

# HOUSE BILL No. 5940

April 23, 2002, Introduced by Reps. Bishop, Kowall, Raczkowski, Meyer, Scranton, Gosselin, Kuipers and Richner and referred to the Committee on Civil Law and the Judiciary.

A bill to amend 1949 PA 300, entitled  
"Michigan vehicle code,"  
by amending section 252g (MCL 257.252g), as added by 1981 PA  
104.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 252g. (1) A public sale for a vehicle ~~which~~ THAT has  
2       been ~~deemed~~ DETERMINED TO BE abandoned under section 252a or  
3       252c or removed under section 252d shall be conducted in the fol-  
4       lowing manner:

5           (a) It shall be under the control of the police agency or  
6       agent of the police agency.

7           (b) It shall be open to the public and consist of open auc-  
8       tion bidding or bidding by sealed bids. If sealed bids are  
9       received, the person submitting the bid shall receive a receipt

1 for the bid from the police agency or agent of the police  
2 agency.

3 (c) Except as provided by sections 252a(9) and 252d(7), it  
4 shall be held not less than 5 days after public notice of the  
5 sale has been published.

6 (d) The public notice shall be published at least once in a  
7 newspaper having a general circulation within the county in which  
8 the vehicle was abandoned. The public notice shall give a  
9 description of the vehicle for sale and shall state the time,  
10 date, and location of the sale.

11 (2) The money received from the public sale of the vehicle  
12 shall be applied in the following order of priority:

13 (a) Towing and storage charges.

14 (b) Expenses incurred by the police agency.

15 (c) To the secured party, if any, in the amount of the debt  
16 outstanding on the vehicle.

17 (d) Remainder to the owner. A reasonable attempt shall be  
18 made to mail the remainder to the registered owner. If delivery  
19 of the remainder cannot be accomplished, the remainder shall  
20 become the property of the unit of government that the police  
21 agency represents.

22 (3) IF THE AMOUNT RECEIVED FROM THE PUBLIC SALE OF THE VEHI-  
23 CLE UNDER SUBSECTION (1) DOES NOT FULLY SATISFY THE TOWING AND  
24 STORAGE CHARGES, THIS SECTION DOES NOT PROHIBIT THE TOWING FIRM  
25 FROM PURSUING ANY OTHER LAWFUL REMEDY.

26 (4) ~~-(3)-~~ If there are no bidders on the vehicle, the police  
27 agency may do 1 of the following:

1 (a) Turn the vehicle over to the towing firm to ~~satisfy~~  
2 OFFSET charges against the vehicle.

3 (b) Obtain title to the vehicle for the police agency or the  
4 unit of government the police agency represents, by doing the  
5 following:

6 (i) Paying the towing and storage charges.

7 (ii) Applying for title to the vehicle.

8 (c) Hold another public sale pursuant to subsection (1).

9 (5) ~~-(4)-~~ A person who acquires ownership of a vehicle under  
10 subsection (1) or ~~-(3)-~~ (4), which vehicle has been designated as  
11 a distressed vehicle, shall make application for a salvage cer-  
12 tificate of title within 15 days after obtaining the vehicle.

13 (6) ~~-(5)-~~ Upon disposition of the vehicle, the police agency  
14 shall cancel the entry into the law enforcement information  
15 network.