

**SUBSTITUTE FOR
HOUSE BILL NO. 5181**

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 252a, 252f, and 252g (MCL 257.252a, 257.252f,
and 257.252g), section 252a as amended by 2015 PA 48, section 252f
as amended by 2008 PA 539, and section 252g as amended by 2012 PA
498.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 252a. (1) A person shall not abandon a vehicle in this
2 state. It is presumed that the last titled owner of the vehicle is
3 responsible for abandoning the vehicle unless the person provides a
4 record of the sale as that term is defined in section 240. A person
5 who violates this subsection and who fails to redeem the vehicle
6 before disposition of the vehicle under section 252g is responsible

1 for a civil infraction and shall be ordered to pay a civil fine of
2 \$50.00.

3 (2) As used in this section and sections 252b through 252l,
4 "abandoned vehicle" means any of the following:

5 (a) A vehicle that has remained on private property without
6 the consent of the owner.

7 (b) A vehicle that has remained on public property for a
8 period of not less than 48 hours, or on a state trunk line highway
9 as described in section 1 of 1951 PA 51, MCL 247.651, as follows:

10 (i) If a valid registration plate is affixed to the vehicle,
11 for a period of not less than 18 hours.

12 (ii) If a valid registration plate is not affixed to the
13 vehicle.

14 (c) A vehicle, other than a late-model vehicle, to which all
15 of the following apply:

16 (i) An insurance company has not acquired ownership of the
17 vehicle under section 217c.

18 (ii) The vehicle cannot be disposed of under section 248c.

19 (iii) The vehicle has remained in the custody of a vehicle
20 salvage pool or broker site without the consent of the vehicle
21 salvage pool operator or the broker for a period of not less than
22 60 days.

23 (3) If a vehicle has remained on public property for the
24 period of time described in subsection (2)(b) so that it qualifies
25 as abandoned, a police agency having jurisdiction over the vehicle
26 or the agency's designee shall determine whether the vehicle has
27 been reported stolen and may affix a written notice to the vehicle.

1 The written notice shall contain the following information:

2 (a) The date and time the notice was affixed.

3 (b) The name and address of the police agency taking the
4 action.

5 (c) The name and badge number of the police officer affixing
6 the notice.

7 (d) The date and time the vehicle may be taken into custody
8 and stored at the owner's expense or scrapped if the vehicle is not
9 removed.

10 (e) The year, make, and vehicle identification number of the
11 vehicle, if available.

12 (4) If the vehicle is an abandoned vehicle, the police agency
13 or the agency's designee may have the towing agency take the
14 vehicle into custody.

15 (5) A police agency that has received a vehicle taken into
16 custody as abandoned shall do all of the following:

17 (a) Recheck to determine if the vehicle has been reported
18 stolen.

19 (b) Within 24 hours after the vehicle is taken into custody,
20 enter the vehicle as abandoned into the law enforcement information
21 network, and notify the secretary of state through the law
22 enforcement information network that the vehicle has been taken
23 into custody as abandoned. Each notification shall contain the
24 following information:

25 (i) The year, make, and vehicle identification number of the
26 vehicle, if available.

27 (ii) The address or approximate location from which the

1 vehicle was taken into custody.

2 (iii) The date on which the vehicle was taken into custody.

3 (iv) **THE DATE THE VEHICLE IS BEING ENTERED INTO THE LAW**
4 **ENFORCEMENT INFORMATION NETWORK AND WHETHER THE INFORMATION IS**
5 **BEING ENTERED WITHIN 24 HOURS AFTER THE VEHICLE WAS TAKEN INTO**
6 **CUSTODY.**

7 (v) ~~(iv)~~—The name and address of the police agency that had
8 the vehicle taken into custody.

9 (vi) ~~(v)~~—The name and business address of the custodian of the
10 vehicle.

11 (vii) ~~(vi)~~—The name of the court that has jurisdiction over
12 the case.

