

MICHIGAN MARINA AND BOATYARD STORAGE LIEN ACT (EXCERPT)
Act 362 of 1998

570.373 Possessory lien on stored property.

Sec. 3. (1) A facility owner has a possessory lien on property stored at that facility for storage, rent, labor, repairs, maintenance services, materials, supplies, and other charges and for expenses reasonably incurred in the sale of that property under this act. Except as provided in subsection (8), a lien on property under this section takes priority over any prior lien on the property unless the prior lienholder pays to the facility owner the amount of the lien attributable to storage, labor, materials, supplies, or other charges reasonably incurred in the sale of the property under this act or the following applicable amount, except as otherwise provided in this section, whichever is less:

(a) For a vessel that is not more than 27 feet long, \$5,000.00 or 20% of the fair market value, whichever is less.

(b) For a vessel that is more than 27 feet but not more than 40 feet long, \$30,000.00.

(c) For a vessel that is more than 40 feet but not more than 60 feet long, \$75,000.00.

(d) For a vessel that is more than 60 feet long, \$90,000.00.

(2) The amount calculated under subsection (1) must be increased by a like amount if the expenditure for labor and materials was for both primary power engines of a vessel equipped with 2 engines. However, this subsection does not apply to auxiliary propulsion or trolling engines.

(3) The amount calculated under subsection (1) must be reduced by 1/2 if more than half of the expenditure for labor and materials was attributable only to the repair or replacement of 1 of the following:

(a) Navigational electronics.

(b) Auxiliary power generators.

(4) The amount calculated under subsection (1) must be reduced by 3/4 if more than half of the expenditure for labor and materials was attributable only to 1 of the following:

(a) The repair or replacement of a cabin interior.

(b) Painting.

(c) Cosmetic work.

(d) Any combination of subdivisions (a) to (c).

(5) A payment made by a prior lienholder to a facility owner under this section must be added to the amount of the lien of the prior lienholder who made the payment and must be subtracted from the amount of the facility owner's lien.

(6) The facility owner's lien under this act is the only lien that a facility owner has on property, unless the facility owner is also the prior lienholder.

(7) This act does not create a lien on a documented vessel subject to a preferred ship mortgage or other preferred maritime lien under 46 USC 31301 to 31343. A facility owner is required to obtain an abstract of title from the United States Coast Guard for a vessel that is documented under 46 USC 12101 to 12152.

(8) The lien created for storage under this act without a written repair, service, or storage agreement that includes a notice of lien does not take priority over the lien of a prior lienholder for repairs, service, or storage incurred before 30 days after the notice of lien required by section 4(1)(b) is delivered to the prior lienholder. After that 30-day period, the lien includes all repair, service, or storage charges incurred, including, but not limited to, those incurred during the 30-day period.

(9) A prior lienholder shall arrange to remove the property from the facility on the termination of the facility's lien under this act unless the lienholder and the facility owner enter into a new storage agreement.

History: 1998, Act 362, Imd. Eff. Oct. 20, 1998;—Am. 2016, Act 286, Eff. Dec. 26, 2016.