

# HOUSE BILL No. 5804

March 14, 2002, Introduced by Reps. Phillips, Raczkowski, Rivet, Kowall, Ruth Johnson, Thomas, Schermesser, Kolb, Jacobs, Whitmer, Quarles, Anderson, Plakas, Woodward, Rocca, Godchaux, Lipsey, Bogardus, Hale, Jamnick, Williams, Mans, Lockwood, Callahan, Murphy, Zelenko, Schauer, Newell, Pumford, Jelinek, Pappageorge, Rison, Clark, Stallworth, Dennis, Clarke, Stewart, Rich Brown, Reeves, Meyer, Stamas and Daniels and referred to the Committee on Commerce.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217, 222, and 251 (MCL 257.217, 257.222, and 257.251), as amended by 2000 PA 397, and by adding section 17c.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 17C. "FLOOD VEHICLE" MEANS A VEHICLE THAT WAS SUB-  
2 MERGED IN WATER TO THE POINT THAT WATER ENTERED THE PASSENGER  
3 COMPARTMENT OR TRUNK OVER THE SILL OF THE TRUNK FLOOR PAN OR DOOR  
4 SILL.

5           Sec. 217. (1) An owner of a vehicle that is subject to reg-  
6 istration under this act shall apply to the secretary of state,  
7 upon an appropriate form furnished by the secretary of state, for  
8 the registration of the vehicle and issuance of a certificate of  
9 title for the vehicle. ~~Effective January 1, 1994, a~~ A vehicle  
10 brought into this state from another state or jurisdiction that

1 has a rebuilt, salvage, scrap, FLOOD, or comparable certificate  
2 of title issued by that other state or jurisdiction shall be  
3 issued a rebuilt, salvage, ~~or~~ scrap, OR FLOOD certificate of  
4 title by the secretary of state. The application shall be accom-  
5 panied by the required fee. An application for a certificate of  
6 title shall bear the signature of the owner. The application  
7 shall contain all of the following:

8 (a) The owner's name, the owner's bona fide residence, and  
9 either of the following:

10 (i) ~~The owner's mailing address, if~~ IF the owner is an  
11 individual, THE OWNER'S MAILING ADDRESS.

12 (ii) ~~The owner's business address, if~~ IF the owner is a  
13 firm, association, PARTNERSHIP, LIMITED LIABILITY COMPANY, or  
14 corporation, THE OWNER'S BUSINESS ADDRESS.

15 (b) A description of the vehicle including the make or name,  
16 style of body, and model year; the number of miles, not including  
17 the tenths of a mile, registered on the vehicle's odometer at the  
18 time of transfer; WHETHER THE VEHICLE IS A FLOOD VEHICLE OR  
19 ANOTHER STATE PREVIOUSLY ISSUED THE VEHICLE A FLOOD CERTIFICATE  
20 OF TITLE; whether the vehicle is to be or has been used as a taxi  
21 or police vehicle, or by a political subdivision of this state,  
22 unless the vehicle is owned by a dealer and loaned or leased to a  
23 political subdivision of this state for use as a driver education  
24 vehicle; whether the vehicle has previously been issued a salvage  
25 or rebuilt certificate of title from this state or a comparable  
26 certificate of title from any other state or jurisdiction;  
27 vehicle identification number; and the vehicle's weight fully

1 equipped, if a passenger vehicle registered in accordance with  
2 section 801(1)(a), and, if a trailer coach or pickup camper, in  
3 addition to the weight, the manufacturer's serial number, or in  
4 the absence of the serial number, a number assigned by the secre-  
5 tary of state. A number assigned by the secretary of state shall  
6 be permanently placed on the trailer coach or pickup camper in  
7 the manner and place designated by the secretary of state.

8 (c) A statement of the applicant's title and the names and  
9 addresses of the holders of security interests in the vehicle and  
10 in an accessory to the vehicle, in the order of their priority.