13 (c) Within 7 days after receiving notice under subdivision (b)
14 that the vehicle has been taken into custody, the secretary of
15 state shall do both of the following:

16 (i) Send to the last titled owner and secured party, as shown
17 by the records of the secretary of state as described in section
18 221 or 237, by first-class mail or personal service, notice that
19 the vehicle is considered abandoned. The form for the notice shall
20 be furnished by the secretary of state. Each notice form shall
21 contain the following information:

22 (A) The year, make, and vehicle identification number of the
23 vehicle if available.

24 (B) The address or approximate location from which the vehicle
25 was taken into custody.

26 (C) The date on which the vehicle was taken into custody.

27 (D) The name and address of the police agency that had the

1 vehicle taken into custody.

2 (E) The name and business address of the custodian of the
3 vehicle.

4 (F) The procedure to redeem the vehicle.

5 (G) The procedure to contest the fact that the vehicle is
6 considered abandoned or the reasonableness of the towing fees and
7 daily storage fees.

8 (H) A form petition that the owner may file in person or by
9 mail with the specified court that requests a hearing on the police
10 agency's action.

11 (I) A warning that the failure to redeem the vehicle or to
12 request a hearing within 20 days after the date of the notice may
13 result in the sale of the vehicle and the termination of all rights
14 of the owner and the secured party to the vehicle or the proceeds
15 of the sale.

16 (ii) Enter the information described in subparagraph (i) on a
17 website maintained by the department for public use in locating
18 vehicles that are removed under this section as abandoned. The
19 department shall maintain the data on the website for 1 year or 1
20 until the vehicle is disposed of under this act, whichever occurs
21 first.

22 (6) The owner may contest the fact that the vehicle is
23 considered abandoned or the reasonableness of the towing fees and
24 daily storage fees by requesting a hearing and posting a bond equal
25 to \$40.00 plus the amount of the accrued towing and storage fees. A
26 request for a hearing shall be made by filing a petition with the
27 court specified in the notice described in subsection (5)(c) within

1 20 days after the date of the notice. ~~IF~~**SUBJECT TO SUBSECTION (8)** ,
2 **IF** the owner requests a hearing, the matter shall be resolved after
3 a hearing conducted under sections 252e and 252f. An owner who
4 requests a hearing may obtain release of the vehicle by posting a
5 towing and storage bond in an amount equal to the \$40.00 plus the
6 accrued towing and storage fees with the court. The owner of a
7 vehicle who requests a hearing may obtain release of the vehicle by
8 paying a fee of \$40.00 to the court and the accrued towing and
9 storage fees instead of posting the towing and storage bond.

10 (7) ~~IF~~**SUBJECT TO SUBSECTION (9)** , **IF** the owner does not
11 request a hearing under subsection (6), he or she may obtain the
12 release of the vehicle by paying a fee of \$40.00 and the accrued
13 towing and storage fees to the custodian of the vehicle. The
14 custodian of the vehicle shall forward \$25.00 of the fee to the
15 secretary of state within 30 days after receipt in a manner
16 prescribed by the secretary of state, who shall deposit the fee
17 into the abandoned vehicle fund created in section 252h.

18 **(8) THE SECURED PARTY MAY CONTEST THE REASONABLENESS OF THE**
19 **TOWING FEES AND DAILY STORAGE FEES AND REQUEST A HEARING IN THE**
20 **SAME MANNER AND SUBJECT TO THE SAME REQUIREMENTS AS THE OWNER UNDER**
21 **SUBSECTION (6). IF BOTH THE OWNER AND THE SECURED PARTY REQUEST A**
22 **HEARING TO CONTEST THE REASONABLENESS OF THE TOWING FEES AND DAILY**
23 **STORAGE FEES WITHIN 20 DAYS AFTER THE DATE OF THE NOTICE, THE COURT**
24 **SHALL DISMISS THE SECURED PARTY'S PETITION AND PROCEED WITH THE**
25 **OWNER'S PETITION AS PROVIDED IN SUBSECTION (6), UNLESS THE OWNER IS**
26 **IN DEFAULT ON A CONTRACT OR AGREEMENT WITH THE SECURED PARTY**
27 **REGARDING THAT VEHICLE. IF THE OWNER IS IN DEFAULT ON A CONTRACT OR**

