

Act No. 48
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**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2015**

Introduced by Senators Casperson, Robertson, Horn, Knollenberg, Zorn, Emmons and Jones

ENROLLED SENATE BILL No. 196

AN ACT to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of manufacturers, the manufacturers of automated technology, upfitters, owners, and operators of vehicles and service of process on residents and nonresidents; to regulate the introduction and use of certain evidence; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending sections 217c, 217f, 248c, and 252a (MCL 257.217c, 257.217f, 257.248c, and 257.252a), section 217c as amended by 2002 PA 642, sections 217f and 248c as amended by 1993 PA 300, and section 252a as amended by 2008 PA 539.

The People of the State of Michigan enact:

Sec. 217c. (1) The secretary of state may conduct periodic reviews of the records of a dealer to determine whether adequate notice is given to a transferee or lessee of a rebuilt salvage vehicle of that vehicle's prior designation as a salvage vehicle. The secretary of state may request an insurance company to provide copies of salvage title documents and claims reports involving major component parts to assist the secretary of state in monitoring compliance with this act.

(2) Except for a late model vehicle that has been stolen and recovered and that has no major component part removed, missing, or destroyed, or damaged and not salvageable, an insurance company licensed to conduct business in this state that acquires ownership of a late model vehicle through the payment of a claim shall proceed under either of the following:

(a) If the insurance company acquires ownership of the vehicle through payment of a claim, the owner of the vehicle shall assign the certificate of title to the insurance company which shall do all of the following:

(i) Surrender a properly assigned certificate of title to the secretary of state.

(ii) If the estimated cost of repair, including parts and labor, is equal to or more than 75% but less than 91% of the predamaged actual cash value of the vehicle, apply for a salvage certificate of title, and if the estimated cost of repair, including parts and labor, is equal to or greater than 91% of the predamaged actual cash value of the vehicle, apply for a scrap certificate of title. The insurance company shall not sell the vehicle without first receiving a salvage or scrap certificate of title, which shall be assigned to the buyer. An insurance company may assign a salvage or scrap certificate of the title only to an automotive recycler, used or secondhand vehicle parts dealer, foreign salvage vehicle dealer, or vehicle scrap metal processor.

(b) If after payment of a total loss claim the insurance company permits the owner of the vehicle to retain ownership, the insurance company shall do all of the following:

(i) If the estimated cost of repair, including parts and labor, is equal to or greater than 75% but less than 91% of the predamaged actual cash value of the vehicle, require each owner of the vehicle to sign an application for a salvage certificate of title, or if the estimated cost of repair, including parts and labor, is equal to or greater than 91% of the predamaged actual cash value of the vehicle, require each owner of the vehicle to sign an application for a scrap vehicle certificate of title.

(ii) Attach the owner's certificate of title to the application for a salvage or scrap certificate of title or have the owner certify that the certificate of title is lost.

(iii) On behalf of the owner, apply to the secretary of state for a salvage or scrap certificate of title in the name of the owner. The owner shall not sell or otherwise dispose of the vehicle without first receiving a salvage or scrap certificate of title, which shall be assigned to the buyer. An insurance company may assign a salvage or scrap certificate of title only to an automotive recycler, used or secondhand vehicle parts dealer, foreign salvage vehicle dealer, or vehicle scrap metal processor.

