  
13 are provided under section 320a(1)(a), (b), (c), or (g) or sec-  
14 tion 320a(9) may be destroyed after being maintained on file for  
15 10 years.

16       (4) Records of stolen vehicles reported in section 253 may  
17 be destroyed after being maintained on file for the year of entry  
18 plus 4 years.

19       (5) Except as otherwise specified in this act, records the  
20 secretary of state considers obsolete and of no further service  
21 in carrying out the department's powers and duties may be  
22 destroyed upon that determination.

23       (6) If a record of suspension under section 321a does not  
24 contain a conviction for a violation of section 904 or a local  
25 ordinance substantially corresponding to section 904 during the  
26 period of suspension, the secretary of state may destroy the

1 record 180 days after the suspension terminates or as provided in  
2 subsections (2) to (5).

3 (7) The secretary of state may destroy a record of receipt  
4 of the notice provided for in section 321a(3) after the court  
5 involved informs the secretary of state that all outstanding mat-  
6 ters regarding section 321a(3) have been resolved.

7 (8) The secretary of state may destroy a record maintained  
8 pursuant to section 204a, 180 days after the nonresident driver  
9 against whom a civil infraction determination is entered complies  
10 with an order or judgment issued pursuant to section 907.

11 Sec. 217. (1) An owner of a vehicle subject to registration  
12 under this act shall apply to the secretary of state, upon an  
13 appropriate form furnished by the secretary of state, for the  
14 registration of the vehicle and issuance of a certificate of  
15 title for the vehicle. Effective January 1, 1994, a vehicle  
16 brought into this state from another state or jurisdiction that  
17 has a rebuilt, salvage, scrap, or comparable certificate of title  
18 issued by that other state or jurisdiction shall be issued a  
19 rebuilt, salvage, or scrap certificate of title by the secretary  
20 of state. The application shall be accompanied by the required  
21 fee. An application for a certificate of title shall bear the  
22 signature of the owner written with pen and ink. The application  
23 shall contain all of the following:

24 (a) The name, bona fide residence, and mailing address of  
25 the owner or business address of a firm, association, or  
26 corporation.

1 (b) A description of the vehicle including the make or name,  
2 style of body, and model year; if the vehicle is a motor vehicle,  
3 the number of miles, not including the tenths of a mile, regis-  
4 tered on the vehicle's odometer at the time of transfer; whether  
5 the vehicle is to be or has been used as a taxi or police vehi-  
6 cle, or by a political subdivision of this state; whether the  
7 vehicle has previously been issued a salvage or rebuilt certifi-  
8 cate of title from this state or a comparable certificate of  
9 title from any other state or jurisdiction; vehicle identifica-  
10 tion number; and the vehicle's weight fully equipped, if a pas-  
11 senger vehicle registered pursuant to section 801(1)(a), and, if  
12 a trailer coach or pickup camper, in addition to the weight the  
13 manufacturer's serial number, or in the absence of the serial  
14 number, a number assigned by the secretary of state. A number  
15 assigned by the secretary of state shall be permanently placed on  
16 the trailer coach or pickup camper in the manner and place desig-  
17 nated by the secretary of state.

18 (c) A statement of the applicant's title and the names and  
19 addresses of the holders of security interests in the vehicle and  
20 in an accessory to the vehicle, in the order of their priority.

21 (D) A STATEMENT THAT THE INFORMATION PROVIDED UNDER THIS  
22 FORM IS NOT CONFIDENTIAL, AND THAT THE PERSON MAY HAVE HIS OR HER  
23 NAME REMOVED FROM THE LIST OF MOTOR VEHICLE REGISTRATIONS AVAIL-  
24 ABLE FOR PURCHASE BY CHECKING THE BOX PROVIDED FOR THIS PURPOSE.