1 AGREEMENT WITH THE SECURED PARTY REGARDING THAT VEHICLE, THE COURT
2 SHALL DISMISS THE OWNER'S PETITION AND PROCEED WITH THE SECURED
3 PARTY'S PETITION IN THE SAME MANNER AS PROVIDED IN SUBSECTION (6).
4 IF THE COURT FINDS, AFTER A HEARING ON THE REASONABLENESS OF THE
5 TOWING FEES AND DAILY STORAGE FEES, THAT THE OWNER'S OR THE SECURED
6 PARTY'S CHALLENGE WAS FRIVOLOUS, THE COURT SHALL AWARD TO THE
7 CUSTODIAN COSTS, INCLUDING REASONABLE ATTORNEY FEES, AGAINST THE
8 OWNER OR SECURED PARTY.

9 (9) ~~(8)~~—If the owner does not redeem the vehicle or request a
10 hearing within ~~20~~10 days after the date of the notice described in
11 subsection (5)(c), the secured party may obtain the release of the
12 vehicle by paying a \$40.00 fee plus the accrued charges to the
13 custodian of the vehicle. The custodian of the vehicle shall
14 forward \$25.00 of the fee to the secretary of state, who shall
15 deposit the fee into the abandoned vehicle fund created in section
16 252h.

17 (10) ~~(9)~~—If a vehicle has remained on private property without
18 the consent of the property owner, the owner of the private
19 property may have the vehicle taken into custody as an abandoned
20 vehicle by contacting a local towing agency. A local towing agency
21 is considered a towing agency whose storage lot is located within
22 15 miles from the border of the local unit of government having
23 jurisdiction over the abandoned vehicle.

24 (11) ~~(10)~~—Before removing the vehicle from private property,
25 the towing agency shall provide ~~reasonable~~ notice by telephone, or
26 otherwise, to a police agency having jurisdiction over the vehicle
27 that the vehicle is being removed. ~~The~~ **WITHIN 24 HOURS AFTER**

1 **RECEIPT OF THE NOTICE FROM THE TOWING AGENCY, THE** police agency
2 shall determine if the vehicle has been reported stolen and enter
3 the vehicle into the law enforcement information network as an
4 abandoned vehicle. Verification by the police agency of compliance
5 with this section is not necessary and is not a predicate to the
6 entrance of the vehicle into the law enforcement information
7 network.

8 **(12)** ~~(11)~~ Within 24 hours after taking the abandoned vehicle
9 into custody, the police agency shall notify the secretary of state
10 through the law enforcement information network that the vehicle
11 has been taken into custody as abandoned. Each notification shall
12 contain the following information:

13 (a) The year, make, and vehicle identification number of the
14 vehicle if available.

15 (b) The address or approximate location from which the vehicle
16 was taken into custody.

17 (c) The date on which the vehicle was taken into custody.

18 **(D) THE DATE THE VEHICLE IS BEING ENTERED INTO THE LAW**
19 **ENFORCEMENT INFORMATION NETWORK AND WHETHER THE INFORMATION IS**
20 **BEING ENTERED WITHIN 24 HOURS AFTER THE VEHICLE WAS TAKEN INTO**
21 **CUSTODY.**

22 **(E)** ~~(d)~~ The name and address of the police agency that had the
23 vehicle taken into custody.

24 **(F)** ~~(e)~~ The name and business address of the custodian of the
25 vehicle.

26 **(G)** ~~(f)~~ The name of the court that has jurisdiction over the
27 case.

1 **(13)** ~~(12)~~ Within 7 days after being notified under subsection
2 ~~(11)~~, **(12)**, the secretary of state shall do both of the following:

3 (a) Send to the owner and secured party, as shown by the
4 records of the secretary of state, by first-class mail or personal
5 service, notice that the vehicle is considered abandoned. The form
6 for the notice shall be furnished by the secretary of state. Each
7 notice form shall contain the following information:

8 (i) The year, make, and vehicle identification number of the
9 vehicle if available.

