SUBSTITUTE FOR HOUSE BILL NO. 5668

A bill to amend 1949 PA 300, entitled "Michigan vehicle code,"

by amending sections 217 and 235 (MCL 257.217 and 257.235), section 217 as amended by 2005 PA 36 and section 235 as amended by 2002 PA 652, and by adding section 235b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 217. (1) An owner of a vehicle that is subject to
- 2 registration 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. A vehicle brought into this state from
- 6 another state or jurisdiction that has a rebuilt, salvage, scrap,
- 7 flood, or comparable certificate of title issued by that other

- 1 state or jurisdiction shall be issued a rebuilt, salvage, scrap, or
- 2 flood certificate of title by the secretary of state. The
- 3 application shall be accompanied by the required fee. An
- 4 application for a certificate of title shall bear the signature or
- 5 verification and certification of the owner. The application shall
- 6 contain all of the following:
- 7 (a) The owner's name, the owner's bona fide residence, and
- 8 either of the following:
- 9 (i) If the owner is an individual, the owner's mailing address.
- 10 (ii) If the owner is a firm, association, partnership, limited
- 11 liability company, or corporation, the owner's business address.
- 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; whether the vehicle is a flood vehicle or another
- 16 state previously issued the vehicle a flood certificate of title;
- 17 whether the vehicle is to be or has been used as a taxi or police
- 18 vehicle, or by a political subdivision of this state, unless the
- 19 vehicle is owned by a dealer and loaned or leased to a political
- 20 subdivision of this state for use as a driver education vehicle;
- 21 whether the vehicle has previously been issued a salvage or rebuilt
- 22 certificate of title from this state or a comparable certificate of
- 23 title from any other state or jurisdiction; vehicle identification
- 24 number; and the vehicle's weight fully equipped, if a passenger
- vehicle registered in accordance with section 801(1)(a), and, if a
- 26 trailer coach or pickup camper, in addition to the weight, the
- 27 manufacturer's serial number, or in the absence of the serial

- 1 number, a number assigned by the secretary of state. A number
- 2 assigned by the secretary of state shall be permanently placed on
- 3 the trailer coach or pickup camper in the manner and place
- 4 designated by the secretary of state.
- 5 (c) A statement of the applicant's title and the names and
- 6 addresses of the holders of security interests in the vehicle and
- 7 in an accessory to the vehicle, in the order of their priority.
- 8 (d) Further information that the secretary of state reasonably
- 9 requires to enable the secretary of state to determine whether the
- 10 vehicle is lawfully entitled to registration and the owner entitled
- 11 to a certificate of title. If the secretary of state is not
- 12 satisfied as to the ownership of a late model vehicle or other
- vehicle having a value over \$2,500.00, before registering the
- 14 vehicle and issuing a certificate of title, the secretary of state
- 15 may require the applicant to file a properly executed surety bond
- in a form prescribed by the secretary of state and executed by the
- 17 applicant and a company authorized to conduct a surety business in
- 18 this state. The bond shall be in an amount equal to twice the value
- 19 of the vehicle as determined by the secretary of state and shall be
- 20 conditioned to indemnify or reimburse the secretary of state, any
- 21 prior owner, and any subsequent purchaser or lessee of the vehicle
- 22 and their successors in interest against any expense, loss, or
- 23 damage, including reasonable attorney's fees, by reason of the
- 24 issuance of a certificate of title for the vehicle or on account of
- 25 any defect in the right, title, or interest of the applicant in the
- 26 vehicle. An interested person has a right of action to recover on
- 27 the bond for a breach of the conditions of the bond, but the

- 1 aggregate liability of the surety to all persons shall not exceed
- 2 the amount of the bond. The bond shall be returned at the end of 3
- 3 years, or before 3 years if the vehicle is no longer registered in
- 4 this state and the currently valid certificate of title is
- 5 surrendered to the secretary of state, unless the secretary of
- 6 state has received notification of the pendency of an action to
- 7 recover on the bond. If the secretary of state is not satisfied as
- 8 to the ownership of a vehicle that is valued at \$2,500.00 or less
- 9 and that is not a late model vehicle, the secretary of state shall
- 10 require the applicant to certify that the applicant is the owner of
- 11 the vehicle and entitled to register and title the vehicle.
- 12 (e) Except as provided in subdivision (f), an application for
- 13 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 been
- 20 structural change in the motor vehicle that has increased the empty
- 21 weight and that the previous registered weight is the true weight.
- 22 (f) An application for registration of a vehicle on the basis
- 23 of elected gross weight shall include a declaration by the
- 24 applicant specifying the elected gross weight for which application
- 25 is being made.
- 26 (g) If the application is for a certificate of title of a
- 27 motor vehicle registered in accordance with section 801(1)(p), the