25 (E) ~~(d)~~ Further information that the secretary of state  
26 reasonably requires to enable the secretary of state to determine  
27 whether the vehicle is lawfully entitled to registration and the

1 owner entitled to a certificate of title. If the secretary of  
2 state is not satisfied as to the ownership of a late model vehi-  
3 cle or other vehicle having a value over \$2,500.00, before regis-  
4 tering the vehicle and issuing a certificate of title, the secre-  
5 tary of state may require the applicant to file a properly exe-  
6 cuted surety bond in a form prescribed by the secretary of state  
7 and executed by the applicant and a company authorized to conduct  
8 a surety business in this state. The bond shall be in an amount  
9 equal to twice the value of the vehicle as determined by the sec-  
10 retary of state and shall be conditioned to indemnify or reim-  
11 burse the secretary of state, any prior owner, and any subsequent  
12 purchaser of the vehicle and their successors in interest against  
13 any expense, loss, or damage, including reasonable attorney's  
14 fees, by reason of the issuance of a certificate of title to the  
15 vehicle or on account of any defect in the right, title, or  
16 interest of the applicant in the vehicle. An interested person  
17 has a right of action to recover on the bond for a breach of the  
18 conditions of the bond, but the aggregate liability of the surety  
19 to all persons shall not exceed the amount of the bond. The bond  
20 shall be returned at the end of 3 years, or before 3 years if the  
21 vehicle is no longer registered in this state and the currently  
22 valid certificate of title is surrendered to the secretary of  
23 state, unless the secretary of state has received notification of  
24 the pendency of an action to recover on the bond. If the secre-  
25 tary of state is not satisfied as to the ownership of a vehicle  
26 that is not a late model vehicle and whose value does not exceed  
27 \$2,500.00, the secretary of state shall require the applicant to

1 certify that the applicant is the owner of the vehicle and  
2 entitled to register and title the vehicle.

3 (F) ~~(e)~~ Except as provided in subdivision ~~(f)~~ (G), an  
4 application for a commercial vehicle shall also have attached a  
5 scale weight receipt of the motor vehicle fully equipped as of  
6 the time the application is made. A scale weight receipt may not  
7 be necessary if there is presented with the application a regis-  
8 tration receipt of the previous year that shows on its face the  
9 empty weight of the motor vehicle as registered with the secre-  
10 tary of state that is accompanied by a statement of the applicant  
11 that there has not been structural change in the motor vehicle  
12 which has increased the empty weight and that the previous regis-  
13 tered weight is the true weight.

14 (G) ~~(f)~~ An application for registration of a vehicle on  
15 the basis of elected gross weight shall include a declaration by  
16 the applicant specifying the elected gross weight for which  
17 application is being made.

18 (H) ~~(g)~~ If the application is for a certificate of title  
19 of a motor vehicle registered pursuant to section 801(1)(q), the  
20 application shall include the manufacturer's suggested base list  
21 price for the model year of the vehicle. Annually, the secretary  
22 of state shall publish a list of the manufacturer's suggested  
23 base list price for each vehicle being manufactured. Once a base  
24 list price is published by the secretary of state for a model  
25 year for a vehicle, the base list price shall not be affected by  
26 subsequent increases in the manufacturer's suggested base list  
27 price but shall remain the same throughout the model year unless

1 changed in the annual list published by the secretary of state.  
2 If the secretary of state's list has not been published for that  
3 vehicle by the time of the application for registration, the base  
4 list price shall be the manufacturer's suggested retail price as  
5 shown on the label required to be affixed to the vehicle under  
6 section 3 of the automobile information disclosure act,  
7 15 U.S.C. 1232. If the manufacturer's suggested retail price is  
8 unavailable, the application shall list the purchase price of the  
9 vehicle as defined in section 801(4).