10 (ii) The location from which the vehicle was taken into
11 custody.

12 (iii) The date on which the vehicle was taken into custody.

13 (iv) The name of the towing agency that had the vehicle taken
14 into custody.

15 (v) The business address of the custodian of the vehicle.

16 (vi) The procedure to redeem the vehicle.

17 (vii) The procedure to contest the fact that the vehicle is
18 considered abandoned or the reasonableness of the towing fees and
19 daily storage fees.

20 (viii) A form petition that the owner may file in person or by
21 mail with the specified court that requests a hearing on the
22 custodian's action.

23 (ix) A warning that the failure to redeem the vehicle or to
24 request a hearing within 20 days after the date of the notice may
25 result in the sale of the vehicle and the termination of all rights
26 of the owner and the secured party to the vehicle or the proceeds
27 of the sale.

1 (b) Enter the information described in subdivision (a) on a
2 website maintained by the department for public use in locating
3 vehicles that are removed under this section as abandoned.

4 **(14)** ~~(13)~~—The owner may contest the fact that the vehicle is
5 abandoned or, unless the towing fees and daily storage fees are
6 established by contract with the local governmental unit or local
7 law enforcement agency and comply with section 252i, the
8 reasonableness of the towing fees and daily storage fees by
9 requesting a hearing. A request for a hearing shall be made by
10 filing a petition with the court specified in the notice within 20
11 days after the date of the notice. ~~If~~ **SUBJECT TO SUBSECTION (16)**,
12 **IF** the owner requests a hearing, the matter shall be resolved after
13 a hearing conducted under section 252f. An owner who requests a
14 hearing may obtain release of the vehicle by posting with the court
15 a towing and storage bond in an amount equal to \$40.00 plus the
16 accrued towing and storage fees. The owner of a vehicle who
17 requests a hearing may obtain release of the vehicle by paying a
18 fee of \$40.00 to the court plus the towing and storage fees instead
19 of posting the towing and storage bond. An owner requesting a
20 hearing but not taking possession of the vehicle shall post with
21 the court a towing and storage bond in an amount equal to \$40.00
22 plus the accrued towing and storage fees.

23 **(15)** ~~(14)~~ ~~If~~ **SUBJECT TO SUBSECTION (17)**, **IF** the owner does not
24 request a hearing, he or she may obtain the release of the vehicle
25 by paying a fee of \$40.00 plus the accrued charges to the custodian
26 of the vehicle. The custodian shall forward \$25.00 of the fee
27 collected under this subsection to the secretary of state within 30

1 days after receipt in a manner prescribed by the secretary of
2 state, who shall deposit the fee into the abandoned vehicle fund
3 created in section 252h.

4 (16) THE SECURED PARTY MAY CONTEST THE REASONABLENESS OF THE
5 TOWING FEES AND DAILY STORAGE FEES AND REQUEST A HEARING IN THE
6 SAME MANNER AND SUBJECT TO THE SAME REQUIREMENTS AS THE OWNER UNDER
7 SUBSECTION (14). IF BOTH THE OWNER AND THE SECURED PARTY REQUEST A
8 HEARING TO CONTEST THE REASONABLENESS OF THE TOWING FEES AND DAILY
9 STORAGE FEES WITHIN 20 DAYS AFTER THE DATE OF THE NOTICE, THE COURT
10 SHALL DISMISS THE SECURED PARTY'S PETITION AND PROCEED WITH THE
11 OWNER'S PETITION AS PROVIDED IN SUBSECTION (14), UNLESS THE OWNER
12 IS IN DEFAULT ON A CONTRACT OR AGREEMENT WITH THE SECURED PARTY
13 REGARDING THAT VEHICLE. IF THE OWNER IS IN DEFAULT ON A CONTRACT OR
14 AGREEMENT WITH THE SECURED PARTY REGARDING THAT VEHICLE, THE COURT
15 SHALL DISMISS THE OWNER'S PETITION AND PROCEED WITH THE SECURED
16 PARTY'S PETITION IN THE SAME MANNER AS PROVIDED IN SUBSECTION (14).
17 IF THE COURT FINDS, AFTER A HEARING ON THE REASONABLENESS OF THE
18 TOWING FEES AND DAILY STORAGE FEES, THAT THE OWNER'S OR THE SECURED
19 PARTY'S CHALLENGE WAS FRIVOLOUS, THE COURT SHALL AWARD TO THE
20 CUSTODIAN COSTS, INCLUDING REASONABLE ATTORNEY FEES, AGAINST THE
21 OWNER OR SECURED PARTY.

