

Act No. 448
Public Acts of 2016
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**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016**

Introduced by Rep. Kivela

ENROLLED HOUSE BILL No. 4426

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 certain devices, 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 regulate and certify the manufacturers of certain devices; to provide for approval and certification of installers and servicers of certain devices; 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 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:

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 postmarked date of the notice and upon payment of applicable charges to pick up the vehicle from the salvage pool, and shall warn the owner and lienholder of record that failure to redeem the vehicle within 30 days after the postmarked date of the notice will result in the sale of the vehicle and the termination of all rights of the owner and the lienholder of record to the vehicle and the proceeds of a sale under subsection (5). 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. 320. (1) The secretary of state after notice as provided in this section may conduct an investigation or reexamination of a person, based upon 1 or more of the following:

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

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

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

(d) The person has charged against him or her a total of 12 or more points as provided in section 320a within a period of 2 years, or a total of 6 or more points as provided in section 320a(q) within a period of 2 years.

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

(2) The secretary of state, upon good cause, or based solely on the licensed operator's or chauffeur's driving record, may restrict, suspend, revoke, or impose other terms and conditions on the license of a person subject to an investigation or reexamination and require the immediate surrender of the license of that person. The secretary of state shall, in all cases, prescribe the period of restriction, suspension, revocation, or other terms and conditions.

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

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

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

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

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

Sec. 320a. (1) Within 5 days after receipt of a properly prepared abstract from a court of this state or another state, the secretary of state shall record the date of conviction, civil infraction determination, or probate court disposition, and the number of points for each, based on the following formula, except as otherwise provided in this section and section 629c:

- (a) Manslaughter, negligent homicide, or a felony resulting from the operation of a motor vehicle, ORV, or snowmobile..... 6 points
 - (b) A violation of section 601b(2) or (3), 601c(1) or (2), or 653a(3) or (4) or, beginning October 31, 2010, a violation of section 601d 6 points
 - (c) A violation of section 625(1), (4), (5), (7), or (8), section 81134 or 82127(1) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81134 and 324.82127, or a law or ordinance substantially corresponding to section 625(1), (4), (5), (7), or (8), or section 81134 or 82127(1) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81134 and 324.82127..... 6 points
 - (d) Failing to stop and disclose identity at the scene of an accident when required by law..... 6 points
 - (e) Operating a motor vehicle in violation of section 626..... 6 points
 - (f) Fleeing or eluding an officer..... 6 points
 - (g) A violation of section 627(6) pertaining to speed in a work zone described in that section by exceeding the lawful maximum by more than 15 miles per hour..... 5 points
 - (h) A violation of any law or ordinance pertaining to speed by exceeding the lawful maximum by more than 15 miles per hour..... 4 points
 - (i) A violation of section 625(3) or (6), section 81135 or 82127(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81135 and 324.82127, or a law or ordinance substantially corresponding to section 625(3) or (6) or section 81135 or 82127(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81135 and 324.82127..... 4 points
 - (j) A violation of section 626a or a law or ordinance substantially corresponding to section 626a..... 4 points
 - (k) A violation of section 653a(2)..... 4 points
 - (l) A violation of section 627(6) pertaining to speed in a work zone described in that section by exceeding the lawful maximum by more than 10 but not more than 15 miles per hour..... 4 points
 - (m) Beginning October 31, 2010, a moving violation resulting in an at-fault collision with another vehicle, a person, or any other object..... 4 points
 - (n) Careless driving in violation of section 626b or a law or ordinance substantially corresponding to section 626b..... 3 points
 - (o) A violation of any law or ordinance pertaining to speed by exceeding the lawful maximum by more than 10 miles per hour but not more than 15 miles per hour..... 3 points
 - (p) A violation of any law or ordinance pertaining to speed by exceeding the lawful maximum by more than 5 miles per hour but not more than 10 miles per hour..... 2 points
 - (q) A violation of any law or ordinance pertaining to speed by exceeding the lawful maximum by more than 1 mile per hour but not more than 5 miles per hour 1 point
 - (r) Disobeying a traffic signal or stop sign, or improper passing..... 3 points
 - (s) A violation of section 624a, 624b, or a law or ordinance substantially corresponding to section 624a or 624b 2 points
 - (t) A violation of section 310e(4) or (6) or a law or ordinance substantially corresponding to section 310e(4) or (6)..... 2 points
 - (u) All other moving violations pertaining to the operation of motor vehicles reported under this section... 2 points
 - (v) A refusal by a person less than 21 years of age to submit to a preliminary breath test required by a peace officer under section 625a 2 points
 - (w) A violation of section 627(6) pertaining to speed in a work zone described in that section by exceeding the lawful maximum by 10 miles per hour or less..... 3 points
- (2) Points shall not be entered for a violation of section 310e(14), 311, 602b(1), 602c, 625m, 658, 710d, 717, 719, 719a, or 723.
- (3) Points shall not be entered for bond forfeitures.
- (4) Points shall not be entered for overweight loads or for defective equipment.
- (5) If more than 1 conviction, civil infraction determination, or probate court disposition results from the same incident, points shall be entered only for the violation that receives the highest number of points under this section.

