

Act No. 247  
Public Acts of 1998  
Approved by the Governor  
July 7, 1998  
Filed with the Secretary of State  
July 8, 1998  
EFFECTIVE DATE: July 8, 1998

STATE OF MICHIGAN  
89TH LEGISLATURE  
REGULAR SESSION OF 1998

Introduced by Senators Bullard, Rogers, Cisky and Hoffman

# ENROLLED SENATE BILL No. 613

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 owners and operators of vehicles and service of process on residents and nonresidents; 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 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 217, 698, and 725 (MCL 257.217, 257.698, and 257.725), section 217 as amended by 1996 PA 59, section 698 as amended by 1997 PA 8, and section 725 as amended by 1997 PA 80.

*The People of the State of Michigan enact:*

Sec. 217. (1) An owner of a vehicle that is subject to registration under this act shall apply to the secretary of state, upon an appropriate form furnished by the secretary of state, for the registration of the vehicle and issuance of a certificate of title for the vehicle. Effective January 1, 1994, a vehicle brought into this state from another state or jurisdiction that has a rebuilt, salvage, scrap, or comparable certificate of title issued by that other state or jurisdiction shall be issued a rebuilt, salvage, or scrap certificate of title by the secretary of state. The application shall be accompanied by the required fee. An application for a certificate of title shall bear the signature of the owner. The application shall contain all of the following:

- (a) The owner's name, the owner's bona fide residence, and either of the following:
  - (i) The owner's mailing address, if the owner is an individual.
  - (ii) The owner's business address, if the owner is a firm, association, or corporation.

(b) A description of the vehicle including the make or name, style of body, and model year; the number of miles, not including the tenths of a mile, registered on the vehicle's odometer at the time of transfer; whether the vehicle is to be or has been used as a taxi or police vehicle, or by a political subdivision of this state; whether the vehicle has previously been issued a salvage or rebuilt certificate of title from this state or a comparable certificate of title from any other state or jurisdiction; vehicle identification number; and the vehicle's weight fully equipped, if a passenger vehicle registered in accordance with section 801(1)(a), and, if a trailer coach or pickup camper, in addition to the weight, the manufacturer's serial number, or in the absence of the serial number, a number assigned by the secretary of state.

A number assigned by the secretary of state shall be permanently placed on the trailer coach or pickup camper in the manner and place designated by the secretary of state.

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

(d) Further information that the secretary of state reasonably requires to enable the secretary of state to determine whether the vehicle is lawfully entitled to registration and the owner entitled to a certificate of title. If the secretary of state is not satisfied as to the ownership of a late model vehicle or other vehicle having a value over \$2,500.00, before registering the vehicle and issuing a certificate of title, the secretary of state may require the applicant to file a properly executed surety bond in a form prescribed by the secretary of state and executed by the applicant and a company authorized to conduct a surety business in this state. The bond shall be in an amount equal to twice the value of the vehicle as determined by the secretary of state and shall be conditioned to indemnify or reimburse the secretary of state, any prior owner, and any subsequent purchaser of the vehicle and their successors in interest against any expense, loss, or damage, including reasonable attorney's fees, by reason of the issuance of a certificate of title for the vehicle or on account of any defect in the right, title, or interest of the applicant in the vehicle. An interested person has a right of action to recover on the bond for a breach of the conditions of the bond, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond shall be returned at the end of 3 years, or before 3 years if the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered to the secretary of state, unless the secretary of state has received notification of the pendency of an action to recover on the bond. If the secretary of state is not satisfied as to the ownership of a vehicle that is valued at \$2,500.00 or less and that is not a late model vehicle, the secretary of state shall require the applicant to certify that the applicant is the owner of the vehicle and entitled to register and title the vehicle.

(e) Except as provided in subdivision (f), an application for a commercial vehicle shall also have attached a scale weight receipt of the motor vehicle fully equipped as of the time the application is made. A scale weight receipt is not necessary if there is presented with the application a registration receipt of the previous year that shows on its face the empty weight of the motor vehicle as registered with the secretary of state that is accompanied by a statement of the applicant that there has not been structural change in the motor vehicle that has increased the empty weight and that the previous registered weight is the true weight.

