

Act No. 317
Public Acts of 2005
Approved by the Governor
December 22, 2005
Filed with the Secretary of State
December 27, 2005
EFFECTIVE DATE: December 27, 2005

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

Introduced by Rep. LaJoy

ENROLLED HOUSE BILL No. 5200

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 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 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:

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

(a) The application contains a false or fraudulent statement, the applicant has failed to furnish required information or reasonable additional information requested by the secretary of state, or the applicant is not entitled to the registration of the vehicle under this act.

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

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

(d) At the time of the application, the operator's or chauffeur's license of the owner or co-owner or lessee or co-lessee is suspended, revoked, or denied or the operator has never been licensed by this state for a third or subsequent violation of section 625 or 625m, a local ordinance substantially corresponding to section 625 or 625m, or a law of another state substantially corresponding to section 625 or 625m, or for a fourth or subsequent suspension or revocation under section 904.

(e) The required fee has not been paid.

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

(g) The application for registration of a vehicle with an elected gross weight of 55,000 pounds or more is not accompanied with proof of payment of the federal highway use tax levied under the surface transportation assistance act of 1982, Public Law 97-424.

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

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

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

(c) The required fee has not been paid.

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

Sec. 233. (1) If the owner of a registered vehicle transfers or assigns the title or interest in the vehicle, the registration plates issued for the vehicle shall be removed and transferred to the owner's spouse, mother, father, sister, brother, or child to whom title or interest in the vehicle is transferred, or retained and preserved by the owner for transfer to another vehicle upon application and payment of the required fees. A person shall not transfer the plates to a vehicle without applying for a proper certificate of registration describing the vehicle to which the plates are being transferred except as provided in section 217(4). If the owner of a registered vehicle acquires another vehicle without transferring or assigning the title or interest in the vehicle for which the plates were issued, the owner may have the plates transferred to the subsequently acquired vehicle upon application and payment of the required fees.

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

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

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

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

(6) A person whose operator's or chauffeur's license is suspended, revoked, or denied for, or who has never been licensed by this state and was convicted for, a third or subsequent violation of section 625 or 625m, of a local ordinance substantially corresponding to section 625 or 625m, or of a law of another state substantially corresponding to section 625 or 625m, or for a fourth or subsequent suspension or revocation under section 904 shall not purchase, lease, or otherwise acquire a motor vehicle during the suspension, revocation, or denial period. A person who violates this subsection is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$100.00, or both.

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

(8) The owner shall indorse on the certificate of title as required by the secretary of state an assignment of the title with warranty of title in the form printed on the certificate with a statement of all security interests in the vehicle or in accessories on the vehicle and deliver or cause the certificate to be mailed or delivered to the purchaser or transferee at the time of the delivery to the purchaser or transferee of the vehicle. The certificate shall show the payment or satisfaction of any security interest as shown on the original title.

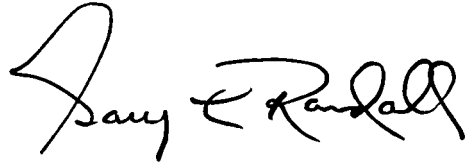
(9) Upon the delivery of a motor vehicle and the transfer, sale, or assignment of the title or interest in a motor vehicle by a person, including a dealer, the effective date of the transfer of title or interest in the vehicle shall be the date of execution of either the application for title or the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

Sec. 235a. Notwithstanding any other provision of this act or of the use tax act, 1937 PA 94, MCL 205.91 to 205.111, a licensed dealer or junk dealer who purchases a vehicle for the purpose of destroying or junking the vehicle may accept a certificate of title that has been assigned to the transferor by a properly indorsed assignment on the certificate of title as required by the secretary of state. The dealer shall write the word "junk" on the face of the certificate of title above the signature of the dealer or an authorized agent of the dealer and forward the certificate to the secretary of state, together with a fee of \$5.00 instead of a fee or tax otherwise applicable. This section does not apply to a transfer unless the fee and certificate of title are received by the secretary of state within 10 days after the date of the vehicle's purchase by the dealer. A certificate of title shall not again be issued for the vehicle.

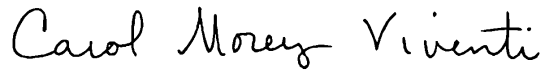
Sec. 811d. A fund-raising registration plate series shall contain all of the following as prescribed or approved by the secretary of state:

- (a) The same generic background.
- (b) Letters and numbers.
- (c) The word "Michigan" and any other unique identifier specified by the secretary of state.
- (d) A design or logo.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor