MOTOR VEHICLE STORAGE FACILITIES

Act 327 of 2018

AN ACT to prohibit a local government or law enforcement agency from operating a motor vehicle storage facility or towing operation; to prohibit a local government or law enforcement agency from accepting consideration from an authorized vendor that operates a motor vehicle storage facility; to prohibit a local government or law enforcement agency from requiring an authorized vendor to deliver a motor vehicle to a motor vehicle storage facility operated by a different authorized vendor; to provide for exceptions; to prescribe the powers and duties of certain state and local departments, entities, and officials; to prescribe the powers and duties of certain law enforcement agencies; and to provide for remedies and penalties.

History: 2018, Act 327, Eff. Sept. 30, 2018

The People of the State of Michigan enact:

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123.1401 Definitions.

Sec. 1.

As used in this act:

(a) "Authorized vendor" means an individual or entity that a local government or law enforcement agency designates through contract, permit, practice, or license to have authority to remove or store motor vehicles at the request of the local government or law enforcement agency.

(b) "Law enforcement agency" means the department of state police, the department of natural resources, or a law enforcement agency of a county, township, city, village, or airport authority, that is responsible for the prevention and detection of crime and enforcement of the criminal laws of this state.

(c) "Local government" means a county, city, village, township, or an authority established by law.

(d) "Motor vehicle" means that term as defined in section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33.

(e) "Motor vehicle storage facility" means a facility operated to hold motor vehicles that have been taken into custody for safekeeping.

(f) "Towing operation" means the moving or removing of motor vehicles by providing wrecker, towing, or other recovery services.

History: 2018, Act 327, Eff. Sept. 30, 2018

123.1402 Prohibited acts by local government or law enforcement agency.

Sec. 2.

Except as otherwise provided in section 3 or 3a, beginning on the effective date of this act, a local government or law enforcement agency shall not do any of the following:

(a) Operate a motor vehicle storage facility or towing operation.

(b) Accept any consideration, financial or other, from an authorized vendor that operates a motor vehicle storage facility.

(c) Require an authorized vendor to deliver a motor vehicle to a motor vehicle storage facility operated by a different authorized vendor.

History: 2018, Act 327, Eff. Sept. 30, 2018

123.1403 Exceptions; existing vehicle storage facility or towing operation.

Sec. 3.

(1) If, on or before the effective date of this act, a local government or law enforcement agency is operating a motor vehicle storage facility or towing operation, that local government or law enforcement agency may continue to operate that motor vehicle storage facility or towing operation after the effective date of this act.

(2) If, on or before the effective date of this act, a local government or law enforcement agency accepts consideration, financial or other, from any authorized vendor that operates a motor vehicle storage facility, that local government or law enforcement agency may continue to accept consideration, financial or other, from any authorized vendor after the effective date of this act.

(3) If, on or before the effective date of this act, a local government or law enforcement agency requires any authorized vendor to deliver a motor vehicle to a motor vehicle storage facility operated by a different authorized vendor, that local government or law enforcement agency may continue to require any authorized vendor to deliver a motor vehicle to a motor vehicle storage facility operated by a different authorized vendor after the effective date of this act.

History: 2018, Act 327, Eff. Sept. 30, 2018

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123.1403a Application of section 2.

Sec. 3a.

The prohibition in section 2(a) does not apply to a local government or law enforcement agency if that local government or law enforcement agency issues a request for proposals for operating a motor vehicle storage facility or towing operation and the request for proposals does not yield a bona fide bid. A local government or law enforcement agency shall use the standard or customary request for proposals process used by that local government or law enforcement agency for all other procurement matters when issuing the request for proposals for operating a motor vehicle storage facility or towing operation.

History: 2018, Act 327, Eff. Sept. 30, 2018

123.1404 Violation; injunctive relief; fine; costs and attorney fees.

Sec. 4.

If a local government or law enforcement agency violates section 2, an individual or entity may bring an action seeking injunctive relief against the local government or law enforcement agency. If a court determines a local government or law enforcement agency is violating section 2, the court shall issue an injunctive order requiring the local government or law enforcement agency to cease and desist from violating section 2. An injunctive order issued under this section becomes effective 60 days after the injunctive order is entered by the court. Any action taken by a local government or law enforcement agency to ensure compliance with

section 2 or any injunctive order issued under this section is not considered a violation of the injunctive order for purposes of any fine under this section. A local government or law enforcement agency that violates an injunctive order under this section is subject to a civil fine of not more than $1,000.00 for each day of violation, up to a maximum of $10,000.00. An individual or entity that brings an action under this section may recover costs and reasonable attorney fees.

History: 2018, Act 327, Eff. Sept. 30, 2018

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