(3) If an insurance company pays a claim for total loss to the owner or lienholder of record as kept by the secretary of state, or both, if applicable, of a vehicle but the owner or lienholder of record as kept by the secretary of state fails to surrender the certificate of title or other document necessary for the transfer of ownership of the vehicle to the insurance company within the expiration of 30 days after the claim payment, the insurance company, without having obtained the surrender of the title or other document otherwise necessary for the transfer of ownership for the vehicle from the owner or lienholder of record as kept by the secretary of state, or both, if applicable, may apply to the secretary of state for a title as provided under this section. The insurance company shall, at the time of application, provide proof of the payment and that the insurance company has requested in writing, by certified mail or by another commercially available delivery service providing proof of delivery, on at least 2 separate occasions that the owner or lienholder of record as kept by the secretary of state surrender to the insurance company the certificate of title or other document necessary for the transfer of ownership to the insurance company. The application shall be signed under the penalty of perjury. Subject to subsection (2)(a)(ii), upon meeting the requirements of this subsection, the secretary of state shall issue to the insurance company the appropriate certificate of title free of all liens and shall notify the prior vehicle owner and lienholder of record as kept by the secretary of state, if any, of that action in writing. Proof of payment of the claim is satisfied only by 1 of the following:

(a) In the case of payment by check, either of the following:

(i) A copy of the front and back of the endorsed check.

(ii) Evidence that the check has cleared the account of the payer.

(b) In the case of payment by electronic transfer, evidence that the payment was charged to the account of the payer.

(4) Except as provided in subsection (3), if an insurance company acquires ownership of a vehicle other than a late model vehicle through payment of damages due to an accident, the company shall surrender a properly assigned title to the buyer upon delivery.

(5) If a dealer acquires ownership of a late model vehicle that is a distressed vehicle from an owner, the dealer shall receive an assigned certificate of title. If the assigned certificate of title is not a salvage or scrap certificate of title, the dealer, other than a vehicle scrap metal processor, shall surrender the assigned certificate of title to the secretary of state, and if the estimated cost of repair, including parts and labor, is equal to or greater than 75% but less than 91% of the predamaged actual cash value of the vehicle, apply for a salvage certificate of title, or if the estimated cost of repair, including parts and labor, is equal to or greater than 91% of the predamaged actual cash value of the vehicle, apply for a scrap certificate of title within 5 days after the dealer receives the assigned certificate of title. The dealer may sell a

salvage vehicle to another automotive recycler, used or secondhand vehicle parts dealer, foreign salvage vehicle dealer, or vehicle scrap metal processor by assigning the salvage certificate of title to the buyer. Unless the vehicle is rebuilt, inspected, and recertified under this section, if the vehicle is sold to a buyer other than a dealer, application shall be made for a salvage certificate in the name of the buyer in the manner provided in this act. The dealer may sell a scrap vehicle only to a vehicle scrap metal processor. A vehicle scrap metal processor shall surrender an assigned certificate of title to the secretary of state within 30 days after acquiring a vehicle for which a certificate of title was received. A vehicle scrap metal processor shall surrender an assigned salvage or scrap certificate of title to the secretary of state within 30 days after acquiring a vehicle for which a salvage or scrap certificate of title was received and report that the vehicle was destroyed or scrapped.

(6) An application for a scrap certificate of title shall be made on a form prescribed by the secretary of state accompanied by a fee of \$15.00. The application shall contain all of the following:

(a) The complete name and current address of the owner.

(b) A description of the vehicle, including its make, style of body, model year, fee category or weight, color, and vehicle identification number.

(c) If the vehicle is a late model vehicle, a listing of each major component part that was not salvageable.

(d) Further information as may reasonably be required by the secretary of state.

(7) The scrap certificate of title shall authorize the holder of the document to transport but not drive upon a highway the vehicle or parts of a vehicle, and assign ownership to a vehicle scrap metal processor, automotive recycler, used or secondhand vehicle parts dealer, or foreign salvage vehicle dealer. A certificate of title shall not again be issued for this vehicle. A person shall not rebuild or repair a scrap vehicle and allow it to retain the original vehicle identification number.

(8) If a person, other than a dealer or insurance company that is subject to subsection (2) or (5), acquires ownership of a distressed, late model vehicle, the person shall surrender the title or assigned certificate of title to the secretary of state, and if the estimated cost of repair, including parts and labor, is equal to or greater than 75% but less than 91% of the predamaged actual cash value of the vehicle, apply for a salvage certificate of title, or if the estimated cost of repair, including parts and labor, is equal to or greater than 91% of the predamaged actual cash value of the vehicle, apply for a scrap certificate of title before the vehicle may be transported.

