

Senate Bill No. 1243

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 217, 222, and 251 (MCL 257.217, 257.222, and
257.251), section 217 as amended by 1998 PA 247, section 222 as
amended by 1999 PA 267, and section 251 as amended by 1998 PA
455.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 217. (1) An owner of a vehicle that is subject to reg-
2 istration under this act shall apply to the secretary of state,
3 upon an appropriate form furnished by the secretary of state, for
4 the registration of the vehicle and issuance of a certificate of
5 title for the vehicle. Effective January 1, 1994, a vehicle
6 brought into this state from another state or jurisdiction that
7 has a rebuilt, salvage, scrap, or comparable certificate of title
8 issued by that other state or jurisdiction shall be issued a

1 rebuilt, salvage, or scrap certificate of title by the secretary
2 of state. The application shall be accompanied by the required
3 fee. An application for a certificate of title shall bear the
4 signature of the owner. The application shall contain all of the
5 following:

6 (a) The owner's name, the owner's bona fide residence, and
7 either of the following:

8 (i) The owner's mailing address, if the owner is an
9 individual.

10 (ii) The owner's business address, if the owner is a firm,
11 association, or corporation.

12 (b) A description of the vehicle including the make or name,
13 style of body, and model year; the number of miles, not including
14 the tenths of a mile, registered on the vehicle's odometer at the
15 time of transfer; [

16

17] whether the vehicle is to be or
18 has been used as a taxi or police vehicle, or by a political sub-
19 division of this state; [EXCEPT FOR A VEHICLE OWNED BY A DEALER AND
LOANED OR LEASED TO A POLITICAL SUBDIVISION OF THIS STATE FOR USE AS
A DRIVER EDUCATION VEHICLE;] whether the vehicle has previously been

20 issued a salvage or rebuilt certificate of title from this state
21 or a comparable certificate of title from any other state or
22 jurisdiction; vehicle identification number; and the vehicle's
23 weight fully equipped, if a passenger vehicle registered in
24 accordance with section 801(1)(a), and, if a trailer coach or
25 pickup camper, in addition to the weight, the manufacturer's
26 serial number, or in the absence of the serial number, a number
27 assigned by the secretary of state. A number assigned by the

1 secretary of state shall be permanently placed on the trailer
2 coach or pickup camper in the manner and place designated by the
3 secretary of state.

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

7 (d) Further information that the secretary of state reason-
8 ably requires to enable the secretary of state to determine
9 whether the vehicle is lawfully entitled to registration and the
10 owner entitled to a certificate of title. If the secretary of
11 state is not satisfied as to the ownership of a late model vehi-
12 cle or other vehicle having a value over \$2,500.00, before regis-
13 tering the vehicle and issuing a certificate of title, the secre-
14 tary of state may require the applicant to file a properly exe-
15 cuted surety bond in a form prescribed by the secretary of state
16 and executed by the applicant and a company authorized to conduct
17 a surety business in this state. The bond shall be in an amount
18 equal to twice the value of the vehicle as determined by the sec-
19 retary of state and shall be conditioned to indemnify or reim-
20 burse the secretary of state, any prior owner, and any subsequent
21 purchaser of the vehicle and their successors in interest against
22 any expense, loss, or damage, including reasonable attorney's
23 fees, by reason of the issuance of a certificate of title for the
24 vehicle or on account of any defect in the right, title, or
25 interest of the applicant in the vehicle. An interested person
26 has a right of action to recover on the bond for a breach of the
27 conditions of the bond, but the aggregate liability of the surety

1 to all persons shall not exceed the amount of the bond. The bond
2 shall be returned at the end of 3 years, or before 3 years if the
3 vehicle is no longer registered in this state and the currently
4 valid certificate of title is surrendered to the secretary of
5 state, unless the secretary of state has received notification of
6 the pendency of an action to recover on the bond. If the secre-
7 tary of state is not satisfied as to the ownership of a vehicle
8 that is valued at \$2,500.00 or less and that is not a late model
9 vehicle, the secretary of state shall require the applicant to
10 certify that the applicant is the owner of the vehicle and enti-
11 tled to register and title the vehicle.

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

23 (f) An application for registration of a vehicle on the
24 basis of elected gross weight shall include a declaration by the
25 applicant specifying the elected gross weight for which applica-
26 tion is being made.