22 (17) ~~(15)~~—If the owner does not redeem the vehicle or request
23 a hearing within ~~20~~10 days after the date of the notice, the
24 secured party may obtain the release of the vehicle by paying a fee
25 of \$40.00 and the accrued towing and storage fees to the custodian
26 of the vehicle. The custodian shall forward \$25.00 of the fee
27 collected under this subsection to the secretary of state within 30

House Bill No. 5181 as amended April 24, 2018

1 days after receipt in a manner prescribed by the secretary of
2 state, who shall deposit the fee into the abandoned vehicle fund
3 created in section 252h.

4 **(18)** ~~(16)~~—Not less than 20 days after the disposition of the
5 hearing described in subsection (6) or, if a hearing is not
6 requested, not less than 20 days after the date of the notice, the
7 police agency if the abandoned vehicle is found on public property,
8 or the custodian of the vehicle if the vehicle is found on private
9 property, shall offer the vehicle for sale at a public sale under
10 section 252g.

11 **(19) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE**
12 **CUSTODIAN OF A VEHICLE DESCRIBED IN THIS SECTION SHALL ALLOW THE**
13 **OWNER OF THE VEHICLE OR A SECURED PARTY TO INSPECT THE VEHICLE. THE**
14 **CUSTODIAN SHALL ALLOW THE OWNER OF THE VEHICLE TO RETRIEVE PERSONAL**
15 **PROPERTY FROM THE VEHICLE WITHOUT PAYING [A] FEE [**
16 **].**

17 **(20)** ~~(17)~~—If the ownership of a vehicle that is considered
18 abandoned under this section cannot be determined either because of
19 the condition of the vehicle identification numbers or because a
20 check with the records of the secretary of state as described in
21 section 221 or 237 does not reveal ownership, the police agency may
22 sell the vehicle at public sale as provided in section 252g not
23 less than 30 days after public notice of the sale has been
24 published.

25 **(21)** ~~(18)~~—The secretary of state shall release a vehicle for
26 disposition under section 252b or 252g within 45 days after the
27 vehicle is entered into the law enforcement information network as

1 an abandoned vehicle.

2 Sec. 252f. (1) Upon the filing of a petition prescribed in
3 section 252a, 252b, or 252d, signed by the owner of the vehicle
4 ~~which~~**THAT** has been taken into custody, **OR, UPON THE FILING OF A**
5 **PETITION PRESCRIBED IN SECTION 252A SIGNED BY THE SECURED PARTY**
6 **REGARDING A VEHICLE THAT HAS BEEN TAKEN INTO CUSTODY,** the court
7 shall do both of the following:

8 (a) Schedule a hearing within 30 days for the purpose of
9 determining whether the police agency, towing agency or custodian,
10 or private property owner acted properly.

11 (b) Notify the owner **OR THE SECURED PARTY, AS APPLICABLE,**
12 towing agency or custodian, and police agency or if the vehicle was
13 removed from private property, notify the private property owner
14 also of the time and place of the hearing.

15 (2) At the hearing specified in subsection (1), the police
16 agency, towing agency or custodian, or, if the vehicle was removed
17 from private property, the private property owner shall have the
18 burden of showing by a preponderance of the evidence that it has
19 complied with the requirements of this act in reporting or
20 processing the abandoned vehicle or vehicle removed under section
21 252d.