11 (d) Further information that the secretary of state reason-  
12 ably requires to enable the secretary of state to determine  
13 whether the vehicle is lawfully entitled to registration and the  
14 owner entitled to a certificate of title. If the secretary of  
15 state is not satisfied as to the ownership of a late model vehi-  
16 cle or other vehicle having a value over \$2,500.00, before regis-  
17 tering the vehicle and issuing a certificate of title, the secre-  
18 tary of state may require the applicant to file a properly exe-  
19 cuted surety bond in a form prescribed by the secretary of state  
20 and executed by the applicant and a company authorized to conduct  
21 a surety business in this state. The bond shall be in an amount  
22 equal to twice the value of the vehicle as determined by the sec-  
23 retary of state and shall be conditioned to indemnify or reim-  
24 burse the secretary of state, any prior owner, and any subsequent  
25 purchaser of the vehicle and their successors in interest against  
26 any expense, loss, or damage, including reasonable attorney's  
27 fees, by reason of the issuance of a certificate of title for the

1 vehicle or on account of any defect in the right, title, or  
2 interest of the applicant in the vehicle. An interested person  
3 has a right of action to recover on the bond for a breach of the  
4 conditions of the bond, but the aggregate liability of the surety  
5 to all persons shall not exceed the amount of the bond. The bond  
6 shall be returned at the end of 3 years, or before 3 years if the  
7 vehicle is no longer registered in this state and the currently  
8 valid certificate of title is surrendered to the secretary of  
9 state, unless the secretary of state has received notification of  
10 the pendency of an action to recover on the bond. If the secre-  
11 tary of state is not satisfied as to the ownership of a vehicle  
12 that is valued at \$2,500.00 or less and that is not a late model  
13 vehicle, the secretary of state shall require the applicant to  
14 certify that the applicant is the owner of the vehicle and enti-  
15 tled to register and title the vehicle.

16 (e) Except as provided in subdivision (f), an application  
17 for a commercial vehicle shall also have attached a scale weight  
18 receipt of the motor vehicle fully equipped as of the time the  
19 application is made. A scale weight receipt is not necessary if  
20 there is presented with the application a registration receipt of  
21 the previous year that shows on its face the empty weight of the  
22 motor vehicle as registered with the secretary of state that is  
23 accompanied by a statement of the applicant that there has not  
24 been structural change in the motor vehicle that has increased  
25 the empty weight and that the previous registered weight is the  
26 true weight.

1 (f) An application for registration of a vehicle on the  
2 basis of elected gross weight shall include a declaration by the  
3 applicant specifying the elected gross weight for which applica-  
4 tion is being made.

5 (g) If the application is for a certificate of title of a  
6 motor vehicle registered in accordance with section 801(1)(q),  
7 the application shall include the manufacturer's suggested base  
8 list price for the model year of the vehicle. Annually, the sec-  
9 retary of state shall publish a list of the manufacturer's sug-  
10 gested base list price for each vehicle being manufactured. Once  
11 a base list price is published by the secretary of state for a  
12 model year for a vehicle, the base list price shall not be  
13 affected by subsequent increases in the manufacturer's suggested  
14 base list price but shall remain the same throughout the model  
15 year unless changed in the annual list published by the secretary  
16 of state. If the secretary of state's list has not been pub-  
17 lished for that vehicle by the time of the application for regis-  
18 tration, the base list price shall be the manufacturer's sug-  
19 gested retail price as shown on the label required to be affixed  
20 to the vehicle under section 3 of the automobile information dis-  
21 closure act, Public Law 85-506, 15 U.S.C. 1232. If the  
22 manufacturer's suggested retail price is unavailable, the appli-  
23 cation shall list the purchase price of the vehicle as defined in  
24 section 801(4).

25 (2) ~~Beginning October 1, 1999, the secretary of state shall~~  
26 ~~require an~~ AN applicant for registration of a leased pickup  
27 truck or passenger vehicle that is subject to registration under

1 this act, except a vehicle that is subject to registration tax  
2 under section 801g, ~~to~~ SHALL disclose in writing TO THE SECRE-  
3 TARY OF STATE the lessee's name, the lessee's bona fide resi-  
4 dence, and either of the following:

5 (a) ~~The~~ IF THE LESSEE IS AN INDIVIDUAL, THE lessee's  
6 Michigan driver license number or Michigan personal identifica-  
7 tion number or, if the lessee does not have a Michigan driver  
8 license or Michigan personal identification number, the lessee's  
9 mailing address. ~~, if the lessee is an individual.~~

10 (b) ~~The lessee's business address, if~~ IF the lessee is a  
11 firm, association, PARTNERSHIP, LIMITED LIABILITY COMPANY, or  
12 corporation, THE LESSEE'S BUSINESS ADDRESS.