(9) An owner of a vehicle may determine that a vehicle is a scrap vehicle or a salvage vehicle without making any determination as to the actual cash value of the vehicle.

(10) If a leasing company, vehicle manufacturer, insurance company not licensed to do business in this state, association, repossession company, self-insured owner, financial institution, governmental entity, or other company, institution, or entity, owns a distressed, late model vehicle, the titleholder shall surrender the title or assigned certificate of title to the secretary of state and apply for a salvage certificate of title if the retail cost of repair, including parts and labor, is equal to or greater than 75% but less than 91% of the predamaged actual cash value of the vehicle, or if the retail cost of repair, including parts and labor, is equal to or greater than 91% of the predamaged actual cash value of the vehicle, apply for a scrap certificate of title, before the vehicle may be transported or sold. If ownership is transferred, the owner shall sell the vehicle only to a dealer who is eligible to buy a salvage or scrap vehicle in this state unless the owner complies with subsection (13). When a leasing company, vehicle manufacturer, insurance company not licensed to do business in this state, association, repossession company, self-insured owner, financial institution, governmental entity, or other company, institution, or entity, estimates the repair of a distressed, late model vehicle for the purpose of determining whether to apply for a salvage or scrap certificate of title, a complete record of the estimate and, if the vehicle is repaired before a transfer of ownership, a complete record of the actual cost of the repairs performed and by whom shall be maintained for a minimum of 5 years by the leasing company, vehicle manufacturer, insurance company not licensed to do business in this state, association, repossession company, self-insured owner, financial institution, governmental entity, or other company, institution, or entity. The estimates and repair records required by this subsection shall be available for unannounced inspections by a law enforcement agency or a representative of the secretary of state. The secretary of state may request a leasing company, vehicle manufacturer, insurance company not licensed to do business in this state, association, repossession company, self-insured owner, financial institution, governmental entity, or other company, institution, or entity to provide copies of title documents, repair estimates, claims reports involving major component parts, and actual cash value determination documents to assist the secretary of state in monitoring compliance with this act.

(11) An application for a salvage certificate of title shall be made on a form prescribed by the secretary of state accompanied by a fee of \$10.00. The application shall contain all of the following:

(a) The complete name and current address of the owner.

(b) A description of the vehicle, including its make, style of body, model year, fee category or weight, color, and vehicle identification number.

(c) An estimate of the cost repair, including parts and labor, and an estimate of the predamaged actual cash value of the vehicle.

(d) If the vehicle is a late model vehicle, a listing of each major component part that was not salvageable.

(e) Further information as may reasonably be required by the secretary of state.

(12) The secretary of state shall issue and mail the salvage certificate within 5 business days after the time the application is received at the secretary of state's office in Lansing. Each salvage certificate of title shall include a listing of each major component part that was not salvageable.

(13) A salvage certificate of title authorizes the holder of the title to possess, transport, but not drive upon a highway, and transfer ownership in, a vehicle. The secretary of state shall not issue a certificate of title or registration plates for a vehicle for which a salvage certificate of title was issued unless a specially trained officer described in subsection (15) certifies all of the following:

(a) That the vehicle identification numbers and parts identification numbers are correct.

(b) That the applicant has proof of ownership of repair parts used.

(c) That the vehicle complies with the equipment standards of this act.

(14) The certification required by subsection (13) shall be made on a form prescribed and furnished by the secretary of state in conjunction with the department of state police and shall accompany the application that is submitted to the secretary of state for a certificate of title. An application for a certificate of title shall contain a description of each salvageable part used to repair the vehicle and any identification number affixed to or inscribed upon the part as required by state or federal law. Upon satisfactory completion of the inspection as required by the secretary of state and other requirements for application, the secretary of state shall issue a certificate of title for the vehicle bearing the legend "rebuilt salvage".

(15) An officer specially trained as provided by the secretary of state and authorized by the secretary of state to conduct a salvage vehicle inspection is either of the following:

(a) An on-duty or off-duty police officer.

(b) A previously certified police officer who is appointed by the local police agency as a limited enforcement officer to conduct salvage vehicle inspections. The local police agency shall give this officer access to the agency's law enforcement information network system and the authority to confiscate any stolen vehicle or vehicle parts discovered during an inspection. The local police agency may give the officer the authority to arrest a person suspected of having unlawful possession of a stolen vehicle or vehicle parts.

(16) The secretary of state shall issue a certificate to an officer who is specially trained as provided by the secretary of state to conduct salvage vehicle inspections. Only a person who has a valid certification from the secretary of state may perform salvage inspections. The secretary of state on his or her own initiative or in response to complaints shall make reasonable and necessary public or private investigations within or outside of this state and gather evidence against an officer who was issued a certificate and who violated or is about to violate this act or a rule promulgated under this act. The secretary of state may suspend, revoke, or deny a certificate after an investigation if the secretary of state determines that the officer committed 1 or more of the following:

(a) Violated this act or a rule promulgated under this act.

(b) Was found guilty of a fraudulent act in connection with the inspection, purchase, sale, lease, or transfer of a salvage vehicle.

(c) Was found guilty of the theft, embezzlement, or misappropriation of salvage vehicle inspection fees.

(d) Performed improper, careless, or negligent salvage vehicle inspections.

(e) Ceased to function as a police officer because of suspension, retirement, dismissal, disability, or termination of employment.

(f) Was convicted of a violation or attempted violation of 1986 PA 119, MCL 257.1351 to 257.1355.

(g) Made a false statement of a material fact in his or her certification of a salvage vehicle inspection or any record concerning a salvage vehicle inspection.

(17) Upon receipt of the appropriate abstract of conviction from a court and without any investigation, the secretary of state shall immediately revoke the certificate of an officer who has been convicted of a violation or attempted violation of section 413, 414, 415, 535, 535a, or 536a of the Michigan penal code, 1931 PA 328, MCL 750.413, 750.414, 750.415, 750.535, 750.535a, and 750.536a, or has been convicted in federal court or in another state of a violation or attempted violation of a law substantially corresponding to 1 of those sections.

(18) If a dealer acquires ownership of an older model vehicle from an owner, the dealer shall receive an assigned certificate of title and shall retain it as long as he or she retains the vehicle. A vehicle scrap metal processor shall surrender an assigned certificate of title to the secretary of state within 30 days after the vehicle is destroyed or scrapped.

(19) A dealer selling or assigning a vehicle to a vehicle scrap metal processor shall make a record in triplicate on a form to be provided by the secretary of state in substantially the following form:

Scrap Vehicle Inventory:

SELLER: Dealer name _____
 Dealer address _____
 Dealer license number _____

PURCHASER: Conveyed to: _____ Date _____
 (Vehicle scrap metal processor)

Dealer address _____
 Dealer license number _____

Vehicles

Model Year	Vehicle Make	VIN	Title Number	Dealer's Stock Number	Color
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____

etc.

One copy shall be retained as a permanent record by the dealer, 1 copy shall be forwarded with the vehicle to be retained by the vehicle scrap metal processor, and 1 copy shall be forwarded to the secretary of state.

(20) A person, other than an automotive recycler, used or secondhand vehicle parts dealer, or a foreign salvage dealer, receiving a salvage certificate of title shall not sell the vehicle to anyone other than 1 of the following:

- (a) The vehicle's former owner.
- (b) A used or secondhand vehicle parts dealer.
- (c) A vehicle scrap metal processor.
- (d) A foreign salvage vehicle dealer licensed under this act.
- (e) An automotive recycler.