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

(g) If the application is for a certificate of title of a motor vehicle registered in accordance with section 801(1)(q), the application shall include the manufacturer's suggested base list price for the model year of the vehicle. Annually, the secretary of state shall publish a list of the manufacturer's suggested base list price for each vehicle being manufactured. Once a base list price is published by the secretary of state for a model year for a vehicle, the base list price shall not be affected by subsequent increases in the manufacturer's suggested base list price but shall remain the same throughout the model year unless changed in the annual list published by the secretary of state. If the secretary of state's list has not been published for that vehicle by the time of the application for registration, the base list price shall be the manufacturer's suggested retail price as shown on the label required to be affixed to the vehicle under section 3 of the automobile information disclosure act, Public Law 85-506, 15 U.S.C. 1232. If the manufacturer's suggested retail price is unavailable, the application shall list the purchase price of the vehicle as defined in section 801(4).

(2) Beginning October 1, 1999, the secretary of state shall require an applicant for registration of a leased pickup truck or passenger vehicle that is subject to registration under this act, except a vehicle that is subject to registration tax under section 801g, to disclose in writing the lessee's name, the lessee's bona fide residence, and either of the following:

(a) The lessee's Michigan driver license number or Michigan personal identification number or, if the lessee does not have a Michigan driver license or Michigan personal identification number, the lessee's mailing address, if the lessee is an individual.

(b) The lessee's business address, if the lessee is a firm, association, or corporation.

(3) The secretary of state shall maintain the information described in subsection (2) on the secretary of state's computer records.

(4) A dealer selling or exchanging vehicles required to be titled, within 15 days after delivering a vehicle to the purchaser, and a person engaged in the sale of vessels required to be numbered by part 801 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80101 to 324.80199, within 15 days after delivering a boat trailer weighing less than 2,500 pounds to the purchaser, shall apply to the secretary of state for a new title, if required, and transfer or secure registration plates and secure a certificate of registration for the vehicle or boat trailer, in the name of the purchaser. The dealer's license may be suspended or revoked in accordance with section 249 for failure to apply for a title when required or for failure to transfer or secure registration plates and certificate of registration within the 15 days required by this section. If the dealer or person fails to apply for a title when required, and to transfer or secure registration plates and secure a certificate of registration and pay the required fees within 15 days

of delivery of the vehicle or boat trailer, a title and registration for the vehicle or boat trailer may subsequently be acquired only upon the payment of a transfer fee of \$15.00 in addition to the fees specified in section 806. The purchaser of the vehicle or boat trailer shall sign the application, including, when applicable, the declaration specifying the maximum elected gross weight, as required by subsection (1)(f), and other necessary papers to enable the dealer or person to secure the title, registration plates, and transfers from the secretary of state.

(5) If a vehicle is delivered to a purchaser who has valid Michigan registration plates that are to be transferred to the vehicle, and an application for title, if required, and registration for the vehicle is not made before delivery of the vehicle to the purchaser, the registration plates shall be affixed to the vehicle immediately, and the dealer shall provide the purchaser with an instrument in writing, on a form prescribed by the secretary of state, which shall serve as a temporary registration for the vehicle for a period of 15 days from the date the vehicle is delivered.

(6) An application for a certificate of title that indicates the existence of a security interest in the vehicle or in an accessory to the vehicle, if requested by the security interest holder, shall be accompanied by a copy of the security agreement which need not be signed. The request may be made of the seller on an annual basis. The secretary of state shall indicate on the copy the date and place of filing of the application and return the copy to the person submitting the application who shall forward it to the holder of the security interest named in the application.

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

“Under Michigan law, the seller must record a first lien in favor of (name of lender) \_\_\_\_\_ on the vehicle with vehicle identification number \_\_\_\_\_ and title the vehicle only in the name(s) shown on the reverse side.” On the front of the sales check or draft, the holder, finance company, credit union, or banking institution shall note the name(s) of the prospective owner(s). Failure of the holder, finance company, credit union, or banking institution to comply with these requirements frees the seller from any obligation to record the lien or from any liability that may arise as a result of the failure to record the lien. A service fee shall not be charged to the buyer.