1 (g) If the application is for a certificate of title of a
2 motor vehicle registered in accordance with section 801(1)(q),
3 the application shall include the manufacturer's suggested base
4 list price for the model year of the vehicle. Annually, the sec-
5 retary of state shall publish a list of the manufacturer's sug-
6 gested base list price for each vehicle being manufactured. Once
7 a base list price is published by the secretary of state for a
8 model year for a vehicle, the base list price shall not be
9 affected by subsequent increases in the manufacturer's suggested
10 base list price but shall remain the same throughout the model
11 year unless changed in the annual list published by the secretary
12 of state. If the secretary of state's list has not been pub-
13 lished for that vehicle by the time of the application for regis-
14 tration, the base list price shall be the manufacturer's sug-
15 gested retail price as shown on the label required to be affixed
16 to the vehicle under section 3 of the automobile information dis-
17 closure act, Public Law 85-506, 15 U.S.C. 1232. If the
18 manufacturer's suggested retail price is unavailable, the appli-
19 cation shall list the purchase price of the vehicle as defined in
20 section 801(4).

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

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

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

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

11 (4) A dealer selling or exchanging vehicles required to be
12 titled, within 15 days after delivering a vehicle to the purchas-
13 er, and a person engaged in the sale of vessels required to be
14 numbered by part 801 of the natural resources and environmental
15 protection act, 1994 PA 451, MCL 324.80101 to 324.80199, within
16 15 days after delivering a boat trailer weighing less than 2,500
17 pounds to the purchaser, shall apply to the secretary of state
18 for a new title, if required, and transfer or secure registration
19 plates and secure a certificate of registration for the vehicle
20 or boat trailer, in the name of the purchaser. The dealer's
21 license may be suspended or revoked in accordance with section
22 249 for failure to apply for a title when required or for failure
23 to transfer or secure registration plates and certificate of reg-
24 istration within the 15 days required by this section. If the
25 dealer or person fails to apply for a title when required, and to
26 transfer or secure registration plates and secure a certificate
27 of registration and pay the required fees within 15 days of

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

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

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

1 forward it to the holder of the security interest named in the
2 application.

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

15 "Under Michigan law, the seller must record a first lien in
16 favor of (name of lender) _____ on the vehicle with
17 vehicle identification number _____ and title the vehi-
18 cle only in the name(s) shown on the reverse side." On the front
19 of the sales check or draft, the holder, finance company, credit
20 union, or banking institution shall note the name(s) of the pro-
21 spective owner(s). Failure of the holder, finance company,
22 credit union, or banking institution to comply with these
23 requirements frees the seller from any obligation to record the
24 lien or from any liability that may arise as a result of the
25 failure to record the lien. A service fee shall not be charged
26 to the buyer.

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

13 Sec. 222. (1) Except as otherwise provided in this act, the
14 secretary of state shall issue a registration certificate and a
15 certificate of title when registering a vehicle and upon receipt
16 of the required fees. A vehicle brought into this state from
17 another state or jurisdiction that has a rebuilt, salvage, or
18 scrap certificate of title issued by that other state or juris-
19 diction shall be issued a rebuilt, salvage, or scrap certificate
20 of title by the secretary of state.

21 (2) The registration certificate shall be delivered to the
22 owner and shall contain on its face the date issued, the name and
23 address of the owner, the registration number assigned to the
24 vehicle, and a description of the vehicle as determined by the
25 secretary of state.

26 (3) The certificate of title shall be manufactured in a
27 manner to prohibit as nearly as possible the ability to

1 reproduce, alter, counterfeit, forge, or duplicate the
2 certificate of title without ready detection and contain on its
3 face the identical information required on the face of the regis-
4 tration certificate; if the vehicle is a motor vehicle, the
5 number of miles, not including the tenths of a mile, registered
6 on the vehicle's odometer at the time of transfer; [~~except for a~~
7 ~~vehicle owned by a dealer and loaned~~ ~~to a political~~
8 ~~subdivision of this state for use as a driver education vehicle,~~]
9 [if WHETHER] the vehicle is to be used or has been used as a taxi,
as a
10 police vehicle, or by a political subdivision of this state; [EXCEPT
FOR A VEHICLE OWNED BY A DEALER AND LOANED OR LEASED TO A POLITICAL
SUBDIVISION OF THIS STATE FOR USE AS A DRIVER EDUCATION VEHICLE;]
11 whether the vehicle is a salvage vehicle; if the vehicle has pre-
12 viously been issued a rebuilt certificate of title from this
13 state or a comparable certificate of title from any other state
14 or jurisdiction; if the vehicle has been issued a scrap certifi-
15 cate of title from this state or a comparable certificate of
16 title from any other state or jurisdiction; if the owner or
17 co-owner or lessee or co-lessee of the vehicle is subject to reg-
18 istration denial under section 219(1)(d); a statement of the
19 owner's title and of all security interests in the vehicle or in
20 an accessory on the vehicle as set forth in the application; the
21 date that the application was filed; and any other information
22 that the secretary of state may require.