- 1 application shall include the manufacturer's suggested base list
- 2 price for the model year of the vehicle. Annually, the secretary of
- 3 state shall publish a list of the manufacturer's suggested base
- 4 list price for each vehicle being manufactured. Once a base list
- 5 price is published by the secretary of state for a model year for a
- 6 vehicle, the base list price shall not be affected by subsequent
- 7 increases in the manufacturer's suggested base list price but shall
- 8 remain the same throughout the model year unless changed in the
- 9 annual list published by the secretary of state. If the secretary
- 10 of state's list has not been published for that vehicle by the time
- 11 of the application for registration, the base list price shall be
- 12 the manufacturer's suggested retail price as shown on the label
- 13 required to be affixed to the vehicle under 15 USC 1232. If the
- 14 manufacturer's suggested retail price is unavailable, the
- 15 application shall list the purchase price of the vehicle as defined
- 16 in section 801.
- 17 (2) An applicant for registration of a leased pickup truck or
- 18 passenger vehicle that is subject to registration under this act,
- 19 except a vehicle that is subject to a registration fee under
- 20 section 801g, shall disclose in writing to the secretary of state
- 21 the lessee's name, the lessee's bona fide residence, and either of
- 22 the following:
- 23 (a) If the lessee is an individual, the lessee's Michigan
- 24 driver license number or Michigan personal identification number
- 25 or, if the lessee does not have a Michigan driver license or
- 26 Michigan personal identification number, the lessee's mailing
- 27 address.

- 1 (b) If the lessee is a firm, association, partnership, limited
- 2 liability company, or corporation, the lessee's business address.
- 3 (3) The secretary of state shall maintain the information
- 4 described in subsection (2) on the secretary of state's computer
- 5 records.
- 6 (4) Except as provided in subsection (5), a dealer selling,
- 7 leasing, or exchanging vehicles required to be titled, within 15
- 8 days after delivering a vehicle to the purchaser or lessee, and a
- 9 person engaged in the sale of vessels required to be numbered by
- 10 part 801 of the natural resources and environmental protection act,
- 11 1994 PA 451, MCL 324.80101 to 324.80199, within 15 days after
- 12 delivering a boat trailer weighing less than 2,500 pounds to the
- 13 purchaser or lessee, shall apply to the secretary of state for a
- 14 new title, if required, and transfer or secure registration plates
- 15 and secure a certificate of registration for the vehicle or boat
- 16 trailer, in the name of the purchaser or lessee. The dealer's
- 17 license may be suspended or revoked in accordance with section 249
- 18 for failure to apply for a title when required or for failure to
- 19 transfer or secure registration plates and certificate of
- 20 registration within the 15 days required by this section. If the
- 21 dealer or person fails to apply for a title when required, and to
- 22 transfer or secure registration plates and secure a certificate of
- 23 registration and pay the required fees within 15 days of delivery
- 24 of the vehicle or boat trailer, a title and registration for the
- 25 vehicle or boat trailer may subsequently be acquired only upon the
- 26 payment of a LATE transfer fee of \$15.00 FOR AN INDIVIDUAL OR A
- 27 DEALER OTHER THAN A DEALER SUBJECT TO SECTION 235B in addition to