(8) In the absence of actual malice proved independently and not inferred from lack of probable cause, a person who in any manner causes a prosecution for larceny of a motor vehicle; for embezzlement of a motor vehicle; for any crime an element of which is the taking of a motor vehicle without authority; or for buying, receiving, possessing, or aiding in the concealment of a stolen, embezzled, or converted motor vehicle knowing that the motor vehicle has been stolen, embezzled, or converted, is not liable for damages in a civil action for causing the prosecution. This subsection does not relieve a person from proving any other element necessary to sustain his or her cause of action.

Sec. 698. (1) A motor vehicle may be equipped with not more than 2 side cowl or fender lamps which shall emit an amber or white light without glare.

(2) A motor vehicle may be equipped with not more than 1 running board courtesy lamp on each side which shall emit a white or amber light without glare.

(3) Backing lights of red, amber, or white may be mounted on the rear of a motor vehicle if the switch controlling the light is so arranged that the light may be turned on only if the vehicle is in reverse gear. The backing lights when unlighted shall be covered or otherwise arranged so as not to reflect objectionable glare in the eyes of a driver of a vehicle approaching from the rear.

(4) Unless both covered and unlit, a vehicle driven on the highways of this state shall not be equipped with a lamp or a part designed to be a reflector unless expressly required or permitted by this chapter or that meets the standards prescribed in 49 C.F.R. 571.108. A lamp or a part designed to be a reflector, if visible from the front, shall display or reflect a white or amber light; if visible from either side, shall display or reflect an amber or red light; and if visible from the rear, shall display or reflect a red light, except as otherwise provided by law.

(5) The use or possession of flashing, oscillating, or rotating lights of any color is prohibited except as otherwise provided by law, or under the following circumstances:

(a) A police vehicle shall be equipped with flashing, rotating, or oscillating red or blue lights, for use in the performance of police duties.

(b) A fire vehicle or ambulance available for public use or for use of the United States, the state, or any unit of the state, whether publicly or privately owned, shall be equipped with flashing, rotating, or oscillating red lights and used as required for safety.

(c) An authorized emergency vehicle as defined in section 2 may be equipped with flashing, rotating, or oscillating red lights for use when responding to an emergency call if when in use the flashing, rotating, or oscillating red lights are mounted on the roof section of the vehicle, either as a permanent installation or by means of suction cups or magnets

and are clearly visible in a 360 degree arc from a distance of 500 feet when in use. A person operating lights under this subdivision at any time other than when responding to an emergency call is guilty of a misdemeanor.

(d) Flashing, rotating, or oscillating amber lights, placed in a position as to be visible throughout an arc of 360 degrees, shall be used by a state, county, or municipal vehicle engaged in the removal of ice, snow, or other material from the highway and in other operations designed to control ice and snow.

(e) A vehicle used for the cleanup of spills or a necessary emergency response action taken pursuant to state or federal law or a vehicle operated by an employee of the department of natural resources that responds to a spill, emergency response action, complaint, or compliance activity may be equipped with flashing, rotating, or oscillating amber lights. Such lights shall not be activated unless the vehicle is at the scene of a spill, emergency response action, complaint, or compliance activity.

(f) A vehicle to perform public utility service, a vehicle owned or leased by and licensed as a business for use in the collection and hauling of refuse, an automobile service car or wrecker, a vehicle engaged in authorized highway repair or maintenance, a vehicle of a peace officer, a vehicle operated by a rural letter carrier or a person under contract to deliver newspapers or other publications by motor route, a vehicle utilized for snow removal, a private security guard vehicle as authorized in subsection (7), a motor vehicle while engaged in escorting or transporting an oversize load that has been issued a permit by the state transportation department or a local authority with respect to highways under its jurisdiction, a vehicle owned by the national guard or a United States military vehicle while traveling under the appropriate recognized military authority, a motor vehicle while towing an implement of husbandry, or an implement of husbandry may be equipped with flashing, rotating, or oscillating amber lights. However, a wrecker may be equipped with flashing, rotating, or oscillating red lights which shall be activated only when the wrecker is engaged in removing or assisting a vehicle at the scene of a traffic accident or disablement. The flashing, rotating, or oscillating amber lights shall not be activated except in those circumstances that the warning produced by the lights is required for public safety.