13 (3) The secretary of state shall maintain the information  
14 described in subsection (2) on the secretary of state's computer  
15 records.

16 (4) A dealer selling or exchanging vehicles required to be  
17 titled, within 15 days after delivering a vehicle to the purchas-  
18 er, and a person engaged in the sale of vessels required to be  
19 numbered by part 801 of the natural resources and environmental  
20 protection act, 1994 PA 451, MCL 324.80101 to 324.80199, within  
21 15 days after delivering a boat trailer weighing less than 2,500  
22 pounds to the purchaser, shall apply to the secretary of state  
23 for a new title, if required, and transfer or secure registration  
24 plates and secure a certificate of registration for the vehicle  
25 or boat trailer, in the name of the purchaser. The dealer's  
26 license may be suspended or revoked in accordance with section  
27 249 for failure to apply for a title when required or for failure

1 to transfer or secure registration plates and certificate of  
2 registration within the 15 days required by this section. If the  
3 dealer or person fails to apply for a title when required, and to  
4 transfer or secure registration plates and secure a certificate  
5 of registration and pay the required fees within 15 days of  
6 delivery of the vehicle or boat trailer, a title and registration  
7 for the vehicle or boat trailer may subsequently be acquired only  
8 upon the payment of a transfer fee of \$15.00 in addition to the  
9 fees specified in section 806. The purchaser of the vehicle or  
10 boat trailer shall sign the application, including, when applica-  
11 ble, the declaration specifying the maximum elected gross weight,  
12 as required by subsection (1)(f), and other necessary papers to  
13 enable the dealer or person to secure the title, registration  
14 plates, and transfers from the secretary of state.

15 (5) If a vehicle is delivered to a purchaser who has valid  
16 Michigan registration plates that are to be transferred to the  
17 vehicle, and an application for title, if required, and registra-  
18 tion for the vehicle is not made before delivery of the vehicle  
19 to the purchaser, the registration plates shall be affixed to the  
20 vehicle immediately, and the dealer shall provide the purchaser  
21 with an instrument in writing, on a form prescribed by the secre-  
22 tary of state, which shall serve as a temporary registration for  
23 the vehicle for a period of 15 days from the date the vehicle is  
24 delivered.

25 (6) An application for a certificate of title that indicates  
26 the existence of a security interest in the vehicle or in an  
27 accessory to the vehicle, if requested by the security interest

1 holder, shall be accompanied by a copy of the security agreement  
2 which need not be signed. The request may be made of the seller  
3 on an annual basis. The secretary of state shall indicate on the  
4 copy the date and place of filing of the application and return  
5 the copy to the person submitting the application who shall for-  
6 ward it to the holder of the security interest named in the  
7 application.

8 (7) 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 com-  
12 pany, credit union, or banking institution shall pay the seller a  
13 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  
15 buyer in addition to the finance charges. The holder, finance  
16 company, credit union, or banking institution shall issue its  
17 check or bank draft for the principal amount financed, payable  
18 jointly to the buyer and seller, and there shall be imprinted on  
19 the back side of 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  
22 vehicle identification number \_\_\_\_\_ and title the vehi-  
23 cle only in the name(s) shown on the reverse side." On the front  
24 of the sales check or draft, the holder, finance company, credit  
25 union, or banking institution shall note the name(s) of the pro-  
26 spective owner(s). Failure of the holder, finance company,  
27 credit union, or banking institution to comply with these



1 requirements frees the seller from any obligation to record the  
2 lien or from any liability that may arise as a result of the  
3 failure to record the lien. A service fee shall not be charged  
4 to the buyer.

5 (8) In the absence of actual malice proved independently and  
6 not inferred from lack of probable cause, a person who in any  
7 manner causes a prosecution for larceny of a motor vehicle; for  
8 embezzlement of a motor vehicle; for any crime an element of  
9 which is the taking of a motor vehicle without authority; or for  
10 buying, receiving, possessing, or aiding in the concealment of a  
11 stolen, embezzled, or converted motor vehicle knowing that the  
12 motor vehicle has been stolen, embezzled, or converted, is not  
13 liable for damages in a civil action for causing the  
14 prosecution. This subsection does not relieve a person from  
15 proving any other element necessary to sustain his or her cause  
16 of action.

