

HOUSE BILL No. 4878

May 30, 1989, Introduced by Reps. Nye, Sparks, Power, Dunaskiss, Bender, Emmons, Muxlow and Martin and referred to the Committee on State Affairs.

A bill to amend section 2 of Act No. 312 of the Public Acts of 1915, entitled as amended

"An act to establish, protect and enforce by lien the rights of garage keepers who furnish labor or material for storing, repairing, maintaining, keeping or otherwise supplying automobiles or other vehicles,"

being section 570.302 of the Michigan Compiled Laws; and to add section 1b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2 of Act No. 312 of the Public Acts of
2 1915, being section 570.302 of the Michigan Compiled Laws, is
3 amended and section 1b is added to read as follows:

4 SEC. 1B. IF CHARGES DESCRIBED IN SECTION 1 FOR AN AIRCRAFT
5 ARE NOT PAID WITHIN 60 DAYS AFTER A CLAIM OF LIEN TOGETHER WITH
6 AN ITEMIZED STATEMENT OF THE ACCOUNT IS DELIVERED TO THE
7 REGISTERED OWNER OF THE AIRCRAFT BY PERSONAL SERVICE OR SERVICE

1 BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO THE LAST KNOWN
2 ADDRESS OF THE REGISTERED OWNER OF THE AIRCRAFT, AND A RECORD OF
3 THE LIEN HAS BEEN FILED WITH THE FEDERAL AVIATION ADMINISTRATION
4 AIRCRAFT REGISTRY, THE GARAGE KEEPER MAY SELL THE AIRCRAFT AT
5 PUBLIC AUCTION. THE SALE SHALL BE HELD NOT LESS THAN 20 DAYS NOR
6 MORE THAN 60 DAYS AFTER THE EXPIRATION OF THE 60-DAY PERIOD. NOT
7 LATER THAN 10 DAYS BEFORE ANY SALE IS HELD, THE GARAGE KEEPER
8 SHALL GIVE WRITTEN NOTICE OF THE TIME AND PLACE OF THE SALE TO
9 THE FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGISTRY, TO ANY
10 LIENHOLDER AS SHOWN BY THE RECORDS OF THE FEDERAL AVIATION ADMIN-
11 ISTRATION AIRCRAFT REGISTRY, AND TO THE REGISTERED OWNER OF THE
12 AIRCRAFT. NOTICE TO THE FEDERAL AVIATION ADMINISTRATION AIRCRAFT
13 REGISTRY AND THE LIENHOLDERS SHALL BE GIVEN BY FIRST CLASS MAIL,
14 ADDRESSED TO THE FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGIS-
15 TRY, OKLAHOMA CITY, OKLAHOMA, AND TO THE ADDRESS OF THE
16 LIENHOLDERS. NOTICE TO THE REGISTERED OWNER OF THE AIRCRAFT
17 SHALL BE GIVEN PERSONALLY OR BY CERTIFIED MAIL, DIRECTLY TO THE
18 LAST KNOWN ADDRESS OF THE REGISTERED OWNER. THE GARAGE KEEPER
19 MAY BID FOR AND PURCHASE THE AIRCRAFT AT THE SALE. IF THE GARAGE
20 KEEPER DIRECTLY OR INDIRECTLY PURCHASES THE AIRCRAFT AT THE SALE,
21 THE PROCEEDS OF THE SALE SHALL BE CONSIDERED TO BE EITHER THE
22 AMOUNT PAID BY THE GARAGE KEEPER OR THE FAIR CASH MARKET VALUE OF
23 THE AIRCRAFT AT THE TIME OF SALE, WHICHEVER IS THE GREATER. ANY
24 SURPLUS RECEIVED AT THE SALE, AFTER ALL CHARGES OF THE GARAGE
25 KEEPER HAVE BEEN PAID AND SATISFIED AND ALL COSTS OF SALE HAVE
26 BEEN DEDUCTED, SHALL BE RETURNED TO ANY LIENHOLDER WHO HAS GIVEN
27 NOTICE TO THE GARAGE KEEPER OF HIS OR HER CLAIM OF LIEN, BEFORE

1 DISTRIBUTION OF THE PROCEEDS OF THE SALE IS COMPLETE, AND THE
2 BALANCE SHALL BE RETURNED TO THE REGISTERED OWNER OF THE
3 AIRCRAFT.

4 Sec. 2. ~~if such~~ EXCEPT AS OTHERWISE PROVIDED FOR AIR-
5 CRAFT IN SECTION 1B, IF charges DESCRIBED IN SECTION 1 are not
6 paid within 45 days after A CLAIM OF LIEN TOGETHER WITH AN ITEM-
7 IZED STATEMENT OF THE ACCOUNT IS DELIVERED TO THE REGISTERED
8 OWNER OF THE VEHICLE BY personal service ~~or~~ or service by regis-
9 tered or certified mail addressed to the last known address of
10 the registered owner of the vehicle, ~~of a claim of lien together~~
11 ~~with an itemized statement of the account upon the registered~~
12 ~~owner of the vehicle,~~ the garage keeper may sell the vehicle at
13 public auction. The sale shall be held not less than 20 days nor
14 more than 60 days after the expiration of the 45-day period.
15 ~~Before~~ NOT LATER THAN 10 DAYS BEFORE any sale is held, the
16 garage keeper shall give WRITTEN NOTICE OF THE TIME AND PLACE OF
17 THE SALE to the department of state, ~~and to any lien holder,~~
18 LIENHOLDER as shown by the records of the department OF STATE,
19 and to the registered owner of the vehicle. ~~not less than 10~~
20 ~~days' written notice of the time and place of the sale.~~ Notice
21 to the department of state and the ~~lien holders~~ LIENHOLDERS
22 shall be given by first class mail, addressed to the department
23 of state, Lansing, Michigan, and to the address of the ~~lien~~
24 ~~holders~~ LIENHOLDERS, as shown by the records of the department.
25 Notice to the registered owner of ~~such~~ THE vehicle shall be
26 given personally or by certified mail, directly to the last known
27 address of the registered owner. The garage keeper may bid for

1 and purchase the vehicle at the sale. If the garage keeper
2 directly or indirectly purchases the vehicle at the sale, the
3 proceeds of the sale shall be considered to be either the amount
4 paid by the garage keeper or the fair cash market value of the
5 vehicle at the time of sale, whichever is the greater. Any sur-
6 plus received at the sale, after all charges of the garage keeper
7 have been paid and satisfied and all costs of sale have been
8 deducted, shall be returned to any ~~lien holder~~ LIENHOLDER who
9 has given notice to the garage keeper of his OR HER claim of
10 lien, before distribution of the proceeds of the sale is com-
11 plete, and the balance shall be returned to the registered owner
12 of the vehicle.