

# HOUSE BILL No. 5200

September 21, 2005, Introduced by Rep. LaJoy and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 219, 233, 235a, and 811d (MCL 257.219, 257.233, 257.235a, and 257.811d), sections 219 and 233 as amended by 1999 PA 267, section 235a as amended by 1987 PA 238, and section 811d as added by 2000 PA 77.

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

1           Sec. 219. (1) The secretary of state shall refuse issuance of  
2 a registration or a transfer of registration upon any of the  
3 following grounds:

4           (a) The application contains a false or fraudulent statement,  
5 the applicant has failed to furnish required information or  
6 reasonable additional information requested by the secretary of

1 state, or the applicant is not entitled to the registration of the  
2 vehicle under this act.

3 (b) The secretary of state has reasonable ground to believe  
4 that the vehicle is a stolen or embezzled vehicle, or that the  
5 granting of registration would constitute a fraud against the  
6 rightful owner or other person having a valid lien upon the  
7 vehicle.

8 (c) The registration of the vehicle is suspended or revoked  
9 for any reason provided in the motor vehicle laws of this state.

10 (d) ~~The~~ **AT THE TIME OF THE APPLICATION, THE** operator's or  
11 chauffeur's license of the owner or co-owner or lessee or co-lessee  
12 is suspended, revoked, or denied or the operator has never been  
13 licensed by this state ~~at the time of the application~~ for a third  
14 or subsequent violation of section 625 or 625m, ~~or~~ a local  
15 ordinance substantially corresponding to section 625 or 625m, or **A**  
16 **LAW OF ANOTHER STATE SUBSTANTIALLY CORRESPONDING TO SECTION 625 OR**  
17 **625M, OR FOR** a fourth or subsequent suspension or revocation under  
18 section 904. ~~This subdivision takes effect June 1, 2000.~~

19 (e) The required fee has not been paid.

20 (f) The applicant, at the time of applying for registration or  
21 a transfer of registration other than a temporary registration  
22 issued ~~pursuant to~~ **UNDER** section 226b, fails to present a  
23 certificate of compliance or waiver for a motor vehicle as required  
24 under either part 63 or part 65 of the natural resources and  
25 environmental protection act, 1994 PA 451, MCL 324.6301 to 324.6321  
26 and 324.6501 to 324.6539.

27 (g) The application for registration of a vehicle with an

1 elected gross weight of 55,000 pounds or more is not accompanied  
2 with proof of payment of the federal highway use tax levied  
3 ~~pursuant to~~ **UNDER** the surface transportation assistance act of  
4 1982, Public Law 97-424. ~~— 96 Stat. 2097.~~

5 (2) The secretary of state shall refuse issuance of a  
6 certificate of title or a salvage certificate of title upon any of  
7 the following grounds:

8 (a) The application contains a false or fraudulent statement,  
9 the applicant has failed to furnish required information or  
10 reasonable additional information requested by the secretary of  
11 state, or the applicant is not entitled to the issuance of a  
12 certificate of title or salvage certificate of title under this  
13 act.

14 (b) The secretary of state has reasonable ground to believe  
15 that the vehicle is a stolen or embezzled vehicle or that the  
16 issuance of a certificate of title or a salvage certificate of  
17 title would constitute a fraud against the rightful owner or other  
18 person having a valid security interest upon the vehicle.

19 (c) The required fee has not been paid.

20 (3) The secretary of state shall not issue a registration for  
21 a vehicle for which a temporary registration plate was issued under  
22 section 904c until the violation resulting in the issuance of the  
23 plate is adjudicated or the vehicle is transferred to a person who  
24 is subject to payment of a use tax under section 3 of the use tax  
25 act, 1937 PA 94, MCL 205.93.

26 Sec. 233. (1) If the owner of a registered vehicle transfers  
27 or assigns the title or interest in the vehicle, the registration

1 plates issued for the vehicle shall be removed and transferred to  
2 the owner's spouse, mother, father, sister, brother, or child to  
3 whom title or interest in the vehicle is transferred, or retained  
4 and preserved by the owner for transfer to another vehicle upon  
5 application and payment of the required fees. A person shall not  
6 transfer the plates to a vehicle without applying for a proper  
7 certificate of registration describing the vehicle to which the  
8 plates are being transferred except as provided in section 217(4).  
9 If the owner of a registered vehicle acquires another vehicle  
10 without transferring or assigning the title or interest in the  
11 vehicle for which the plates were issued, the owner may have the  
12 plates transferred to the subsequently acquired vehicle upon  
13 application and payment of the required fees.

14 (2) A person shall not purchase or lease another vehicle or an  
15 interest in another vehicle with the intent to circumvent the  
16 restrictions created by immobilization of a vehicle under this act.

