

HOUSE BILL No. 6031

December 2, 2014, Introduced by Rep. Price and referred to the Committee on Local Government.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 252g (MCL 257.252g), as amended by 2012 PA 498.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 252g. (1) Subject to section 252a(16), a public sale for
2 a vehicle and its contents that has been determined to be abandoned
3 under section 252a or removed under section 252d shall be conducted
4 in the following manner:

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

8 (b) It shall be open to the public and consist of open auction

1 bidding or bidding by sealed bids. If sealed bids are received, the
2 person submitting the bid shall receive a receipt for the bid from
3 the police agency or the agency's designee or, if the vehicle is
4 being sold under section 252a(16), the custodian of the vehicle.

5 (c) Except as otherwise provided in sections 252a(16) and (17)
6 and ~~252b(7)~~, **252B(8)**, it shall be held not less than 5 days after
7 public notice of the sale has been published.

8 (d) ~~The~~ **BEFORE JANUARY 1, 2015, THE** public notice shall be
9 published at least once in a newspaper having a general circulation
10 within the county in which the vehicle was abandoned. **BEGINNING**
11 **JANUARY 15, 2015, THE PUBLIC NOTICE SHALL BE TIER B WITH A LINK**
12 **NOTICE AS PROVIDED IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT.** The
13 public notice shall give a description of the vehicle for sale and
14 shall state the time, date, and location of the sale.

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

17 (a) Accrued towing and storage charges. However, if the money
18 received from the public sale does not satisfy the accrued towing
19 and storage charges, the towing company may collect the balance of
20 those unpaid fees from the last titled owner, subject to section
21 252i.

22 (b) Expenses incurred by the police agency or the custodian of
23 the vehicle.

24 (c) Payment of the \$40.00 abandoned vehicle fee described in
25 section ~~252f(3)(a)~~. **252B(8) TO (10)**.

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

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

3 (ii) Remainder to the owner. A reasonable attempt shall be made
4 to mail the remainder to the last titled owner. If delivery of the
5 remainder cannot be accomplished, the remainder shall become the
6 property of the unit of government governing the location from
7 which the vehicle was towed.

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

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

16 (b) Obtain title to the vehicle for the police agency or the
17 unit of government the police agency represents, by doing the
18 following:

19 (i) Paying the towing and storage charges.

20 (ii) Applying for title to the vehicle.

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

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

26 (5) Upon disposition of the vehicle, the police agency or
27 towing agency or custodian shall provide the secretary of state and

1 the police agency, if that police agency did not conduct the sale,
2 with the vehicle's disposition and the name of the agency that
3 disposed of it and the police agency shall cancel the entry in the
4 law enforcement information network.

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

13 Enacting section 1. This amendatory act does not take effect
14 unless Senate Bill No. ____ or House Bill No. 5560 (request no.
15 03796'13) of the 97th Legislature is enacted into law.