17 Sec. 222. (1) Except as otherwise provided in this act, the  
18 secretary of state shall issue a registration certificate and a  
19 certificate of title when registering a vehicle ~~and~~ upon  
20 receipt of the required fees. ~~A~~ THE SECRETARY OF STATE SHALL  
21 ISSUE A FLOOD, REBUILT, SALVAGE, OR SCRAP CERTIFICATE OF TITLE  
22 FOR A vehicle brought into this state from another state or  
23 jurisdiction that has a FLOOD, rebuilt, salvage, or scrap certif-  
24 icate of title issued by that other state or jurisdiction. ~~shall~~  
25 ~~be issued a rebuilt, salvage, or scrap certificate of title by~~  
26 ~~the secretary of state.~~

1           (2) The SECRETARY OF STATE SHALL DELIVER THE registration  
2 certificate ~~shall be delivered~~ to the owner. ~~and~~ THE  
3 CERTIFICATE shall contain on its face the date issued, the name  
4 and address of the owner, the registration number assigned to the  
5 vehicle, and a description of the vehicle as determined by the  
6 secretary of state.

7           (3) The certificate of title shall be manufactured in a  
8 manner to prohibit as nearly as possible the ability to repro-  
9 duce, alter, counterfeit, forge, or duplicate the certificate of  
10 title without ready detection. ~~and~~ THE CERTIFICATE SHALL con-  
11 tain on its face the identical information required on the face  
12 of the registration certificate; if the vehicle is a motor vehi-  
13 cle, the number of miles, not including the tenths of a mile,  
14 registered on the vehicle's odometer at the time of transfer;  
15 whether the vehicle is to be used or has been used as a taxi, as  
16 a police vehicle, or by a political subdivision of this state,  
17 unless the vehicle is owned by a dealer and loaned or leased to a  
18 political subdivision of this state for use as a driver education  
19 vehicle; whether the vehicle is a salvage vehicle; if the vehicle  
20 has previously been issued a rebuilt certificate of title from  
21 this state or a comparable certificate of title from any other  
22 state or jurisdiction; if the vehicle has been issued a scrap  
23 certificate of title from this state or a comparable certificate  
24 of title from any other state or jurisdiction; IF THE VEHICLE IS  
25 A FLOOD VEHICLE OR HAS PREVIOUSLY BEEN ISSUED A FLOOD CERTIFICATE  
26 OF TITLE FROM THIS STATE OR ANY OTHER STATE OR JURISDICTION; if  
27 the owner or co-owner or lessee or co-lessee of the vehicle is

1 subject to registration denial under section 219(1)(d); a  
2 statement of the owner's title and of all security interests in  
3 the vehicle or in an accessory on the vehicle as set forth in the  
4 application; the date that the application was filed; and any  
5 other information that the secretary of state may require.

6 (4) The certificate of title shall contain a form for  
7 assignment of title or interest and warranty of title by the  
8 owner with space for the notation of a security interest in the  
9 vehicle and in an accessory on the vehicle, which at the time of  
10 a transfer shall be certified and signed, and space for a written  
11 odometer mileage statement that is required upon transfer pursu-  
12 ant to section 233a. The certificate of title may also contain  
13 other forms that the secretary of state considers necessary to  
14 facilitate the effective administration of this act. The certif-  
15 icate shall bear the coat of arms of this state.

16 (5) The SECRETARY OF STATE SHALL MAIL OR DELIVER THE certif-  
17 icate of title ~~shall be mailed or delivered~~ to the owner or  
18 other person the owner may direct in a separate instrument, in a  
19 form PRESCRIBED BY the secretary of state. ~~shall prescribe.~~

20 (6) A person who intentionally reproduces, alters, counter-  
21 feits, forges, or duplicates a certificate of title or who uses a  
22 reproduced, altered, counterfeited, forged, or duplicated certif-  
23 icate of title shall be punished as follows:

24 (a) If the intent of reproduction, alteration, counterfeit-  
25 ing, forging, duplication, or use was to commit or aid in the  
26 commission of an offense punishable by imprisonment for 1 or more  
27 years, the person committing the reproduction, alteration,

1 counterfeit, forging, duplication, or use is guilty of a  
2 misdemeanor, punishable by imprisonment for a period equal to  
3 that which could be imposed for the commission of the offense the  
4 person had the intent to aid or commit. The court may also  
5 assess a fine of not more than \$10,000.00 against the person.