- 1 the fees specified in section 806. FOR A USED OR SECONDHAND VEHICLE
- 2 DEALER SUBJECT TO SECTION 235B, THE LATE TRANSFER FEE IS \$100.00 IN
- 3 ADDITION TO THE FEES SPECIFIED IN SECTION 806. The purchaser or
- 4 lessee of the vehicle or the purchaser of the boat trailer shall
- 5 sign the application, including, when IF applicable, the
- 6 declaration specifying the maximum elected gross weight —as
- 7 required by subsection (1)(f), and other necessary papers to enable
- 8 the dealer or person to secure the title, registration plates, and
- 9 transfers from the secretary of state. If the secretary of state
- 10 mails or delivers a purchaser's certificate of title to a dealer,
- 11 the dealer shall mail or deliver the certificate of title to the
- 12 purchaser not more than 5 days after receiving the certificate of
- 13 title from the secretary of state.
- 14 (5) A dealer selling or exchanging an off lease or buy back
- 15 vehicle shall apply to the secretary of state for a new title for
- 16 the vehicle within 15 days after it receives the certificate of
- 17 title from the lessor or manufacturer under section 235 OR SECTION
- 18 235B and transfer or secure registration plates and secure a
- 19 certificate of registration for the vehicle in the name of the
- 20 purchaser. The dealer's license may be suspended or revoked in
- 21 accordance with section 249 for failure to apply for a title when
- 22 required or for failure to transfer or secure registration plates
- 23 and certificate of registration within the 15-day period. If the
- 24 dealer or person fails to apply for a title when required, and to
- 25 transfer or secure registration plates and secure a certificate of
- 26 registration and pay the required fees within the 15-day time
- 27 period, a title and registration for the vehicle may subsequently

- 1 be acquired only upon the payment of a LATE transfer fee of \$15.00
- 2 FOR AN INDIVIDUAL OR DEALER OTHER THAN A USED OR SECONDHAND VEHICLE
- 3 DEALER SUBJECT TO SECTION 235B in addition to the fees specified in
- 4 section 806. THE LATE TRANSFER FEE FOR A USED OR SECONDHAND VEHICLE
- 5 DEALER SUBJECT TO SECTION 235B IS \$100.00 IN ADDITION TO THE FEES
- 6 SPECIFIED IN SECTION 806. The purchaser of the vehicle shall sign
- 7 the application, including, when IF applicable, the declaration
- 8 specifying the maximum elected gross weight —as required by
- 9 subsection (1)(f), and other necessary papers to enable the dealer
- 10 or person to secure the title, registration plates, and transfers
- 11 from the secretary of state. If the secretary of state mails or
- 12 delivers a purchaser's certificate of title to a dealer, the dealer
- 13 shall mail or deliver the certificate of title to the purchaser not
- 14 more than 5 days after receiving the certificate of title from the
- 15 secretary of state.
- 16 (6) If a vehicle is delivered to a purchaser or lessee who has
- 17 valid Michigan registration plates that are to be transferred to
- 18 the vehicle, and an application for title, if required, and
- 19 registration for the vehicle is not made before delivery of the
- 20 vehicle to the purchaser or lessee, the registration plates shall
- 21 be affixed to the vehicle immediately, and the dealer shall provide
- 22 the purchaser or lessee with an instrument in writing, on a form
- 23 prescribed by the secretary of state, which shall serve as a
- 24 temporary registration for the vehicle for a period of 15 days from
- 25 the date the vehicle is delivered.
- 26 (7) An application for a certificate of title that indicates
- 27 the existence of a security interest in the vehicle or in an

- 1 accessory to the vehicle, if requested by the security interest
- 2 holder, shall be accompanied by a copy of the security agreement
- 3 which THAT need not be signed. The request may be made of the
- 4 seller on an annual basis. The secretary of state shall indicate on
- 5 the copy the date and place of filing of the application and return
- 6 the copy to the person submitting the application who shall forward
- 7 it to the holder of the security interest named in the application.
- 8 (8) If the seller does not prepare the credit information,
- 9 contract note, and mortgage, and the holder, finance company,
- 10 credit union, or banking institution requires the installment
- 11 seller to record the lien on the title, the holder, finance
- 12 company, credit union, or banking institution shall pay the seller
- 13 a service fee of not more than \$10.00. The service fee shall be
- 14 paid from the finance charges and shall not be charged to the buyer
- 15 in addition to the finance charges. The holder, finance company,
- 16 credit union, or banking institution shall issue its check or bank
- 17 draft for the principal amount financed, payable jointly to the
- 18 buyer and seller, and there shall be imprinted on the back side of
- 19 the check or bank draft the following:
- 20 "Under Michigan law, the seller must record a first lien in
- 21 favor of (name of lender) _____ on the vehicle with
- vehicle identification number and title the vehicle
- 23 only in the name(s) shown on the reverse side." On the front of the
- 24 sales check or draft, the holder, finance company, credit union, or
- 25 banking institution shall note the name(s) of the prospective
- 26 owner(s). Failure of the holder, finance company, credit union, or
- 27 banking institution to comply with these requirements frees the