23 (4) The certificate of title shall contain a form for
24 assignment of title or interest and warranty of title by the
25 owner with space for the notation of a security interest in the
26 vehicle and in an accessory on the vehicle, which at the time of
27 a transfer shall be certified and signed, and space for a written

1 odometer mileage statement that is required upon transfer
2 pursuant to section 233a. The certificate of title may also con-
3 tain other forms that the secretary of state considers necessary
4 to facilitate the effective administration of this act. The cer-
5 tificate shall bear the coat of arms of this state.

6 (5) The certificate of title shall be mailed or delivered to
7 the owner or other person the owner may direct in a separate
8 instrument, in a form the secretary of state shall prescribe.

9 (6) A person who intentionally reproduces, alters, counter-
10 feits, forges, or duplicates a certificate of title or who uses a
11 reproduced, altered, counterfeited, forged, or duplicated certif-
12 icate of title shall be punished as follows:

13 (a) If the intent of reproduction, alteration, counterfeit-
14 ing, forging, duplication, or use was to commit or aid in the
15 commission of an offense punishable by imprisonment for 1 or more
16 years, the person committing the reproduction, alteration, coun-
17 terfeiting, forging, duplication, or use is guilty of a misde-
18 meanor, punishable by imprisonment for a period equal to that
19 which could be imposed for the commission of the offense the
20 person had the intent to aid or commit. The court may also
21 assess a fine of not more than \$10,000.00 against the person.

22 (b) If the intent of the reproduction, alteration, counter-
23 feiting, forging, duplication, or use was to commit or aid in the
24 commission of an offense punishable by imprisonment for not more
25 than 1 year, the person committing the reproduction, alteration,
26 counterfeiting, forging, duplication, or use is guilty of a

SB1243, As Passed House, September 27, 2000

SB 1243 as amended September 27, 2000 12

1 misdemeanor, punishable by imprisonment for not more than 1 year,
2 or a fine of not more than \$1,000.00, or both.

3 (7) [The

4

5] certificate of title for a police vehicle, a vehicle
6 owned by a political subdivision of this state, a salvage vehi-
7 cle, a rebuilt vehicle, and a scrap vehicle shall be different in
8 color from the certificate of title for all other vehicles[; EXCEPT
FOR A VEHICLE LOANED OR LEASED TO A POLITICAL SUBDIVISION OF THIS
STATE FOR USE AS A DRIVER EDUCATION VEHICLE].

9 (8) A scrap certificate of title shall contain a legend that
10 the vehicle is not to be titled or registered and is to be used
11 for parts or scrap metal only.

12 (9) A certificate of title shall not be issued for a vehicle
13 which has had a salvage certificate of title unless the certifi-
14 cate of title contains a legend that discloses the vehicle's
15 former condition to consumers and potential purchasers.

16 Sec. 251. (1) Each new vehicle dealer, used vehicle dealer,
17 and broker shall maintain a record in a manner prescribed by the
18 secretary of state of each vehicle of a type subject to titling
19 under this act that is bought, sold, or exchanged by the dealer
20 or received or accepted by the dealer for sale or exchange.

21 (2) Each record shall contain the date of the purchase,
22 sale, or exchange or receipt for the purpose of sale, a descrip-
23 tion of the vehicle, together with the name and address of the
24 seller, the purchaser, and the alleged owner or other persons
25 from whom the vehicle was purchased or received, or to whom it
26 was sold or delivered. The record shall contain a copy of all
27 odometer mileage statements received by the dealer upon

06146'00

1 purchasing or acquiring a vehicle and a copy of the odometer
2 mileage statement furnished by the dealer upon sale of a vehicle
3 as prescribed in section 233a. If the vehicle is purchased,
4 sold, leased, or exchanged through a broker, the record shall
5 include the broker's name and dealer license number and the
6 amount of the broker's fee, commission, compensation, or other
7 valuable consideration paid by the purchaser or lessee or paid by
8 the dealer, or both. The records of all vehicles purchased,
9 sold, leased, or exchanged through a broker maintained by the
10 secretary of state shall be in an electronic format determined by
11 the secretary of state. A dealer shall retain for not less than
12 5 years each odometer mileage statement the dealer receives and
13 each odometer mileage statement furnished by the dealer upon the
14 sale of a vehicle. The description of the vehicle, in the case
15 of a motor vehicle, shall also include the vehicle identification
16 number and other numbers or identification marks as may be on the
17 vehicle, and shall also include a statement that a number has
18 been obliterated, defaced, or changed, if that is the fact. For
19 a trailer or semitrailer, the record shall include the vehicle
20 identification number and other numbers or identification marks
21 as may be on the trailer or semitrailer.