22 (3) After the hearing, the court shall make a decision that
23 includes 1 or more of the following:

24 (a) A finding that the police agency complied with the
25 procedures established for the processing of an abandoned vehicle
26 or a vehicle removed under section 252a, 252b, or 252d, and an
27 order providing a period of 20 days after the decision for the

1 owner **OR THE SECURED PARTY, IF APPLICABLE**, to redeem the vehicle.
2 If the owner **OR THE SECURED PARTY** does not redeem the vehicle
3 within 20 days, the police agency shall dispose of the vehicle
4 under section 252b or 252g. The court shall forward \$25.00 of the
5 fee collected under section 252b or 252g to the secretary of state
6 within 30 days after the court's decision in a manner prescribed by
7 the secretary of state. The towing and storage fees and \$15.00 of
8 the fee collected under section 252b or 252g shall be forwarded to
9 the towing agency.

10 (b) A finding that the police agency did not ~~comply with~~ **ENTER**
11 ~~the procedures established for the processing of an abandoned~~
12 ~~vehicle or a vehicle removed under~~ **AS ABANDONED INTO THE LAW**
13 **ENFORCEMENT INFORMATION NETWORK WITHIN 24 HOURS AFTER THE VEHICLE**
14 **WAS TAKEN INTO CUSTODY AS REQUIRED BY** section 252a, 252b, or 252d.
15 **252A(5) (B) OR (12)**. After making the finding, the court shall issue
16 an order directing that the vehicle immediately be released to the
17 owner **OR THE SECURED PARTY, IF APPLICABLE**, and ~~that~~ **DIRECTING 1 OF**
18 **THE FOLLOWING:**

19 (i) **THAT** the police agency ~~is responsible for~~ **REIMBURSE THE**
20 **OWNER OR THE SECURED PARTY, IF APPLICABLE, FOR** the accrued towing
21 ~~and storage charges~~ **ACCRUED BEFORE THE POLICE AGENCY ENTERED THE**
22 **VEHICLE INTO THE LAW ENFORCEMENT INFORMATION NETWORK AS REQUIRED BY**
23 **SECTION 252A(5) (B) OR (12) IF THE OWNER OR THE SECURED PARTY PAID**
24 **THE ACCRUED STORAGE CHARGES.** ~~The court shall also order any fee or~~
25 ~~bond posted by the owner to be returned to the owner.~~

26 (ii) **IF THE OWNER OR THE SECURED PARTY HAS NOT PAID THE**
27 **ACCRUED STORAGE CHARGES BUT HAS POSTED A FEE OR BOND WITH THE**

1 COURT, THAT THE POLICE AGENCY SHALL PAY DIRECTLY TO THE OWNER OR
2 SECURED PARTY THE AMOUNT OF THE STORAGE CHARGES ACCRUED BEFORE THE
3 POLICE AGENCY ENTERED THE VEHICLE INTO THE LAW ENFORCEMENT
4 INFORMATION NETWORK AS REQUIRED BY SECTION 252A(5) (B) OR 252A(12)
5 PLUS INTEREST NO LATER THAN 10 DAYS AFTER THE DATE OF THE ORDER.
6 THE COURT SHALL RELEASE THE BOND POSTED BY THE OWNER OR SECURED
7 PARTY IN FULL TO THE CUSTODIAN AFTER THE COURT HAS RECEIVED NOTICE
8 FROM THE POLICE AGENCY THAT THE POLICE AGENCY HAS ISSUED THE
9 PAYMENT REQUIRED BY THIS SUBPARAGRAPH TO THE OWNER OR SECURED
10 PARTY.