10 (2) A dealer selling or exchanging vehicles required to be  
11 titled, within 15 days after delivering a vehicle to the purchas-  
12 er, and a person engaged in the sale of vessels required to be  
13 numbered by ~~the marine safety act, Act No. 303 of the Public~~  
14 ~~Acts of 1967~~ PART 801 (MARINE SAFETY) OF THE NATURAL RESOURCES  
15 AND ENVIRONMENTAL PROTECTION ACT, ACT NO. 451 OF THE PUBLIC ACTS  
16 OF 1994, being sections ~~281.1001~~ 324.80101 to ~~281.1199~~  
17 324.80199 of the Michigan Compiled Laws, within 15 days after  
18 delivering a boat trailer weighing less than 2,500 pounds to the  
19 purchaser, shall apply to the secretary of state for a new title,  
20 if required, and transfer or secure registration plates and  
21 secure a certificate of registration for the vehicle or boat  
22 trailer, in the name of the purchaser. The dealer's license may  
23 be suspended or revoked as provided in section 249 for failure to  
24 apply for a title when required or for failure to transfer or  
25 secure registration plates and certificate of registration within  
26 the 15 days required by this section. If the dealer or person  
27 fails to apply for a title when required, and to transfer or

1 secure registration plates and secure a certificate of  
2 registration and pay the required fees within 15 days of delivery  
3 of the vehicle or boat trailer, a title and registration for the  
4 vehicle or boat trailer may subsequently be acquired only upon  
5 the payment of a transfer fee of \$15.00 in addition to the fees  
6 provided for in section 806. The purchaser of the vehicle or  
7 boat trailer shall sign the application, including, when applica-  
8 ble, the declaration specifying the maximum elected gross weight,  
9 as required by subsection ~~(+)(f)~~ (1)(G), and other necessary  
10 papers to enable the dealer or person to secure the title, regis-  
11 tration plates, and transfers from the secretary of state.

12 (3) If a vehicle is delivered to a purchaser who has valid  
13 Michigan registration plates that are to be transferred to the  
14 vehicle, and an application for title, if required, and registra-  
15 tion for the vehicle is not made before delivery of the vehicle  
16 to the purchaser, the registration plates shall be affixed to the  
17 vehicle immediately, and the dealer shall provide the purchaser  
18 with an instrument in writing, on a form prescribed by the secre-  
19 tary of state, which shall serve as a temporary registration for  
20 the vehicle for a period of 15 days from the date the vehicle is  
21 delivered.

22 (4) An application for a certificate of title that indicates  
23 the existence of a security interest in the vehicle or in an  
24 accessory to the vehicle, if requested by the security interest  
25 holder, shall be accompanied by a copy of the security agreement  
26 which need not be signed. The request may be made of the seller  
27 on an annual basis. The secretary of state shall indicate on the



1 copy the date and place of filing of the application and return  
2 the copy to the person submitting the application who shall for-  
3 ward it to the holder of the security interest named in the  
4 application.

5 (5) If the seller does not prepare the credit information,  
6 contract note, and mortgage, and the holder, finance company,  
7 credit union, or banking institution requires the installment  
8 seller to record the lien on the title, the holder, finance com-  
9 pany, credit union, or banking institution shall pay the seller a  
10 service fee of not more than \$10.00. The service fee shall be  
11 paid from the finance charges and shall not be charged to the  
12 buyer in addition to the finance charges. The holder, finance  
13 company, credit union, or banking institution shall issue its  
14 check or bank draft for the principal amount financed, payable  
15 jointly to the buyer and seller, and there shall be imprinted on  
16 the back side of the check or bank draft the following:

17 "Under Michigan law, the seller must record a first lien in  
18 favor of (name of lender) \_\_\_\_\_ on the vehicle with  
19 vehicle identification number \_\_\_\_\_ and title the vehi-  
20 cle only in the name(s) shown on the reverse side." On the front  
21 of the sales check or draft, the holder, finance company, credit  
22 union, or banking institution shall note the name(s) of the pro-  
23 spective owner(s). Failure of the holder, finance company,  
24 credit union, or banking institution to comply with these  
25 requirements frees the seller from any obligation to record the  
26 lien or from any liability that may arise as a result of the

1 failure to record the lien. A service fee shall not be charged  
2 to the buyer.

