



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5181 (Substitute S-1 as reported)
Sponsor: Representative Diana Farrington
House Committee: Judiciary
Senate Committee: Judiciary

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- Require a police agency that had received in custody an abandoned vehicle to include in its notification to the Secretary of State (SOS) the date the vehicle was entered into the Law Enforcement Information Network (LEIN), and that the information was entered within 24 hours after the vehicle was taken into custody.
- Allow a secured party to contest the reasonableness of towing fees and daily storage fees by requesting a hearing with a court and posting a bond of \$40 plus the amount of the accrued fees.
- Specify that a secured party could obtain the release of a vehicle by paying the custodian a \$40 fee plus the accrued fees charged, if the owner did not redeem a vehicle or request a hearing within 10 days, instead of 20.
- Allow the owner of an abandoned vehicle to seek damages only related to the reasonableness of towing and daily storage fees from a secured party, if the secured party redeemed the vehicle.
- Require a court to, upon the filing of a petition for a hearing signed by a secured party, schedule a hearing and notify the owner of the abandoned vehicle, secured party, as applicable, towing agency or custodian, and police agency of the date and time of the hearing.
- Modify certain provisions pertaining to a court's findings after a hearing.
- Require the custodian of an abandoned vehicle to allow the owner or a secured party to inspect the vehicle during normal business hours.
- Allow a custodian to charge a secured party a fee of not more than \$75 to inspect the vehicle, or the actual cost necessary to allow the inspection, if it were greater than \$75.
- Allow an owner to retrieve personal property from a vehicle without paying a fee for the first visit, and allow a custodian to charge an owner a fee of not more than \$25 for each subsequent visit.

MCL 257.252a et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill could cause minimal additional costs for a local police agency should the bill's provisions result in additional incidences of an agency having to reimburse or assume the costs of abandoned vehicle storage charges, bonds, or court fees to the owner or secured party of that vehicle. The bill would have no fiscal impact on State government.

Date Completed: 9-10-18

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Bill Analysis @ www.senate.michigan.gov/sfa

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