11 (C) A FINDING THAT THE POLICE AGENCY IMPROPERLY DETERMINED
12 THAT THE VEHICLE WAS ABANDONED. AFTER MAKING THE FINDING, THE COURT
13 SHALL ISSUE AN ORDER DIRECTING THAT THE VEHICLE BE IMMEDIATELY
14 RELEASED TO THE OWNER AND DIRECTING THE CUSTODIAN TO REIMBURSE THE
15 OWNER FOR THE ACCRUED TOWING AND STORAGE CHARGES, IF THE OWNER PAID
16 THE ACCRUED TOWING AND STORAGE CHARGES. THE COURT SHALL ORDER THE
17 POLICE AGENCY TO REIMBURSE THE CUSTODIAN FOR ACCRUED TOWING AND
18 STORAGE CHARGES PAID TO THE OWNER UNDER THIS SUBDIVISION. IF THE
19 OWNER HAS NOT PAID THE ACCRUED TOWING AND STORAGE CHARGES, THE
20 COURT SHALL ORDER THE POLICE AGENCY TO PAY THE ACCRUED TOWING AND
21 STORAGE CHARGES. THE COURT SHALL ALSO ORDER THE POLICE AGENCY TO
22 PAY ANY OTHER FEES ASSOCIATED WITH RECOVERING THE VEHICLE, OR TO
23 REIMBURSE THE OWNER FOR ANY OTHER FEES ASSOCIATED WITH RECOVERING
24 THE VEHICLE PAID BY THE OWNER. THE COURT SHALL ALSO ORDER ANY FEE
25 OR BOND POSTED BY THE OWNER TO BE RETURNED TO THE OWNER.

26 (D) ~~(e)~~—A finding that the towing fees and daily storage fees
27 were reasonable.

1 **(E)** ~~(d)~~—A finding that the towing fees and daily storage fees
 2 were unreasonable and issue an order directing the towing agency or
 3 custodian of the vehicle to provide the last titled owner of the
 4 vehicle **OR THE SECURED PARTY, IF APPLICABLE**, with an appropriate
 5 reduction or refund.

6 **(F)** ~~(e)~~—A finding that the owner of the real property complied
 7 with the provisions of section 252k or 252l.

8 **(G)** ~~(f)~~—A finding that the owner of the real property did not
 9 comply with the provisions of section 252k or 252l, and issue an
 10 order requiring the owner of the real property to reimburse the
 11 last titled owner of the vehicle **OR THE SECURED PARTY, IF**
 12 **APPLICABLE**, for the accrued towing and storage charges.

13 **(H)** ~~(g)~~—A finding that the towing agency did not comply with
 14 the procedures established for the proper removal and reporting of
 15 an abandoned vehicle removed under section 252a(10), **252A(11)**,
 16 252b, or 252d. After making the finding, the court shall issue an
 17 order directing that the vehicle immediately be released to the
 18 owner **OR THE SECURED PARTY, IF APPLICABLE**, and ~~that DIRECTING 1 OF~~
 19 ~~the towing agency is responsible for the accrued towing and storage~~
 20 ~~charges. The court shall also order any fee or bond posted by the~~
 21 ~~owner to be returned to the owner.~~ **FOLLOWING:**

22 **(i) THAT THE TOWING AGENCY REIMBURSE THE OWNER OR THE SECURED**
 23 **PARTY, IF APPLICABLE, FOR THE STORAGE CHARGES ACCRUED BEFORE THE**
 24 **POLICE AGENCY ENTERED THE VEHICLE INTO THE LAW ENFORCEMENT**
 25 **INFORMATION NETWORK AS REQUIRED BY SECTION 252A(5) (B) OR (12), IF**
 26 **THE OWNER OR THE SECURED PARTY PAID THE ACCRUED STORAGE CHARGES.**

27 **(ii) IF THE OWNER OR THE SECURED PARTY, IF APPLICABLE, HAS NOT**

1 PAID THE ACCRUED TOWING AND STORAGE CHARGES BUT HAS POSTED A FEE OR
2 BOND WITH THE COURT, THAT THE BOND AND STORAGE CHARGES ACCRUED
3 BEFORE THE POLICE AGENCY ENTERED THE VEHICLE INTO THE LAW
4 ENFORCEMENT INFORMATION NETWORK AS REQUIRED BY SECTION 252A(5) (B)
5 OR (12) BE RETURNED TO THE OWNER OR THE SECURED PARTY, AND THAT THE
6 REMAINDER OF ANY FEE POSTED WITH THE COURT BE PAID TO THE
7 CUSTODIAN.

8 (I) ~~(h)~~—A finding that the towing agency did comply with the
9 procedures established for the proper removal and reporting of an
10 abandoned vehicle removed under section ~~252a(10)~~, **252A(11)**, 252b,
11 or 252d.