6 (b) If the intent of the reproduction, alteration, counter-  
7 feiting, forging, duplication, or use was to commit or aid in the  
8 commission of an offense punishable by imprisonment for not more  
9 than 1 year, the person committing the reproduction, alteration,  
10 counterfeit, forging, duplication, or use is guilty of a mis-  
11 demeanor, punishable by imprisonment for not more than 1 year, or  
12 a fine of not more than \$1,000.00, or both.

13 (7) The certificate of title for a police vehicle, a vehicle  
14 owned by a political subdivision of this state, a salvage vehi-  
15 cle, a rebuilt vehicle, ~~and~~ a scrap vehicle, OR A FLOOD VEHICLE  
16 shall be different in color from the certificate of title for all  
17 other vehicles unless the vehicle is loaned or leased to a polit-  
18 ical subdivision of this state for use as a driver education  
19 vehicle.

20 (8) A scrap certificate of title shall contain a legend that  
21 the vehicle is not to be titled or registered and is to be used  
22 for parts or scrap metal only.

23 (9) A certificate of title shall not be issued for a vehicle  
24 which has had a salvage certificate of title unless the certifi-  
25 cate of title contains a legend that discloses the vehicle's  
26 former condition to consumers and potential purchasers.

1           Sec. 251. (1) Each new vehicle dealer, used vehicle dealer,  
2 and broker shall maintain a record in a manner prescribed by the  
3 secretary of state of each vehicle of a type subject to titling  
4 under this act that is bought, sold, or exchanged by the dealer  
5 or received or accepted by the dealer for sale or exchange.

6           (2) Each record shall contain the date of the purchase,  
7 sale, or exchange or receipt for the purpose of sale OR EXCHANGE,  
8 a description of the vehicle, ~~together with~~ the name and  
9 address of the seller, the purchaser, and the alleged owner or  
10 other persons from whom the vehicle was purchased or received, or  
11 to whom it was sold or delivered. The record shall contain a  
12 copy of ~~all~~ ANY odometer mileage ~~statements~~ STATEMENT  
13 received by the dealer ~~upon purchasing or acquiring~~ WHEN THE  
14 DEALER PURCHASED OR ACQUIRED a vehicle and a copy of the odometer  
15 mileage statement furnished by the dealer ~~upon sale of a~~ WHEN  
16 THE DEALER SOLD OR EXCHANGED THE vehicle as prescribed in section  
17 233a. If the vehicle is purchased, sold, leased, or exchanged  
18 through a broker, the record shall include the broker's name and  
19 dealer license number and the amount of the broker's fee, commis-  
20 sion, compensation, or other valuable consideration paid by the  
21 purchaser or lessee or paid by the dealer, or both. The records  
22 of all vehicles purchased, sold, leased, or exchanged through a  
23 broker maintained by the secretary of state shall be in an elec-  
24 tronic format determined by the secretary of state. A dealer  
25 shall retain for not less than 5 years each odometer mileage  
26 statement the dealer receives and each odometer mileage statement  
27 furnished by the dealer upon the sale OR EXCHANGE of a vehicle.

1 The description of the vehicle, in the case of a motor vehicle,  
2 shall also include the vehicle identification number and other  
3 numbers or identification marks as may be on the vehicle, and  
4 shall also include a statement that a number has been obliterated,  
5 defaced, or changed, if that is the fact. For a trailer or  
6 semitrailer, the record shall include the vehicle identification  
7 number and other numbers or identification marks as may be on the  
8 trailer or semitrailer.