(21) A person receiving a scrap certificate of title shall not sell the vehicle to anyone other than 1 of the following:

- (a) An automotive recycler.
- (b) A vehicle scrap metal processor.
- (c) A foreign salvage vehicle dealer licensed under this act.
- (d) A used or secondhand vehicle parts dealer.

(22) The secretary of state may conduct periodic reviews of the records of a dealer to determine whether adequate notice is given to a transferee or lessee of a rebuilt salvage vehicle of that vehicle's prior designation as a salvage vehicle. The secretary of state may request an insurance company to provide copies of salvage title documents and claims reports involving major component parts to assist the secretary of state in monitoring compliance with this act.

(23) A licensed automotive recycler, used or secondhand vehicle parts dealer, vehicle scrap metal processor, vehicle salvage pool operator, distressed vehicle transporter, foreign salvage vehicle dealer, or broker who has removed a scrap vehicle from this state for the purpose of rebuilding the vehicle or selling or leasing the vehicle to a person other than a vehicle scrap metal processor, shall receive an automatic suspension of its dealer license and of any salvage vehicle agent's license assigned to that dealer for a period of 30 days. Upon receipt by the secretary of state of a written request from the dealer, the dealer shall have the right to an immediate hearing on the matter within that 30-day period.

(24) For the purpose of this section, the estimated costs of the repair parts shall be determined by using the current published retail cost of original manufacturer equipment parts or an estimate of the actual cost of the repair parts. The estimated labor costs shall be computed by using the hourly rate and time allocations which are reasonable and commonly assessed in the repair industry in the community where the repairs are performed.

(25) A police agency shall charge a fee for an inspection of a vehicle under subsection (13). Each local authority with a police agency shall determine the amount of the fee for inspections by that police agency, which shall not exceed \$100.00. The police agency shall credit the fee to the budget of that police agency and use the fee for law enforcement purposes that affect stolen vehicles, stolen vehicle parts, and salvage vehicle inspections. A local police agency shall compensate an off-duty and limited enforcement police officer for a salvage vehicle inspection.

(26) For the purpose of this section, "actual cash value" means the retail dollar value of a vehicle as determined by an objective vehicle evaluation using local market resources such as dealers or want ads or by an independent vehicle evaluation or vehicle appraisal service or by a current issue of a nationally recognized used vehicle guide for financial institution appraisal purposes in this state.

Sec. 217f. Except as provided in section 248c, a vehicle salvage pool operator or broker shall not sell, assign, or otherwise dispose of a vehicle for which a salvage certificate of title is required, unless a salvage or scrap certificate of title has been issued for the vehicle by the department.

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

- (a) The vehicle's former owner or lienholder of record as kept by the secretary of state, as applicable.
- (b) A licensed salvage agent of an automotive recycler.
- (c) A licensed salvage agent of a foreign salvage vehicle dealer.

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

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

- (a) The claim number relating to the vehicle.
- (b) The name and address of the owner of the vehicle.
- (c) The vehicle identification number and description of the vehicle.
- (d) The signature of an authorized representative of the insurance company.

(4) Upon receiving a release statement concerning a vehicle from an insurance company under subsection (2), a salvage pool shall send a notice to the owner and any lienholder of record as kept by the secretary of state of the vehicle that the vehicle is available for pickup by the owner or lienholder of record as kept by the secretary of state. The notice shall be accompanied by an invoice for any outstanding charges owed to the salvage pool. The notice shall inform the owner and any lienholder of record as kept by the secretary of state that the owner and lienholder of record as kept by the secretary of state have 30 days from the date of the notice and upon payment of applicable charges to pick up the vehicle from the salvage pool. A notice under this subsection shall be sent by the salvage pool to the applicable address on record with the secretary of state by certified mail or by another commercially available delivery service providing proof of delivery.