22 (3) Not more than 20 days after the delivery of the vehicle,
23 the seller shall deliver to the buyer in person or by mail to the
24 buyer's last known address a duplicate of a written statement, on
25 a form prescribed by the secretary of state in conjunction with
26 the department of treasury, describing clearly the name and
27 address of the seller, the name and address of the buyer, the

1 vehicle sold to the buyer, the cash sale price of the vehicle,
2 the cash paid down by the buyer, the amount credited the buyer
3 for a trade-in, a description of the trade-in, the amount charged
4 for vehicle insurance, stating the types of insurance covered by
5 the insurance policy, the amount charged for a temporary regis-
6 tration plate, the amount of any other charge and specifying its
7 purpose, the net balance due from the buyer, and a summary of
8 insurance coverage to be affected. If the vehicle sold is a new
9 motor home, the written statement shall contain a description,
10 including the year of manufacture, of every major component part
11 of the vehicle that has its own manufacturer's certificate of
12 origin. The written statement shall disclose if the vehicle sold
13 is a vehicle that the seller had loaned OR LEASED to a political
14 subdivision of this state for use as a driver education vehicle.
15 The written statement shall be dated, but not later than the
16 actual date of delivery of the vehicle to the buyer. The origi-
17 nal and all copies of the prescribed form shall contain identical
18 information. The statement shall be furnished by the seller,
19 shall be signed by the seller or the seller's agent and by the
20 buyer, and shall be filed with the application for new title or
21 registration. Failure of the seller to deliver this written
22 statement to the buyer does not invalidate the sale between the
23 seller and the buyer.

24 (4) A retail vehicle sale is void unless both of the follow-
25 ing conditions are met:

1 (a) The sale is evidenced by a written memorandum that
2 contains the agreement of the parties and is signed by the buyer
3 and the seller or the seller's agent.

4 (b) The agreement contains a place for acknowledgment by the
5 buyer of the receipt of a copy of the agreement or actual deliv-
6 ery of the vehicle is made to the buyer.

7 (5) Each dealer record and inventory, including the record
8 and inventory of a vehicle scrap metal processor not required to
9 obtain a dealer license, shall be open to inspection by a police
10 officer or an authorized officer or investigator of the secretary
11 of state during reasonable or established business hours.

12 (6) A dealer licensed as a distressed vehicle transporter
13 shall maintain records in a form as prescribed by the secretary
14 of state. The records shall identify each distressed vehicle
15 that is bought, acquired, and sold by the dealer. The record
16 shall identify the person from whom a distressed vehicle was
17 bought or acquired and the dealer to whom the vehicle was sold.
18 The record shall indicate whether a certificate of title or sal-
19 vage certificate of title was obtained by the dealer for each
20 vehicle.

21 (7) A dealer licensed under this act shall maintain records
22 for a period of 5 years. The records shall be made available for
23 inspection by the secretary of state or other law enforcement
24 officials. The secretary of state shall inspect a dealer once
25 every 4 years and as determined necessary by the secretary of
26 state or a law enforcement officer. The secretary of state may
27 issue an order summarily suspending the license of a dealer

1 pursuant to section 92 of the administrative procedures act of
2 1969, 1969 PA 306, MCL 24.292, based on an affidavit by a person
3 familiar with the facts set forth in the affidavit that the
4 dealer has failed to maintain the records required by this act or
5 failed to provide the records for inspection as requested by the
6 secretary of state, or has otherwise hindered, obstructed, or
7 prevented the inspection of records authorized under this
8 section. The dealer to whom the order is directed shall comply
9 immediately, but on application to the department shall be
10 afforded a hearing within 30 days pursuant to the administrative
11 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. On
12 the basis of the hearing, the summary order shall be continued,
13 modified, or held in abeyance not later than 30 days after the
14 hearing.

15 (8) A dealer licensed as a vehicle salvage pool operator or
16 broker shall maintain records in a form as prescribed by the sec-
17 retary of state. The records shall contain a description of each
18 vehicle or salvageable part stored by the dealer, the name and
19 address of the insurance company or person storing the vehicle or
20 salvageable part, the period of time the vehicle or salvageable
21 part was stored, and the person acquiring the vehicle or salvage-
22 able part. In the case of a late model vehicle, a record of the
23 purchase or sale of a major component part of the vehicle shall
24 be maintained identifying the part purchased or sold, the name
25 and address of the seller or purchaser, the date of the purchase
26 or sale, and the identification number assigned to the part by
27 the dealer. The record of the purchase or sale of a part shall

1 be maintained in or attached to the dealer's police book or hard
2 copy of computerized data entries and reference codes and shall
3 be accessible at the dealer's location. In addition, a dealer
4 licensed as a broker shall maintain a record of the odometer
5 mileage reading of each vehicle sold pursuant to an agreement
6 between the broker and the buyer or the broker and the seller.
7 The record of odometer mileage shall be maintained for 5 years
8 and shall contain all of the information required by section
9 233a.

10 (9) A dealer licensed as a used vehicle parts dealer or an
11 automotive recycler shall maintain records in a form prescribed
12 by the secretary of state. The records shall contain the date of
13 purchase or acquisition of the vehicle, a description of the
14 vehicle including the color, and the name and address of the
15 person from whom the vehicle was acquired. If the vehicle is
16 sold, the record shall contain the date of sale and the name and
17 address of the purchaser. The record shall indicate if the cer-
18 tificate of title or salvage or scrap certificate of title was
19 obtained by the dealer. In the case of a late model vehicle, a
20 record of the purchase or sale of a major component of the vehi-
21 cle shall be maintained identifying the part purchased or sold,
22 the name and address of the seller or purchaser, the date of the
23 purchase or sale, and the identification number assigned to the
24 part by the dealer, except that a bumper remanufacturer is not
25 required to maintain a record of the purchase of a bumper.
26 However, a bumper remanufacturer shall assign and attach an
27 identification number to a remanufactured bumper and maintain a

1 record of the sale of the bumper. The record of the purchase or
2 sale of a part shall be maintained in or attached to the dealer's
3 police book or hard copy of computerized data entries and refer-
4 ence codes and shall be accessible at the dealer's location.

5 (10) A dealer licensed as a vehicle scrap metal processor
6 shall maintain records as prescribed by the secretary of state.
7 As provided in section 217c, the records shall contain for a
8 vehicle purchased from a dealer a copy of the scrap vehicle
9 inventory, including the name and address of the dealer, a
10 description of the vehicle acquired, and the date of
11 acquisition. If a vehicle is purchased or acquired from a person
12 other than a dealer, the record shall contain the date of acqui-
13 sition, a description of the vehicle, including the color, the
14 name and address of the person from whom the vehicle was
15 acquired, and whether a certificate of title or salvage or scrap
16 certificate of title was obtained by the dealer.

17 (11) A dealer licensed as a foreign salvage vehicle dealer
18 shall maintain records in a form prescribed by the secretary of
19 state. The records shall contain the date of purchase or acqui-
20 sition of each distressed vehicle, a description of the vehicle
21 including the color, and the name and address of the person from
22 whom the vehicle was acquired. If the vehicle is sold, the
23 record shall contain the date of sale and the name and address of
24 the purchaser. The record shall indicate if the certificate of
25 title or salvage or scrap certificate of title was obtained by
26 the dealer. In the case of a late model vehicle, a record of the
27 purchase or sale of each salvageable part purchased or acquired

1 in this state shall be maintained and the record shall contain
2 the date of purchase or acquisition of the part, a description of
3 the part, the identification number assigned to the part, and the
4 name and address of the person to or from whom the part was pur-
5 chased, acquired, or sold. The record of the sale, purchase, or
6 acquisition of a part shall be maintained in the dealer's police
7 book. The police book shall only contain vehicles and salvagea-
8 ble parts purchased in this state or used in the repair of a
9 vehicle purchased in this state. The police book and the records
10 of vehicle part sales, purchases, or acquisitions shall be made
11 available at a location within the state for inspection by the
12 secretary of state within 48 hours after a request by the secre-
13 tary of state.

14 (12) The secretary of state shall make periodic unannounced
15 inspections of the records, facilities, and inventories of auto-
16 motive recyclers and used or secondhand vehicle parts dealers.

17 (13) The secretary of state may promulgate rules to imple-
18 ment this section pursuant to the administrative procedures act
19 of 1969, 1969 PA 306, MCL 24.201 to 24.328.