9 (3) Not more than 20 days after the delivery of the vehicle,  
10 the seller shall deliver to the buyer in person or by mail to the  
11 buyer's last known address a duplicate of a written statement, on  
12 a form prescribed by the secretary of state in conjunction with  
13 the department of treasury, describing clearly the name and  
14 address of the seller, the name and address of the buyer, the  
15 vehicle sold to the buyer, the cash sale price of the vehicle,  
16 the cash paid down by the buyer, the amount credited the buyer  
17 for a trade-in, a description of the trade-in, the amount charged  
18 for vehicle insurance, stating the types of insurance covered by  
19 the insurance policy, the amount charged for a temporary registration  
20 plate, the amount of any other charge and specifying its  
21 purpose, the net balance due from the buyer, and a summary of  
22 insurance coverage to be affected. If the vehicle sold is a new  
23 motor home, the written statement shall contain a description,  
24 including the year of manufacture, of every major component part  
25 of the vehicle that has its own manufacturer's certificate of  
26 origin. The written statement shall disclose if the vehicle sold  
27 is a vehicle that the seller had loaned or leased to a political

1 subdivision of this state for use as a driver education vehicle.  
2 The written statement shall be dated, but not later than the  
3 actual date of delivery of the vehicle to the buyer. The origi-  
4 nal and all copies of the prescribed form shall contain identical  
5 information. The statement shall be furnished by the seller,  
6 shall be signed by the seller or the seller's agent and by the  
7 buyer, and shall be filed with the application for new title or  
8 registration. Failure of the seller to deliver this written  
9 statement to the buyer does not invalidate the sale between the  
10 seller and the buyer.

11 (4) A retail vehicle sale is void unless both of the follow-  
12 ing conditions are met:

13 (a) The sale is evidenced by a written memorandum that con-  
14 tains the agreement of the parties and is signed by the buyer and  
15 the seller or the seller's agent.

16 (b) The agreement contains a place for acknowledgment by the  
17 buyer of the receipt of a copy of the agreement or actual deliv-  
18 ery of the vehicle is made to the buyer.

19 (5) Each dealer record and inventory, including the record  
20 and inventory of a vehicle scrap metal processor not required to  
21 obtain a dealer license, shall be open to inspection by a police  
22 officer or an authorized officer or investigator of the secretary  
23 of state during reasonable or established business hours.

24 (6) A dealer licensed as a distressed vehicle transporter  
25 shall maintain records in a form as prescribed by the secretary  
26 of state. The records shall identify each distressed vehicle  
27 that is bought, acquired, and sold by the dealer. The record

1 shall identify the person from whom a distressed vehicle was  
2 bought or acquired and the dealer to whom the vehicle was sold.  
3 The record shall indicate whether a certificate of title or sal-  
4 vage certificate of title was obtained by the dealer for each  
5 vehicle.

6 (7) A dealer licensed under this act shall maintain records  
7 for a period of 5 years. The records shall be made available for  
8 inspection by the secretary of state or other law enforcement  
9 officials. The secretary of state shall inspect a dealer once  
10 every 4 years and as determined necessary by the secretary of  
11 state or a law enforcement officer. The secretary of state may  
12 issue an order summarily suspending the license of a dealer pur-  
13 suant to section 92 of the administrative procedures act of 1969,  
14 1969 PA 306, MCL 24.292, based on an affidavit by a person famil-  
15 iar with the facts set forth in the affidavit that the dealer has  
16 failed to maintain the records required by this act or failed to  
17 provide the records for inspection as requested by the secretary  
18 of state, or has otherwise hindered, obstructed, or prevented the  
19 inspection of records authorized under this section. The dealer  
20 to whom the order is directed shall comply immediately, but on  
21 application to the department shall be afforded a hearing within  
22 30 days pursuant to the administrative procedures act of 1969,  
23 1969 PA 306, MCL 24.201 to 24.328. On the basis of the hearing,  
24 the summary order shall be continued, modified, or held in abey-  
25 ance not later than 30 days after the hearing.

26 (8) A dealer licensed as a vehicle salvage pool operator or  
27 broker shall maintain records in a form as prescribed by the



1 secretary of state. The records shall contain a description of  
2 each vehicle or salvageable part stored by the dealer, the name  
3 and address of the insurance company or person storing the vehi-  
4 cle or salvageable part, the period of time the vehicle or sal-  
5 vageable part was stored, and the person acquiring the vehicle or  
6 salvageable part. In the case of a late model vehicle, a record  
7 of the purchase or sale of a major component part of the vehicle  
8 shall be maintained identifying the part purchased or sold, the  
9 name and address of the seller or purchaser, the date of the pur-  
10 chase or sale, and the identification number assigned to the part  
11 by the dealer. The record of the purchase or sale of a part  
12 shall be maintained in or attached to the dealer's police book or  
13 hard copy of computerized data entries and reference codes and  
14 shall be accessible at the dealer's location. In addition, a  
15 dealer licensed as a broker shall maintain a record of the odome-  
16 ter mileage reading of each vehicle sold pursuant to an agreement  
17 between the broker and the buyer or the broker and the seller.  
18 The record of odometer mileage shall be maintained for 5 years  
19 and shall contain all of the information required by section  
20 233a.