(5) If the owner or lienholder of record as kept by the secretary of state does not pick up the vehicle within the 30-day period described in subsection (4), the salvage pool may sell the vehicle for parts only to a licensed salvage agent of an automotive recycler or to a licensed salvage agent of a foreign salvage vehicle dealer if the vehicle is a distressed late-model vehicle, or to a licensed salvage agent of an automotive recycler, to a licensed salvage agent of a foreign salvage vehicle dealer, or to a vehicle scrap metal processor if the vehicle is not a distressed late-model vehicle. The salvage pool shall provide the buyer and the secretary of state with a copy of the release statement under subsection (2), proof of notice under subsection (4) to the owner and lienholder of record as kept by the secretary of state, and a bill of sale. The secretary of state shall use the documentation provided to issue the appropriate salvage or scrap certificate of title.

Sec. 252a. (1) A person shall not abandon a vehicle in this state. It is presumed that the last titled owner of the vehicle is responsible for abandoning the vehicle unless the person provides a record of the sale as that term is defined in section 240. A person who violates this subsection and who fails to redeem the vehicle before disposition of the vehicle under section 252g is responsible for a civil infraction and shall be ordered to pay a civil fine of \$50.00.

(2) As used in this section and sections 252b through 252l, "abandoned vehicle" means any of the following:

- (a) A vehicle that has remained on private property without the consent of the owner.
- (b) A vehicle that has remained on public property for a period of not less than 48 hours, or on a state trunk line highway as described in section 1 of 1951 PA 51, MCL 247.651, as follows:
 - (i) If a valid registration plate is affixed to the vehicle, for a period of not less than 18 hours.

(ii) If a valid registration plate is not affixed to the vehicle.

(c) A vehicle, other than a late-model vehicle, to which all of the following apply:

(i) An insurance company has not acquired ownership of the vehicle under section 217c.

(ii) The vehicle cannot be disposed of under section 248c.

(iii) The vehicle has remained in the custody of a vehicle salvage pool or broker site without the consent of the vehicle salvage pool operator or the broker for a period of not less than 60 days.

(3) If a vehicle has remained on public property for the period of time described in subsection (2)(b) so that it qualifies as abandoned, a police agency having jurisdiction over the vehicle or the agency's designee shall determine whether the vehicle has been reported stolen and may affix a written notice to the vehicle. The written notice shall contain the following information:

(a) The date and time the notice was affixed.

(b) The name and address of the police agency taking the action.

(c) The name and badge number of the police officer affixing the notice.

(d) The date and time the vehicle may be taken into custody and stored at the owner's expense or scrapped if the vehicle is not removed.

(e) The year, make, and vehicle identification number of the vehicle, if available.

(4) If the vehicle is an abandoned vehicle, the police agency or the agency's designee may have the towing agency take the vehicle into custody.

(5) A police agency that has received a vehicle taken into custody as abandoned shall do all of the following:

(a) Recheck to determine if the vehicle has been reported stolen.

(b) Within 24 hours after the vehicle is taken into custody, enter the vehicle as abandoned into the law enforcement information network, and notify the secretary of state through the law enforcement information network that the vehicle has been taken into custody as abandoned. Each notification shall contain the following information:

(i) The year, make, and vehicle identification number of the vehicle, if available.

(ii) The address or approximate location from which the vehicle was taken into custody.

(iii) The date on which the vehicle was taken into custody.

(iv) The name and address of the police agency that had the vehicle taken into custody.

(v) The name and business address of the custodian of the vehicle.

(vi) The name of the court that has jurisdiction over the case.

(c) Within 7 days after receiving notice under subdivision (b) that the vehicle has been taken into custody, the secretary of state shall do both of the following:

(i) Send to the last titled owner and secured party, as shown by the records of the secretary of state as described in section 221 or 237, by first-class mail or personal service, notice that the vehicle is considered abandoned. The form for the notice shall be furnished by the secretary of state. Each notice form shall contain the following information:

(A) The year, make, and vehicle identification number of the vehicle if available.

(B) The address or approximate location from which the vehicle was taken into custody.