(g) A vehicle engaged in leading or escorting a funeral procession or any vehicle that is part of a funeral procession may be equipped with flashing, rotating, or oscillating purple or amber lights which shall not be activated except during a funeral procession.

(h) An authorized emergency vehicle may display flashing, rotating, or oscillating white lights in conjunction with an authorized emergency light as prescribed in this section.

(i) A private motor vehicle of a physician responding to an emergency call may be equipped with and the physician may use flashing, rotating, or oscillating red lights mounted on the roof section of the vehicle either as a permanent installation or by means of magnets or suction cups and clearly visible in a 360 degree arc from a distance of 500 feet when in use. The physician shall first obtain written authorization from the county sheriff.

(j) A public transit vehicle may be equipped with a flashing, oscillating, or rotating light mounted on the roof of the vehicle approximately 6 feet from the rear of the vehicle which displays a white light to the front, side, and rear of the vehicle, which light may be actuated by the driver for use only in inclement weather such as fog, rain, or snow, when boarding or discharging passengers, from 1/2 hour before sunset until 1/2 hour after sunrise, or where conditions hinder the visibility of the public transit vehicle. As used in this subdivision, "public transit vehicle" means a motor vehicle, other than a station wagon or passenger van, with a gross vehicle weight rating of more than 10,000 pounds.

(k) A person engaged in the manufacture, sale, or repair of flashing, rotating, or oscillating lights governed by this subsection may possess the lights for the purpose of employment, but shall not activate the lights upon the highway unless authorized to do so under subsection (6).

(6) A person shall not sell, loan, or otherwise furnish a flashing, rotating, or oscillating blue or red light designed primarily for installation on an authorized emergency vehicle to a person except a police officer, sheriff, deputy sheriff, authorized physician, volunteer or paid fire fighter, volunteer ambulance driver, licensed ambulance driver or attendant of the state, a county or municipality within the state, a person engaged in the business of operating an ambulance or wrecker service, or a federally recognized nonprofit charitable organization which owns and operates an emergency support vehicle used exclusively for emergencies. This subsection does not prohibit an authorized vehicle, equipped with flashing, rotating, or oscillating blue or red lights, from being operated by a person other than a person described in this section if the person receives authorization to operate the emergency vehicle from a police officer, sheriff, deputy sheriff, authorized physician, volunteer or paid fire fighter, volunteer ambulance driver, licensed ambulance driver or attendant, a person operating an ambulance or wrecker service, or a federally recognized nonprofit charitable organization which owns and operates an emergency support vehicle used exclusively for emergencies, except that the authorization shall not permit the person to operate lights as described in subsection (5)(a), (b), (c), (i), or (j), or to exercise the privileges described in section 603. A person who operates an authorized emergency vehicle in violation of the terms of an authorization is guilty of a misdemeanor.

(7) A private motor vehicle of a security guard agency or alarm company licensed pursuant to the private security guard act of 1968, 1968 PA 330, MCL 338.1051 to 338.1085, may display flashing, rotating, or oscillating amber lights. The flashing, rotating, or oscillating amber lights shall not be activated on a public highway when a vehicle is in motion.

(8) This section shall not be construed to prohibit, restrict, or limit the use of lights authorized or required under sections 697, 697a, and 698a.

(9) A person who violates subsection (1), (2), (3), or (4) is responsible for a civil infraction.

Sec. 725. (1) Upon receipt of a written application and good cause being shown, a jurisdictional authority may issue a written special permit authorizing an applicant to operate upon or remove from a highway maintained by that jurisdictional authority a vehicle or combination of vehicles that are any of the following:

(a) Of a size, weight, or load exceeding the maximum specified in this chapter.

