

# SENATE BILL NO. 656

November 13, 2019, Introduced by Senators IRWIN and JOHNSON and referred to the Committee on Economic and Small Business Development.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 14, 248a, and 248d (MCL 257.14, 257.248a, and 257.248d), sections 14 and 248a as amended and section 248d as added by 2012 PA 498.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 14. (1) Except as provided in subsections (2) and (3),  
2 "established place of business" means ~~the place~~ **a bona fide**  
3 **premises that is** actually occupied either continuously or at

1 regular periods by a dealer or manufacturer; ~~where his or her~~ **at**  
 2 **which the dealer or manufacturer keeps its** books and records; ~~are~~  
 3 ~~kept~~ and **at which the dealer or manufacturer transacts** a large  
 4 share of ~~his or her~~ **its** business. ~~transacted.~~

5 (2) ~~Established place of business for~~ **For** a class (a) or class  
 6 (b) dealer, "**established place of business**" means **a bona fide**  
 7 premises that ~~meet~~ **meets** all of the following requirements **at all**  
 8 **times during the term of the dealer's license:**

9 (a) The premises contain, except as otherwise provided in this  
 10 act, a permanently enclosed building or structure **that is** either  
 11 owned, leased, or rented by ~~a dealer, which~~ **the dealer; the**  
 12 **building or structure** is not a residence, tent, temporary stand, or  
 13 any temporary quarters; the building or structure is continuously  
 14 occupied in good faith for the purpose of selling, buying, trading,  
 15 leasing, or otherwise dealing in motor vehicles; all books,  
 16 records, and files necessary to conduct the business of a class (a)  
 17 or class (b) dealer are maintained in the building or structure;  
 18 and the building or structure houses an office of at least 150  
 19 square feet in size, equipped with standard office furniture,  
 20 working utilities, a working restroom, and a working telephone  
 21 listed in the name of the business on the dealer's license.

22 (b) The premises have land space of ~~no~~ **not** less than 1,300  
 23 square feet to accommodate the display of a minimum of 10 vehicles  
 24 of the kind and type that the dealer is licensed to sell and an  
 25 additional 650 square feet for customer parking.

26 (c) The display and customer parking areas ~~shall be~~ **described**  
 27 **in subdivision (b) are** adequately surfaced and well-lit during  
 28 business hours.

29 (d) ~~(e)~~ The premises are identified by an exterior sign

1 displaying the name of the dealership that is permanently affixed  
 2 to the building or land with letters clearly visible from a  
 3 ~~highway.~~ **the roadway.**

4 (e) ~~(d)~~—The premises contain a conspicuous posting of the  
 5 dealer's regular hours of operation. ~~The posted hours shall be not~~  
 6 ~~less than 30 hours per week.~~

7 (f) ~~(e)~~—The premises contain a registered repair facility on  
 8 site for the repair and servicing of motor vehicles of a type sold  
 9 at the established place of business, unless the dealer has entered  
 10 into a written servicing agreement with a registered repair  
 11 facility at a location ~~not to exceed 10 miles' distance from that~~  
 12 **is located within a 10-mile radius of** the established place of  
 13 business. If repairs are conducted ~~pursuant to~~ **under** a servicing  
 14 agreement, the **dealer shall conspicuously post the** servicing  
 15 agreement ~~shall be conspicuously posted in the~~ **dealer's** office.

16 (g) ~~(f)~~—The premises meet all applicable zoning requirements  
 17 and **any other applicable** municipal requirements.

18 (3) ~~An established~~ **For a wholesaler, "established** place of  
 19 ~~business for a wholesaler shall satisfy all of the following~~  
 20 ~~requirements:~~ **business" means a bona fide premises that meets all of**  
 21 **the following requirements at all times during the term of the**  
 22 **wholesaler's license:**

23 (a) The premises ~~shall~~ contain a permanently enclosed building  
 24 or structure that is either owned, leased, or rented ~~by a~~  
 25 ~~wholesaler, which~~ **and** is not a commercial mailbox, tent, temporary  
 26 stand, or other temporary quarters.

27 (b) All books, records, and files necessary to conduct the  
 28 business of the wholesaler ~~shall be~~ **are** maintained in the building  
 29 or structure described in subdivision (a).

1           (c) The premises ~~shall~~**are** not ~~be~~ used for the display of  
2 vehicles. However, the premises may be used for the storage of  
3 vehicles purchased by the wholesaler ~~prior to~~**before** sale to a  
4 licensed vehicle dealer.

5           (d) The premises ~~shall be~~**are** identified by an exterior sign  
6 displaying the name of the wholesaler that is permanently affixed  
7 to the building or land with letters clearly visible from the  
8 roadway.

9           (e) The premises ~~shall satisfy~~**meet** all applicable zoning  
10 requirements and any other applicable municipal requirements.

11           **(f) The premises are not located within 200 feet of an**  
12 **established place of business of another licensed wholesaler.**  
13 **However, this subdivision only applies to a wholesaler that**  
14 **receives its initial license after January 1, 2020.**

15           **(g) The premises contain a conspicuous posting of the**  
16 **wholesaler's regular hours of operation.**

17           Sec. 248a. (1) A motor vehicle dealer shall not advertise or  
18 represent a motor vehicle ~~to be~~**as** a demonstrator, executive or  
19 manufacturer's vehicle, leased vehicle, new motor vehicle, or used  
20 or secondhand vehicle unless the vehicle so described is as defined  
21 in this act.

22           (2) A motor vehicle dealer shall maintain and adhere to  
23 designated business hours ~~that are filed~~**and file its designated**  
24 **business hours** with the secretary of state.

25           **(3) A class (a) or class (b) dealer shall maintain an**  
26 **established place of business in this state in accordance with the**  
27 **conditions listed in section 14(2).**

28           **(4) A class (a) or class (b) dealer shall maintain regular**  
29 **business hours at an established place of business that include at**

1 **least 30 regular business hours on Monday through Saturday, between**  
2 **the hours of 7:00 a.m. and 7:00 p.m. each week.**

3       Sec. 248d. All of the following requirements apply to a  
4 wholesaler:

5       (a) A wholesaler shall not advertise vehicles for sale on the  
6 internet or any classified listing unless the advertisement clearly  
7 discloses the wholesaler's license classification and clearly  
8 states that ~~any~~**a purchaser shall**~~must~~ be a licensed vehicle  
9 dealer.

10       (b) A wholesaler ~~shall~~**must** buy or sell not ~~less~~**fewer** than 24  
11 vehicles in this state each year to retain possession of a  
12 wholesaler license.

13       (c) A wholesaler shall maintain an established place of  
14 business in this state ~~that satisfies~~**in accordance with** the  
15 conditions listed in section 14(3).

16       (d) A wholesaler shall maintain and adhere to designated  
17 business hours ~~that are filed~~**and file its designated business**  
18 **hours** with the secretary of state.

19       (e) **A wholesaler shall maintain regular hours of operation at**  
20 **an established place of business that include at least 15 regular**  
21 **business hours on Monday through Saturday, between the hours of**  
22 **7:00 a.m. and 7:00 p.m. each week.**

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