- 1 seller from any obligation to record the lien or from any liability
- 2 that may arise as a result of the failure to record the lien. A
- 3 service fee shall not be charged to the buyer.
- 4 (9) In the absence of actual malice proved independently and
- 5 not inferred from lack of probable cause, a person who in any
- 6 manner causes a prosecution for larceny of a motor vehicle; for
- 7 embezzlement of a motor vehicle; for any crime an element of which
- 8 is the taking of a motor vehicle without authority; or for buying,
- 9 receiving, possessing, leasing, or aiding in the concealment of a
- 10 stolen, embezzled, or converted motor vehicle knowing that the
- 11 motor vehicle has been stolen, embezzled, or converted, is not
- 12 liable for damages in a civil action for causing the prosecution.
- 13 This subsection does not relieve a person from proving any other
- 14 element necessary to sustain his or her cause of action.
- 15 (10) Receipt by the secretary of state of a properly tendered
- 16 application for a certificate of title on which a security interest
- 17 in a vehicle is to be indicated is a condition of perfection of a
- 18 security interest in the vehicle and is equivalent to filing a
- 19 financing statement under the uniform commercial code, 1962 PA 174,
- 20 MCL 440.1101 to 440.11102, with respect to the vehicle. When a
- 21 security interest in a vehicle is perfected, it has priority over
- 22 the rights of a lien creditor as lien creditor is defined in
- 23 section 9102 of the uniform commercial code, 1962 PA 174, MCL
- **24** 440.9102.
- 25 Sec. 235. (1) If the transferee of a vehicle is a new motor
- 26 vehicle dealer or a used OR SECONDHAND vehicle dealer that acquires
- 27 the vehicle for resale, the dealer is not required to obtain a new

- 1 registration of the vehicle or forward the certificate of title to
- 2 the secretary of state, but shall retain and have in the dealer's
- 3 immediate possession the assigned certificate of title with the
- 4 odometer information properly completed, EXCEPT AS OTHERWISE
- 5 PROVIDED IN SECTION 235B. A dealer shall obtain a certificate of
- 6 title for a vehicle having a salvage certificate of title before
- 7 the dealer may operate the vehicle under dealer's license plates.
- 8 Upon transferring title or interest to another person that is not a
- 9 dealer, the dealer shall complete an assignment and warranty of
- 10 title upon the certificate of title, salvage certificate of title,
- 11 or dealer reassignment of title form and make an application for
- 12 registration and a new title as provided in section 217(4).
- 13 (2) The dealer or transferee is liable for all damages arising
- 14 from the operation of the vehicle while the vehicle is in the
- 15 dealer's or transferee's possession.
- 16 (3) Upon transferring title or interest to another dealer, the
- 17 dealer shall complete an assignment and warranty of title upon the
- 18 certificate of title, salvage certificate of title, or dealer
- 19 reassignment of title form and deliver it to the licensed dealer to
- 20 which the transfer is made.
- 21 (4) The secretary of state shall prescribe the dealer
- 22 reassignment of title form. The form shall contain the title number
- of the accompanying title; the name, address, and, if applicable,
- 24 dealer license number of the transferee; the year, make, model,
- 25 body type, and vehicle identification number of the vehicle; the
- 26 name, address, dealer number, and signature of the transferor; an
- 27 odometer mileage statement pursuant to AS PRESCRIBED UNDER section

- 1 233a; and any other information the secretary of state requires.
- 2 (5) This section does not prohibit a dealer from selling a buy
- 3 back vehicle while the certificate of title is in the possession of
- 4 a manufacturer that obtained the certificate of title under the
- 5 manufacturer's buy back vehicle program. The manufacturer shall
- 6 mail the certificate of title to the dealer within 5 business days
- 7 after the manufacturer's receipt of a signed statement from the
- 8 purchaser of the vehicle acknowledging he or she was informed by
- 9 the dealer that the manufacturer acquired title to the vehicle as
- 10 the result of an arbitration proceeding, pursuant to UNDER a
- 11 customer satisfaction policy adopted by the manufacturer, or under
- 12 1986 PA 87, MCL 257.1401 to 257.1410, or a similar law of another
- 13 state.
- 14 (6) This section does not prohibit a dealer from selling an
- 15 off lease vehicle while the certificate of title is in the
- 16 possession of a lessor. The lessor shall mail the certificate of
- 17 title to the dealer within 21 days after the lessor receives the
- 18 purchase price of the vehicle and any other fees and charges due
- 19 under the lease.
- 20 SEC. 235B. (1) A USED OR SECONDHAND VEHICLE DEALER MAY
- 21 VOLUNTARILY ENTER INTO A WRITTEN AGREEMENT WITH AN INVENTORY LENDER
- 22 ALLOWING THE INVENTORY LENDER TO RETAIN IN ITS POSSESSION THE
- 23 CERTIFICATE OF TITLE FOR A VEHICLE THAT IS SUBJECT TO AN INVENTORY
- 24 LOAN IF ALL OF THE FOLLOWING CONDITIONS HAVE BEEN MET:
- 25 (A) THE USED OR SECONDHAND VEHICLE DEALER POSTS A NOTICE ON
- 26 THE USED OR SECONDHAND VEHICLE WINDOW DISCLOSING THE EXISTENCE OF
- 27 THE USED OR SECONDHAND VEHICLE DEALER'S INVENTORY LOAN FOR THE

- 1 VEHICLE. THE NOTICE UNDER THIS SUBDIVISION SHALL INCLUDE THE NAME,
- 2 ADDRESS, TELEPHONE NUMBER, AND INTERNET ADDRESS OF THE USED OR
- 3 SECONDHAND VEHICLE INVENTORY LENDER IN A MANNER AND OF A SIZE
- 4 SUFFICIENT TO ALERT POTENTIAL BUYERS OF THE EXISTENCE OF INVENTORY
- 5 LOAN, CONTACT INFORMATION FOR THE HOLDER OF THAT INVENTORY LOAN,
- 6 AND THAT THE INVENTORY LENDER HOLDS THE TITLE TO THE VEHICLE IN ITS
- 7 POSSESSION. THE NOTICE UNDER THIS SUBDIVISION SHALL BE IN A FORM
- 8 AND MANNER AS PRESCRIBED BY THE SECRETARY OF STATE.
- 9 (B) THE USED OR SECONDHAND VEHICLE DEALER MAINTAINS A COLOR
- 10 COPY OF THE CERTIFICATE OF TITLE, EITHER IN PAPER OR ELECTRONIC
- 11 FORM, AT THE USED OR SECONDHAND VEHICLE DEALER'S PLACE OF BUSINESS.
- 12 THE COLOR COPY OF THE CERTIFICATE OF TITLE SHALL INDICATE ON ITS
- 13 FACE THAT IT IS A COPY. THE COLOR COPY OF THE TITLE AND A
- 14 DISCLOSURE OR NOTICE OF THE VEHICLE INVENTORY LENDER'S POSSESSION
- 15 OF THE TITLE SHALL BE PRESENTED TO THE BUYER AT THE TIME OF
- 16 PURCHASE IN PAPER OR ELECTRONIC FORM.
- 17 (C) THE USED OR SECONDHAND VEHICLE DEALER MAINTAINS A PAPER OR
- 18 ELECTRONIC COPY OF THE INVENTORY LOAN AGREEMENT BETWEEN THE USED OR
- 19 SECONDHAND VEHICLE DEALER AND THE VEHICLE INVENTORY LENDER, ALONG
- 20 WITH THE INVENTORY LIST, WHICH SHALL BE NOT MORE THAN 5 DAYS OLD.
- 21 THESE DOCUMENTS SHALL BE MADE AVAILABLE TO THE SECRETARY OF STATE
- 22 UPON THE REQUEST OF THE SECRETARY OF STATE.
- 23 (2) A USED OR SECONDHAND VEHICLE DEALER'S INVENTORY LENDER
- 24 SHALL RELEASE THE CERTIFICATE OF TITLE TO THE USED OR SECONDHAND
- 25 VEHICLE DEALER, THE USED OR SECONDHAND VEHICLE DEALER'S DESIGNEE,
- 26 OR THE SECRETARY OF STATE, AS APPLICABLE, NOT MORE THAN 2 BANKING
- 27 BUSINESS DAYS AFTER THE USED OR SECONDHAND VEHICLE DEALER'S