21 (9) A dealer licensed as a used vehicle parts dealer or an  
22 automotive recycler shall maintain records in a form prescribed  
23 by the secretary of state. The records shall contain the date of  
24 purchase or acquisition of the vehicle, a description of the  
25 vehicle including the color, and the name and address of the  
26 person from whom the vehicle was acquired. If the vehicle is  
27 sold, the record shall contain the date of sale and the name and

1 address of the purchaser. The record shall indicate if the  
2 certificate of title or salvage or scrap certificate of title was  
3 obtained by the dealer. In the case of a late model vehicle, a  
4 record of the purchase or sale of a major component of the vehi-  
5 cle shall be maintained identifying the part purchased or sold,  
6 the name and address of the seller or purchaser, the date of the  
7 purchase or sale, and the identification number assigned to the  
8 part by the dealer, except that a bumper remanufacturer is not  
9 required to maintain a record of the purchase of a bumper.  
10 However, a bumper remanufacturer shall assign and attach an iden-  
11 tification number to a remanufactured bumper and maintain a  
12 record of the sale of the bumper. The record of the purchase or  
13 sale of a part shall be maintained in or attached to the dealer's  
14 police book or hard copy of computerized data entries and refer-  
15 ence codes and shall be accessible at the dealer's location.

16 (10) A dealer licensed as a vehicle scrap metal processor  
17 shall maintain records as prescribed by the secretary of state.  
18 As provided in section 217c, the records shall contain for a  
19 vehicle purchased from a dealer a copy of the scrap vehicle  
20 inventory, including the name and address of the dealer, a  
21 description of the vehicle acquired, and the date of  
22 acquisition. If a vehicle is purchased or acquired from a person  
23 other than a dealer, the record shall contain the date of acqui-  
24 sition, a description of the vehicle, including the color, the  
25 name and address of the person from whom the vehicle was  
26 acquired, and whether a certificate of title or salvage or scrap  
27 certificate of title was obtained by the dealer.

1           (11) A dealer licensed as a foreign salvage vehicle dealer  
2 shall maintain records in a form prescribed by the secretary of  
3 state. The records shall contain the date of purchase or acqui-  
4 sition of each distressed vehicle, a description of the vehicle  
5 including the color, and the name and address of the person from  
6 whom the vehicle was acquired. If the vehicle is sold, the  
7 record shall contain the date of sale and the name and address of  
8 the purchaser. The record shall indicate if the certificate of  
9 title or salvage or scrap certificate of title was obtained by  
10 the dealer. In the case of a late model vehicle, a record of the  
11 purchase or sale of each salvageable part purchased or acquired  
12 in this state shall be maintained and the record shall contain  
13 the date of purchase or acquisition of the part, a description of  
14 the part, the identification number assigned to the part, and the  
15 name and address of the person to or from whom the part was pur-  
16 chased, acquired, or sold. The record of the sale, purchase, or  
17 acquisition of a part shall be maintained in the dealer's police  
18 book. The police book shall only contain vehicles and salvagea-  
19 ble parts purchased in this state or used in the repair of a  
20 vehicle purchased in this state. The police book and the records  
21 of vehicle part sales, purchases, or acquisitions shall be made  
22 available at a location within the state for inspection by the  
23 secretary of state within 48 hours after a request by the secre-  
24 tary of state.

25           (12) The secretary of state shall make periodic unannounced  
26 inspections of the records, facilities, and inventories of

1 automotive recyclers and used or secondhand vehicle parts  
2 dealers.

3 (13) The secretary of state may promulgate rules to imple-  
4 ment this section pursuant to the administrative procedures act  
5 of 1969, 1969 PA 306, MCL 24.201 to 24.328.