12 (4) A HEARING UNDER THIS SECTION SHALL BE CONDUCTED BY A
13 DISTRICT COURT MAGISTRATE, IF A DISTRICT COURT MAGISTRATE HAS BEEN
14 APPOINTED BY THE COURT. THE APPEAL OF A DISTRICT COURT MAGISTRATE'S
15 DECISION UNDER THIS SECTION SHALL BE HEARD BY A JUDGE OF THE
16 DISTRICT COURT.

17 Sec. 252g. (1) Subject to section ~~252a(16)~~, **252A(18)**, a public
18 sale for a vehicle and its contents that has been determined to be
19 abandoned under section 252a or removed under section 252d shall be
20 conducted in the following manner:

21 (a) It shall be under the control of the police agency.
22 However, a police agency may designate the custodian of the vehicle
23 or a third party to conduct the auction.

24 (b) It shall be open to the public and consist of open auction
25 bidding or bidding by sealed bids. If sealed bids are received, the
26 person submitting the bid shall receive a receipt for the bid from
27 the police agency or the agency's designee or, if the vehicle is

1 being sold under section ~~252a(16)~~, **252A(18)**, the custodian of the
2 vehicle.

3 (c) Except as otherwise provided in sections ~~252a(16)~~ **252A(18)**
4 and ~~(17)~~ **(19)** and 252b(7), it shall be held not less than 5 days
5 after public notice of the 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, date,
10 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) Accrued towing and storage charges. However, if the money
14 received from the public sale does not satisfy the accrued towing
15 and storage charges, the towing company may collect the balance of
16 those unpaid fees from the last titled owner, subject to section
17 252i.

18 (b) Expenses incurred by the police agency or the custodian of
19 the vehicle.

20 (c) Payment of the \$40.00 abandoned vehicle fee described in
21 section 252f(3)(a).

22 (d) Any extra money shall be sent to the department of
23 treasury's unclaimed property division to be disbursed as follows:

24 (i) To the secured party, if any, in the amount of the debt
25 outstanding on the vehicle.

26 (ii) Remainder to the owner. A reasonable attempt shall be
27 made to mail the remainder to the last titled owner. If delivery of

1 the remainder cannot be accomplished, the remainder shall become
2 the property of the unit of government governing the location from
3 which the vehicle was towed.

4 (3) If there are no bidders on the vehicle, the police agency
5 or the custodian of the vehicle may do 1 of the following:

6 (a) Turn the vehicle over to the towing firm or the custodian
7 of the vehicle to satisfy charges against the vehicle. However, if
8 the value of the vehicle does not satisfy the towing fees and
9 accrued daily storage fees, the custodian of the vehicle may
10 collect the balance of those unpaid fees from the last titled
11 owner, subject to section 252i.

12 (b) Obtain title to the vehicle for the police agency or the
13 unit of government the police agency represents, by doing the
14 following:

15 (i) Paying the towing and storage charges.

16 (ii) Applying for title to the vehicle.

17 (c) Hold another public sale under subsection (1).

18 (4) A person who acquires ownership of a vehicle under
19 subsection (1) or (3) that has been designated as a distressed
20 vehicle shall apply for a salvage certificate of title within 15
21 days after obtaining the vehicle.

22 (5) Upon disposition of the vehicle, the police agency or
23 towing agency or custodian shall provide the secretary of state and
24 the police agency, if that police agency did not conduct the sale,
25 with the vehicle's disposition and the name of the agency that
26 disposed of it and the police agency shall cancel the entry in the
27 law enforcement information network.

1 (6) Not less than 25 days after the date of notice required
2 under section 252a, if the police agency does not provide a copy of
3 the bill of sale by the police agency for the abandoned vehicle to
4 the towing agency or custodian or police agency's designee, the
5 towing agency or custodian or police agency designee may obtain an
6 original of the bill of sale by submitting an application to the
7 secretary of state in a form as determined by the secretary of
8 state.

9 Enacting section 1. This amendatory act takes effect 90 days
10 after the date it is enacted into law.