- 1 INVENTORY LENDER RECEIVES 1 OF THE FOLLOWING:
- 2 (A) THE OUTSTANDING PRINCIPAL BALANCE AND ANY OTHER FEES AND
- 3 CHARGES DUE ON THE VEHICLE UNDER THE INVENTORY LOAN.
- 4 (B) A WRITTEN REQUEST FROM THE USED OR SECONDHAND VEHICLE
- 5 DEALER WITH PROOF OF FULL PAYMENT EVIDENCING THAT THE VEHICLE HAS
- 6 BEEN SOLD TO A BUYER IN THE ORDINARY COURSE OF BUSINESS UNDER
- 7 SECTION 9320 OF THE UNIFORM COMMERCIAL CODE, 1962 PA 174, MCL
- 8 440.9320, OR A SUBSTANTIALLY SIMILAR LAW OF ANOTHER STATE.
- 9 (C) A WRITTEN REQUEST FROM THE PURCHASER AND PROOF OF FULL
- 10 PAYMENT EVIDENCING THAT THE PURCHASER'S STATUS AS A BUYER IN
- 11 ORDINARY COURSE OF BUSINESS UNDER SECTION 9320 OF THE UNIFORM
- 12 COMMERCIAL CODE, 1962 PA 174, MCL 440.9320, OR A SUBSTANTIALLY
- 13 SIMILAR LAW OF ANOTHER STATE.
- 14 (D) A WRITTEN REQUEST FROM THE SECRETARY OF STATE.
- 15 (3) A USED OR SECONDHAND VEHICLE DEALER'S INVENTORY LENDER
- 16 THAT FAILS TO RELEASE A VEHICLE TITLE AS REQUIRED UNDER SUBSECTION
- 17 (2) MAY BE ORDERED TO PAY AN ADMINISTRATIVE FINE OF \$500.00.
- 18 (4) A USED OR SECONDHAND VEHICLE INVENTORY LENDER THAT HOLDS A
- 19 CERTIFICATE OF TITLE FOR A VEHICLE SHALL REGISTER WITH THE
- 20 SECRETARY OF STATE IN A FORM AND MANNER AS PRESCRIBED BY THE
- 21 SECRETARY OF STATE TO PROVIDE ITS LOCATION AND CONTACT INFORMATION.
- 22 NO FEE SHALL BE CHARGED FOR REGISTRATION UNDER THIS SUBSECTION.
- 23 (5) THIS SECTION APPLIES ONLY TO DEALERS LICENSED UNDER THIS
- 24 ACT THAT SOLELY SELL USED OR SECONDHAND VEHICLES AND DOES NOT APPLY
- 25 TO A DEALER LICENSED UNDER THIS ACT THAT SELLS NEW MOTOR VEHICLES
- 26 OR BOTH NEW MOTOR VEHICLES AND USED OR SECONDHAND VEHICLES.
- 27 (6) SECTION 235 APPLIES TO USED OR SECONDHAND VEHICLE DEALERS

- 1 UNDER THIS SECTION ONLY TO THE EXTENT THAT SECTION 235 DOES NOT
- 2 CONFLICT WITH THIS SECTION.
- 3 (7) AS USED IN THIS SECTION:
- 4 (A) "INVENTORY LENDER" MEANS A THIRD PARTY ENGAGED IN THE
- 5 BUSINESS OF PROVIDING FINANCING TO A USED OR SECONDHAND VEHICLE
- 6 DEALER FOR THE ACQUISITION OR RETENTION OF VEHICLES THAT ARE HELD
- 7 FOR SALE OR LEASE BY THE USED OR SECONDHAND VEHICLE DEALER IN THE
- 8 ORDINARY COURSE OF THE USED OR SECONDHAND VEHICLE DEALER'S BUSINESS
- 9 AND HAS FILED A FINANCING STATEMENT WITH THE SECRETARY OF STATE
- 10 EVIDENCING THE THIRD PARTY'S SECURITY INTEREST IN THE USED OR
- 11 SECONDHAND VEHICLE DEALER'S INVENTORY AND THE PROCEEDS OF THAT
- 12 INVENTORY.
- 13 (B) "LICENSE" MEANS PERTINENT LICENSE UNDER SECTION 248.