17 (3) A person shall not transfer or attempt to transfer  
18 ownership or right of possession of a vehicle subject to forfeiture  
19 or ordered forfeited under this act with the intent to avoid the  
20 forfeiture of that vehicle.

21 (4) During the time a vehicle is subject to a temporary  
22 registration plate, vehicle forfeiture, immobilization,  
23 registration denial, or the period from adjudication to  
24 immobilization or forfeiture under this act, a person shall not  
25 without a court order transfer or assign the title or an interest  
26 in the vehicle to a person who is not subject to payment of a use  
27 tax under section 3 of the use tax act, 1937 PA 94, MCL 205.93.

1 (5) A person who violates subsection (2), (3), or (4) is  
2 guilty of a misdemeanor punishable by imprisonment for not more  
3 than 1 year or a fine of not more than \$1,000.00, or both.

4 (6) A person whose operator's or chauffeur's license is  
5 suspended, revoked, or denied for, or who has never been licensed  
6 by this state and was convicted for, a third or subsequent  
7 violation of section 625 or 625m, ~~or~~ **OF** a local ordinance  
8 substantially corresponding to section 625 or 625m, or **OF A LAW OF**  
9 **ANOTHER STATE SUBSTANTIALLY CORRESPONDING TO SECTION 625 OR 625M,**  
10 **OR FOR** a fourth or subsequent suspension or revocation under  
11 section 904 shall not purchase, lease, or otherwise acquire a motor  
12 vehicle during the suspension, revocation, or denial period. A  
13 person who violates this subsection is guilty of a misdemeanor  
14 punishable by imprisonment for not more than 93 days or a fine of  
15 not more than \$100.00, or both. ~~This subsection takes effect June~~  
16 ~~1, 2000.~~

17 (7) If the assigned holder of registration plates applies for  
18 a new registration certificate, the application shall be  
19 accompanied either by the old registration certificate or by a  
20 certificate of title showing the person to be the assigned holder  
21 of the registration plates for which the old registration  
22 certificate had been issued. A person who fails or neglects to  
23 fulfill the requirements of this subsection is guilty of a  
24 misdemeanor punishable by imprisonment for not more than 93 days or  
25 a fine of not more than \$100.00, or both.

26 (8) The owner shall indorse on the ~~back of the~~ certificate  
27 of title **AS REQUIRED BY THE SECRETARY OF STATE** an assignment of the

1 title with warranty of title in the form printed on the certificate  
2 with a statement of all security interests in the vehicle or in  
3 accessories on the vehicle and deliver or cause the certificate to  
4 be mailed or delivered to the purchaser or transferee at the time  
5 of the delivery to the purchaser or transferee of the vehicle. The  
6 certificate shall show the payment or satisfaction of any security  
7 interest as shown on the original title.

8 (9) Upon the delivery of a motor vehicle and the transfer,  
9 sale, or assignment of the title or interest in a motor vehicle by  
10 a person, including a dealer, the effective date of the transfer of  
11 title or interest in the vehicle shall be the date of execution of  
12 either the application for title or the assignment of the  
13 certificate of title.

14 Sec. 235a. Notwithstanding any other provision of this act or  
15 of ~~Act No. 94 of the Public Acts of 1937, as amended, being~~  
16 ~~sections 205.91 to 205.111 of the Michigan Compiled Laws~~ **THE USE**  
17 **TAX ACT, 1937 PA 94, MCL 205.91 TO 205.111**, a licensed dealer or  
18 junk dealer who purchases a vehicle for the purpose of destroying  
19 or junking the vehicle may accept a certificate of title ~~which~~  
20 **THAT** has been assigned to the transferor by a properly indorsed  
21 assignment on the ~~back of the~~ certificate of title **AS REQUIRED BY**  
22 **THE SECRETARY OF STATE**. The dealer shall write the word "junk" on  
23 the face of the certificate of title above the signature of the  
24 dealer or an authorized agent of the dealer and forward the  
25 certificate to the secretary of state, together with a fee of \$5.00  
26 instead of a fee or tax otherwise applicable. This section ~~shall~~  
27 **DOES** not apply to a transfer unless the fee and certificate of

1 title are received by the secretary of state within 10 days after  
2 the date of the vehicle's purchase by the dealer. A certificate of  
3 title shall not again be issued for the vehicle.

4 Sec. 811d. A fund-raising registration plate series shall  
5 contain all of the following as prescribed or approved by the  
6 secretary of state:

7 (a) The same generic background.

8 (b) Letters and numbers. ~~—, except a personalized fund-raising~~  
9 ~~registration plate shall contain not more than 5 letter or number~~  
10 ~~characters.~~

11 (c) The word "Michigan" and any other unique identifier  
12 specified by the secretary of state.

13 (d) A design or logo.