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

(7) If a person violates a speed restriction established by an executive order issued during a state of energy emergency as provided by 1982 PA 191, MCL 10.81 to 10.89, the secretary of state shall enter points for the violation under subsection (1).

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

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

Sec. 606. (1) This chapter does not prevent a local authority with respect to streets or highways under the jurisdiction of the local authority and within the reasonable exercise of the police power from doing any of the following:

(a) Regulating the standing or parking of vehicles.

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

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

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

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

(f) Designating any highway as a through highway and requiring that all vehicles stop before entering or crossing the through highway; designating any intersection as a stop intersection and requiring all vehicles to stop at 1 or more entrances to the intersection; or designating any intersection as a yield intersection and requiring all vehicles to yield the right of way at 1 or more entrances to the intersection.

(g) Restricting the use of highways as authorized in section 726.

(h) Regulating the operation of bicycles and requiring the registration and licensing of bicycles, including the requirement of a registration fee.

(i) Regulating or prohibiting the turning of vehicles at intersections.

(j) Adopting other traffic regulations as are specifically authorized by this chapter.

(2) All traffic regulations described in subsection (1) shall be based on standard and accepted engineering practices as specified in the Michigan manual on uniform traffic control devices.

(3) A local authority shall not erect or maintain a stop sign or traffic control device that requires the traffic on any state trunk line highway to stop before entering or crossing any intersecting highway unless approval in writing has been first obtained from the director of the state transportation department.

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

(5) A local authority, in providing by ordinance for the impounding of any motor vehicle parked contrary to a local ordinance, shall not require a bond or cash deposit by the owner of the motor vehicle in excess of \$500.00 in order to recover the possession of the motor vehicle pending final adjudication of the case.

Sec. 608. The state transportation department and department of state police shall adopt a manual and specifications for a uniform system of traffic control devices consistent with the provisions of this chapter for use upon highways within this state. The manual shall correlate with and so far as possible conform to the federal manual then current as approved by the United States Department of Transportation, Federal Highway Administration, and may be revised whenever necessary to carry out the provisions of this act. It is the policy of this state to achieve, insofar as is practicable, uniformity in the design, shape, and color scheme of traffic signs, signals, and guide posts erected and maintained upon the streets and highways within this state with other states. Definitions and meanings found in the manual adopted under this section are supplemental to the definitions in chapter I. However, if a definition or meaning found in the manual adopted under this section conflicts with a definition in chapter I, the definition in chapter I prevails.

Sec. 609. (1) The state transportation department shall place or require to be placed, and maintain or require to be maintained, upon all state highways traffic control devices as it considers necessary to indicate and carry out the provisions of this chapter or to regulate, warn, or guide traffic. A traffic control device placed and maintained under this subsection shall conform to the most current Michigan manual on uniform traffic control devices.

(2) A local authority shall not place or maintain a traffic control device upon a trunk line highway under the jurisdiction of the state transportation department, except by the latter's permission, or upon a county road without the permission of the county road commission having jurisdiction over that road. With the approval of the state transportation department, the board of county road commissioners of a county, at its option, may install and maintain traffic control devices conforming to the Michigan manual on uniform traffic control devices if the cost would be less than that estimated by the state transportation department and bill the state transportation department for its share of the cost of installation.

Sec. 610. (1) Local authorities and county road commissions in their respective jurisdictions shall place and maintain the traffic control devices upon highways under their jurisdiction that they consider necessary to indicate and to carry out the provisions of this chapter or local traffic ordinances or to regulate, warn, or guide traffic. All traffic control devices shall conform to the Michigan manual on uniform traffic control devices.

(2) The state transportation department shall withhold from any incorporated village, city, or county that fails to comply with sections 606, 608, 609, 612, and 613, the share of fuel and vehicle tax revenue that would otherwise be due the incorporated village, city, or county under section 10 of 1951 PA 51, MCL 247.660. Notice of failure to comply, and 1 year's time to comply after notice, shall first be given.

(3) A person, firm, or corporation shall not sell or offer for sale to local authorities and local authorities shall not purchase or manufacture any traffic control device that does not conform to the Michigan manual on uniform traffic control devices, except with the permission of the director of the state transportation department.

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

Enacting section 2. Section 248c of the Michigan vehicle code, 1949 PA 300, MCL 257.248c, as amended by this amendatory act, takes effect 90 days after the date this amendatory act is enacted into law.

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

- (a) House Bill No. 4423.
- (b) House Bill No. 4424.
- (c) House Bill No. 4425.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor