HOUSE BILL NO. 5904

July 31, 2024, Introduced by Reps. Paiz and Aiyash and referred to the Committee on Health Policy.

A bill to amend 1990 PA 169, entitled

"An act to require the inclusion of certain statements in lease contracts involving motor vehicles; and to provide remedies and penalties,"

(MCL 445.991 to 445.995) by amending the title and by adding section 2a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to require or prohibit the inclusion of certain

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1 statements in lease contracts involving motor vehicles; to provide

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- 2 for procedures for lease contracts in the event of the death of a
- 3 lessee; and to provide remedies. and penalties.
- 4 Sec. 2a. (1) Beginning on the effective date of the amendatory
- 5 act that added this section, a lessor shall not, as a provision of
- 6 a lease contract, prohibit early termination of a lease contract
- 7 due to the death of the lessee or require automatic termination of
- 8 a lease contract due to the death of the lessee.
- 9 (2) Beginning on the effective date of the amendatory act that
- 10 added this section, if a lessee dies before the term of the lease
- 11 contract expires, the estate of the deceased lessee shall do either
- 12 of the following:
- 13 (a) Continue to lease the motor vehicle under the terms of the
- 14 lease contract until the lease contract expires.
- 15 (b) Terminate the lease contract of the motor vehicle with the
- 16 lessor.
- 17 (3) If the estate continues the lease contract under
- 18 subsection (2)(a), the estate shall maintain possession of the
- 19 motor vehicle and continue to make payments to the lessor under the
- 20 terms of the lease contract.
- 21 (4) If the estate terminates the lease contract under
- 22 subsection (2)(b), the estate must return possession of the motor
- 23 vehicle to the lessor. The estate is not responsible for any
- 24 remaining payments due on the motor vehicle under the lease
- 25 contract once the motor vehicle has been returned to the lessor.
- 26 (5) This section applies only to a motor vehicle lease
- 27 contract that takes effect or is extended, renewed, or modified
- 28 after the effective date of the amendatory act that added this
- 29 section.