(b) Otherwise not in conformity with this chapter.

(2) The application for a special permit shall be on a form prescribed by the jurisdictional authority and shall specifically describe the vehicle or vehicles and load to be operated or moved and the particular highways upon which the special permit to operate is requested.

(3) A jurisdictional authority may issue a special permit and charge a fee that does not exceed the administrative costs incurred authorizing the operation of the following upon a highway:

(a) Traction engines or tractors having movable tracks with transverse corrugations upon the periphery of those movable tracks on farm tractors.

(b) Other farm machinery otherwise prohibited under this chapter.

(c) A vehicle of a size or weight otherwise prohibited under this chapter that is hauling farm machinery to or from a farm.

(4) A special permit shall specify the trip or trips and date or dates for which it is valid and the jurisdictional authority granting the special permit may restrict or prescribe conditions of operation of a vehicle or vehicles, if necessary, to protect the safety of the public or to ensure against undue damage to the road foundations, surfaces, structures, or installations, and may require a reasonable inspection fee and other security as that jurisdictional authority determines necessary to compensate for damages caused by the movement. A special permit may be issued on an annual basis. Except as otherwise provided in this section, the fee charged by the state transportation department for an intrastate or an out-of-state vehicle for single trip shall be \$50.00 and for multiple trips or on an annual basis shall be \$100.00. Except as otherwise provided in this section, the fee charged by a jurisdictional authority other than the state transportation department for an intrastate or an out-of-state vehicle for a single trip shall be not more than \$50.00 and for multiple trips or on an annual basis shall be not more than \$100.00. Effective October 1, 1998, the fee charged by a jurisdictional authority other than the state transportation department for a special permit under this subsection shall be the fee charged on September 30, 1997. The fee charged by a jurisdictional authority other than the state transportation department for a special permit under this subsection may be increased above the amount charged on September 30, 1997 subject to the maximums allowed by this subsection subject to a prior public hearing with reasonable notice. However, the fee charged by a jurisdictional authority other than the state transportation department for a special permit under this subsection that is more than \$50.00 for a single trip or that is more than \$100.00 for multiple trips or on an annual basis, or both, on September 30, 1997 shall not be increased.

(5) The fee charged by the state transportation department for an intrastate or an out-of-state vehicle or combination of vehicles that exceed the maximum size specified in this chapter but do not exceed the maximum weight or load specified in this chapter or are otherwise not in conformity with this chapter shall be \$15.00 for a single trip and \$30.00 for multiple trips or on an annual basis. The fees charged under this subsection may be increased not more than once each year based on the percentage increase in the United States consumer price index for all urban consumers for the immediately preceding 12-month period rounded to the nearest whole dollar. This subsection takes effect October 1, 1998.

(6) The fee charged by a jurisdictional authority other than the state transportation department for an intrastate or an out-of-state vehicle or combination of vehicles of a size exceeding the maximum specified in this chapter but not exceeding the maximum weight or load specified in this chapter shall not exceed the administrative costs incurred by that jurisdictional authority in issuing the permit. This subsection takes effect October 1, 1998.

(7) A special permit issued under this section shall be carried in the vehicle or combination of vehicles to which it refers and shall be open to inspection by a police officer or authorized agent of a jurisdictional authority granting the special permit. A person shall not violate any of the terms or conditions of the special permit.

(8) A person who violates this section is responsible for a civil infraction.

(9) A jurisdictional authority issuing a special permit to move a mobile home under this section and a person who is issued a special permit to move a mobile home under this section are subject to section 719a.

(10) As used in this section, "jurisdictional authority" means the state transportation department, a county road commission, or a local authority having jurisdiction over a highway upon which a vehicle is proposed to be moved pursuant to a permit required under this section.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate.

*Maya Rudolph*

Clerk of the House of Representatives.

Approved \_\_\_\_\_

\_\_\_\_\_  
Governor.