



**House
Legislative
Analysis
Section**

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**ABANDONED/REMOVED VEHICLES:
TOWING/STORAGE LIABILITY**

House Bill 5940

Sponsor: Rep. Michael Bishop

Committee: Civil Law and the Judiciary

Complete to 8-5-02

A SUMMARY OF HOUSE BILL 5940 AS INTRODUCED 4-23-02

House Bill 5940 would amend the Michigan Vehicle Code (MCL 257.252g) to specify that if the public sale of an abandoned or “removed” vehicle does not fully cover the towing and storage charges, a towing firm is not prohibited from pursuing another lawful remedy. The vehicle code allows police agencies to take possession, and conduct public sales, of vehicles that have been either abandoned by their owners or “removed” from public or private property because of certain safety hazards or threats to safety. The code requires that the proceeds of the sale of any given car be used to pay various expenses related to that car and provides that the remainder be given to the car’s owner. The code currently requires that towing and storage charges be paid before other expenses but does not address the issue of liability in a case where the proceeds of a car sale amount to less than the cost of towing and storing the car.

House Bill 5940 (8-5-02)

Analyst: J. Caver

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