(C) The date on which the vehicle was taken into custody.

(D) The name and address of the police agency that had the vehicle taken into custody.

(E) The name and business address of the custodian of the vehicle.

(F) The procedure to redeem the vehicle.

(G) The procedure to contest the fact that the vehicle is considered abandoned or the reasonableness of the towing fees and daily storage fees.

(H) A form petition that the owner may file in person or by mail with the specified court that requests a hearing on the police agency's action.

(I) A warning that the failure to redeem the vehicle or to request a hearing within 20 days after the date of the notice may result in the sale of the vehicle and the termination of all rights of the owner and the secured party to the vehicle or the proceeds of the sale.

(ii) Enter the information described in subparagraph (i) on a website maintained by the department for public use in locating vehicles that are removed under this section as abandoned. The department shall maintain the data on the website for 1 year or 1 until the vehicle is disposed of under this act, whichever occurs first.

(6) The owner may contest the fact that the vehicle is considered abandoned or the reasonableness of the towing fees and daily storage fees by requesting a hearing and posting a bond equal to \$40.00 plus the amount of the accrued

towing and storage fees. A request for a hearing shall be made by filing a petition with the court specified in the notice described in subsection (5)(c) within 20 days after the date of the notice. If the owner requests a hearing, the matter shall be resolved after a hearing conducted under sections 252e and 252f. An owner who requests a hearing may obtain release of the vehicle by posting a towing and storage bond in an amount equal to the \$40.00 plus the accrued towing and storage fees with the court. The owner of a vehicle who requests a hearing may obtain release of the vehicle by paying a fee of \$40.00 to the court and the accrued towing and storage fees instead of posting the towing and storage bond.

(7) If the owner does not request a hearing under subsection (6), he or she may obtain the release of the vehicle by paying a fee of \$40.00 and the accrued towing and storage fees to the custodian of the vehicle. The custodian of the vehicle shall forward \$25.00 of the fee to the secretary of state within 30 days after receipt in a manner prescribed by the secretary of state, who shall deposit the fee into the abandoned vehicle fund created in section 252h.

(8) If the owner does not redeem the vehicle or request a hearing within 20 days after the date of the notice described in subsection (5)(c), the secured party may obtain the release of the vehicle by paying a \$40.00 fee plus the accrued charges to the custodian of the vehicle. The custodian of the vehicle shall forward \$25.00 of the fee to the secretary of state, who shall deposit the fee into the abandoned vehicle fund created in section 252h.

(9) If a vehicle has remained on private property without the consent of the property owner, the owner of the private property may have the vehicle taken into custody as an abandoned vehicle by contacting a local towing agency. A local towing agency is considered a towing agency whose storage lot is located within 15 miles from the border of the local unit of government having jurisdiction over the abandoned vehicle.

(10) Before removing the vehicle from private property, the towing agency shall provide reasonable notice by telephone, or otherwise, to a police agency having jurisdiction over the vehicle that the vehicle is being removed. The police agency shall determine if the vehicle has been reported stolen and enter the vehicle into the law enforcement information network as an abandoned vehicle. Verification by the police agency of compliance with this section is not necessary and is not a predicate to the entrance of the vehicle into the law enforcement information network.

(11) Within 24 hours after taking the abandoned vehicle into custody, the police agency shall notify the secretary of state through the law enforcement information network that the vehicle has been taken into custody as abandoned. Each notification shall contain the following information:

- (a) The year, make, and vehicle identification number of the vehicle if available.
- (b) The address or approximate location from which the vehicle was taken into custody.
- (c) The date on which the vehicle was taken into custody.
- (d) The name and address of the police agency that had the vehicle taken into custody.
- (e) The name and business address of the custodian of the vehicle.
- (f) The name of the court that has jurisdiction over the case.

