

HOUSE BILL NO. 5325

September 22, 2021, Introduced by Rep. Green and referred to the Committee on Regulatory Reform.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 14, 248a, and 248d (MCL 257.14, 257.248a, and 257.248d), sections 14 and 248a as amended and section 248d as added by 2012 PA 498.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 14. (1) Except as provided in subsections (2), **(3)**, and
2 ~~(3)~~, **(4)**, "established place of business" means ~~the place~~ **premises**
3 actually occupied either continuously or at regular periods by a

1 dealer or manufacturer ~~where his or her~~ **at which the dealer or**
 2 **manufacturer keeps its** books and records ~~are kept~~ and **transacts** a
 3 large share of ~~his or her~~ **its** business. ~~transacted.~~

4 (2) ~~Established place of business for~~ **For** a class (a) or class
 5 (b) dealer, "**established place of business**" means premises that
 6 meet all of the following requirements **at all times during the term**
 7 **of the dealer's license:**

8 (a) The premises contain, except as otherwise provided in this
 9 act, a permanently enclosed building or structure **that is** either
 10 owned, leased, or rented by ~~a dealer, which~~ **the dealer; the**
 11 **building or structure** is not a residence, tent, temporary stand, or
 12 any temporary quarters; the building or structure is continuously
 13 occupied in good faith for the purpose of selling, buying, trading,
 14 leasing, or otherwise dealing in motor vehicles; all books,
 15 records, and files necessary to conduct the business of a class (a)
 16 or class (b) dealer are maintained in the building or structure;
 17 and the building or structure houses an office of at least 150
 18 square feet in size, equipped with standard office furniture,
 19 working utilities, a working restroom, and a working telephone
 20 listed in the name of the business on the dealer's license.

21 (b) The premises have land space of ~~no~~ **not** less than 1,300
 22 square feet to accommodate the display of a minimum of 10 vehicles
 23 of the kind and type that the dealer is licensed to sell and an
 24 additional 650 square feet for customer parking.

25 (c) The display and customer parking areas ~~shall be~~ **described**
 26 **in subdivision (b) are** adequately surfaced and well-lit during
 27 business hours.

28 (d) ~~(e)~~ The premises are identified by an exterior sign
 29 displaying the name of the dealership that is permanently affixed

1 to the building or land with letters clearly visible from a
2 ~~highway.~~ **the roadway.**

3 (e) ~~(d)~~—The premises contain a conspicuous posting of the
4 dealer's regular hours of operation. The posted hours ~~shall be~~ **must**
5 not **be** less than 30 hours per week.

6 (f) ~~(e)~~—The premises contain a registered repair facility on
7 site for the repair and servicing of motor vehicles of a type sold
8 at the established place of business, unless the dealer has entered
9 into a written servicing agreement with a registered repair
10 facility at a location ~~not to exceed 10 miles' distance from that~~
11 **is located within a 10-mile radius of** the established place of
12 business. If repairs are conducted ~~pursuant to~~ **under** a servicing
13 agreement, the **dealer shall conspicuously post the** servicing
14 agreement ~~shall be conspicuously posted in the dealer's~~ office.

15 (g) ~~(f)~~—The premises ~~meet~~ **satisfy** all applicable zoning
16 requirements and **any other applicable** municipal requirements.

17 (3) ~~An established~~ **For a wholesaler, "established** place of
18 ~~business for a wholesaler shall satisfy~~ **business" means premises**
19 **that meet** all of the following requirements:

20 (a) The premises ~~shall~~ contain a permanently enclosed building
21 or structure that is either owned, leased, or rented by a
22 wholesaler ~~, which~~ **and** is not a commercial mailbox, tent, temporary
23 stand, or other temporary quarters.

24 (b) All books, records, and files necessary to conduct the
25 business of the wholesaler ~~shall be~~ **are** maintained in the building
26 or structure described in subdivision (a).

27 (c) The premises ~~shall~~ **are** not ~~be~~ used for the display of
28 vehicles. However, the premises may be used for the storage of
29 vehicles purchased by the wholesaler ~~prior to~~ **before** sale to a

1 licensed vehicle dealer.

2 (d) The premises ~~shall be~~**are** identified by an exterior sign
3 displaying the name of the wholesaler that is permanently affixed
4 to the building or land with letters clearly visible from the
5 roadway.

6 (e) The premises ~~shall satisfy~~**meet** all applicable zoning
7 requirements and any other applicable municipal requirements.

8 (f) **The premises contain a conspicuous posting of the**
9 **wholesaler's regular hours of operation.**

10 (g) If a wholesaler receives its initial license on or after
11 January 1, 2022, the premises are not located within 200 feet of an
12 established place of business for another licensed wholesaler.

13 (4) For a used or secondhand vehicle parts dealer, vehicle
14 scrap metal processor, vehicle salvage pool operator, distressed
15 vehicle transporter, broker, and automotive recycler, "established
16 place of business" mean premises that meet all of the following
17 requirements:

18 (a) The premises contain a permanently enclosed building or
19 structure that is either owned, leased, or rented by the business
20 and that is not a commercial mailbox, tent, temporary stand, or
21 other temporary quarters.

22 (b) All books, records, and files necessary to conduct the
23 business of the dealer are maintained in the building or structure
24 described in subdivision (a).

25 (c) The premises are identified by an exterior sign displaying
26 the name of the dealer that is permanently affixed to the building
27 or land with letters clearly visible from the roadway.

28 (d) The premises meet all applicable zoning requirements and
29 any other applicable municipal requirements.

1 (e) **The premises contain a conspicuous posting of the**
 2 **business' regular hours of operation that include at least 15**
 3 **regular business hours on a Monday through Saturday between the**
 4 **hours of 7:00 a.m. and 7:00 p.m. each week.**

5 Sec. 248a. (1) A motor vehicle dealer shall not advertise or
 6 represent a motor vehicle to be a demonstrator, executive or
 7 manufacturer's vehicle, leased vehicle, new motor vehicle, or used
 8 or secondhand vehicle unless the vehicle so described is as defined
 9 in this act.

10 (2) A motor vehicle dealer shall maintain and adhere to
 11 designated business hours that are filed with the secretary of
 12 state.

13 (3) **A class (a) or class (b) dealer shall maintain an**
 14 **established place of business in this state in accordance with the**
 15 **conditions listed in section 14(2).**

16 (4) **A class (a) or class (b) dealer shall maintain regular**
 17 **business hours at an established place of business that include at**
 18 **least 30 regular business hours on Monday through Saturday, between**
 19 **the hours of 7:00 a.m. and 7:00 p.m. each week.**

20 Sec. 248d. All of the following requirements apply to a
 21 wholesaler:

22 (a) A wholesaler shall not advertise vehicles for sale on the
 23 internet or any classified listing unless the advertisement clearly
 24 discloses the wholesaler's license classification and clearly
 25 states that ~~any~~**a purchaser shall** ~~must~~ be a licensed vehicle
 26 dealer.

27 (b) A wholesaler shall **not** buy or sell ~~not less~~**fewer** than 24
 28 vehicles in this state each year to retain possession of a
 29 wholesaler license.

1 (c) A wholesaler shall maintain an established place of
2 business in this state ~~that satisfies~~ **in accordance with** the
3 conditions listed in section 14(3).

4 (d) A wholesaler shall maintain and adhere to designated
5 business hours that are filed with the secretary of state.

6 **(e) A wholesaler shall maintain regular hours of operation at**
7 **an established place of business that include at least 15 regular**
8 **business hours on a Monday through Saturday between the hours of**
9 **7:00 a.m. and 7:00 p.m. each week.**

10 Enacting section 1. This amendatory act takes effect 90 days
11 after the date it is enacted into law.