3 (6) In the absence of actual malice proved independently and  
4 not inferred from lack of probable cause, a person who in any  
5 manner causes a prosecution for larceny of a motor vehicle; for  
6 embezzlement of a motor vehicle; for any crime an element of  
7 which is the taking of a motor vehicle without authority; or for  
8 buying, receiving, possessing, or aiding in the concealment of a  
9 stolen, embezzled, or converted motor vehicle knowing the motor  
10 vehicle has been stolen, embezzled, or converted, is not liable  
11 for damages in a civil action for causing the prosecution. This  
12 subsection shall not be construed to relieve a person from prov-  
13 ing any other element necessary to sustain his or her cause of  
14 action.

15 Sec. 221. (1) The secretary of state shall file all appli-  
16 cations for registration of motor vehicles in his OR HER office  
17 and keep a complete and accurate record of the facts appearing  
18 therein together with a numerical list of the license numbers  
19 assigned to each vehicle. ~~Such~~ EXCEPT AS OTHERWISE PROVIDED IN  
20 SUBSECTION (2), SUCH records shall be open to inspection under  
21 ~~such~~ rules ~~and regulations as~~ the secretary of state may  
22 ~~prescribe~~ PROMULGATE and shall be preserved for a period of 3  
23 years after the date of registration.

24 (2) AT THE TIME OF INITIAL OR RENEWAL REGISTRATION OF A  
25 MOTOR VEHICLE, THE SECRETARY OF STATE, THROUGH THE APPLICATION  
26 FOR INITIAL OR RENEWAL OF REGISTRATION FORM UNDER SECTION 217,  
27 SHALL INFORM A PERSON OF THE RIGHT TO HAVE HIS OR HER NAME

1 REMOVED FROM THE LIST OF MOTOR VEHICLE REGISTRATIONS THAT MAY BE  
2 AVAILABLE FOR PURCHASE UNDER SECTION 232. INFORMATION PERTAINING  
3 TO A PERSON WHOSE NAME IS REMOVED FROM THE LIST OF MOTOR VEHICLE  
4 REGISTRATIONS UNDER THIS ACT SHALL BE CONFIDENTIAL AND SHALL ONLY  
5 BE MADE AVAILABLE TO THE PERSON WHO HAS HAD HIS OR HER NAME  
6 REMOVED, LAW ENFORCEMENT AGENCIES, AND THE SECRETARY OF STATE AND  
7 SHALL REMAIN CONFIDENTIAL UNTIL THE PERSON NOTIFIES THE SECRETARY  
8 OF STATE IN WRITING TO REMOVE THE INFORMATION FROM THE CONFIDEN-  
9 TIAL FILE.

10 Sec. 232. (1) The secretary of state shall furnish to  
11 chiefs of police in cities of an estimated population of 10,000  
12 or more and to sheriffs of counties, a list of the motor vehicle  
13 registrations and such information relating thereto as may be  
14 necessary. ~~The~~ SUBJECT TO SECTION 221, THE secretary of state  
15 ~~is hereby authorized to~~ MAY sell any surplus lists ~~he may~~  
16 ~~publish~~ PUBLISHED BY THE SECRETARY OF STATE, and fix a reason-  
17 able price therefor. ~~the~~ THE proceeds ~~of~~ FROM such sales  
18 ~~to be added to the state highway fund provided for herein~~ SHALL  
19 BE CREDITED TO THE MICHIGAN TRANSPORTATION FUND.

20 (2) ~~The~~ SUBJECT TO SECTION 221, THE secretary of state ~~is~~  
21 ~~hereby authorized to~~ MAY sell, or contract for the sale of, any  
22 motor vehicle registration lists in addition to those distributed  
23 at no cost under this section and ~~to~~ sell or furnish any other  
24 information from the records of the department pertaining to the  
25 sale, ownership, and operation of motor vehicles. The secretary  
26 of state shall fix a reasonable price or charge for the sale of  
27 such lists or other information. ~~and the~~ THE proceeds

1 ~~therefrom~~ FROM THE SALES shall be ~~added~~ CREDITED to the  
2 ~~state highway~~ MICHIGAN TRANSPORTATION fund. ~~provided for~~  
3 ~~herein.~~