(12) Within 7 days after being notified under subsection (11), the secretary of state shall do both of the following:

(a) Send to the owner and secured party, as shown by the records of the secretary of state, by first-class mail or personal service, notice that the vehicle is considered abandoned. The form for the notice shall be furnished by the secretary of state. Each notice form shall contain the following information:

- (i) The year, make, and vehicle identification number of the vehicle if available.
- (ii) The location from which the vehicle was taken into custody.
- (iii) The date on which the vehicle was taken into custody.
- (iv) The name of the towing agency that had the vehicle taken into custody.
- (v) The business address of the custodian of the vehicle.
- (vi) The procedure to redeem the vehicle.
- (vii) The procedure to contest the fact that the vehicle is considered abandoned or the reasonableness of the towing fees and daily storage fees.
- (viii) A form petition that the owner may file in person or by mail with the specified court that requests a hearing on the custodian's action.

(ix) A warning that the failure to redeem the vehicle or to request a hearing within 20 days after the date of the notice may result in the sale of the vehicle and the termination of all rights of the owner and the secured party to the vehicle or the proceeds of the sale.

(b) Enter the information described in subdivision (a) on a website maintained by the department for public use in locating vehicles that are removed under this section as abandoned.

(13) The owner may contest the fact that the vehicle is abandoned or, unless the towing fees and daily storage fees are established by contract with the local governmental unit or local law enforcement agency and comply with section 252i, the reasonableness of the towing fees and daily storage fees by requesting a hearing. A request for a

hearing shall be made by filing a petition with the court specified in the notice within 20 days after the date of the notice. If the owner requests a hearing, the matter shall be resolved after a hearing conducted under section 252f. An owner who requests a hearing may obtain release of the vehicle by posting with the court a towing and storage bond in an amount equal to \$40.00 plus the accrued towing and storage fees. The owner of a vehicle who requests a hearing may obtain release of the vehicle by paying a fee of \$40.00 to the court plus the towing and storage fees instead of posting the towing and storage bond. An owner requesting a hearing but not taking possession of the vehicle shall post with the court a towing and storage bond in an amount equal to \$40.00 plus the accrued towing and storage fees.

(14) If the owner does not request a hearing, he or she may obtain the release of the vehicle by paying a fee of \$40.00 plus the accrued charges to the custodian of the vehicle. The custodian shall forward \$25.00 of the fee collected under this subsection to the secretary of state within 30 days after receipt in a manner prescribed by the secretary of state, who shall deposit the fee into the abandoned vehicle fund created in section 252h.

(15) If the owner does not redeem the vehicle or request a hearing within 20 days after the date of the notice, the secured party may obtain the release of the vehicle by paying a fee of \$40.00 and the accrued towing and storage fees to the custodian of the vehicle. The custodian shall forward \$25.00 of the fee collected under this subsection to the secretary of state within 30 days after receipt in a manner prescribed by the secretary of state, who shall deposit the fee into the abandoned vehicle fund created in section 252h.

(16) Not less than 20 days after the disposition of the hearing described in subsection (6) or, if a hearing is not requested, not less than 20 days after the date of the notice, the police agency if the abandoned vehicle is found on public property, or the custodian of the vehicle if the vehicle is found on private property, shall offer the vehicle for sale at a public sale under section 252g.

(17) If the ownership of a vehicle that is considered abandoned under this section cannot be determined either because of the condition of the vehicle identification numbers or because a check with the records of the secretary of state as described in section 221 or 237 does not reveal ownership, the police agency may sell the vehicle at public sale as provided in section 252g not less than 30 days after public notice of the sale has been published.

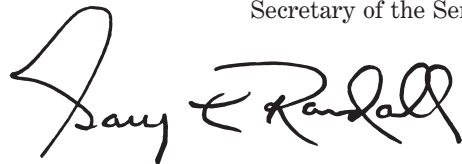
(18) The secretary of state shall release a vehicle for disposition under section 252b or 252g within 45 days after the vehicle is entered into the law enforcement information network as an abandoned vehicle.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor