

**SUBSTITUTE FOR  
SENATE BILL NO. 25**

A bill to amend 1974 PA 300, entitled  
"Motor vehicle service and repair act,"  
by amending sections 2, 13b, 14, 15, 16, 17, 18, 30, 32, 32a, 33,  
and 40 (MCL 257.1302, 257.1313b, 257.1314, 257.1315, 257.1316,  
257.1317, 257.1318, 257.1330, 257.1332, 257.1332a, 257.1333, and  
257.1340), section 2 as amended by 2020 PA 227 and sections 13b and  
32a as added and sections 14, 15, 16, 17, 18, 30, 32, and 33 as  
amended by 2016 PA 430, and by adding section 30a.

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

1           Sec. 2. As used in this act:

2           (a) "Administrator" means the secretary of state or any  
3 individual designated by the secretary of state to act ~~in his or~~  
4 ~~her place.~~ **on behalf of the secretary of state.**

1           (b) "Advertise" means to advise, announce, apprise, command,  
2 give notice of, inform, make known, or publish any material that  
3 calls to the attention of the public the availability of parts and  
4 services.

5           (c) "Approved educational institution" means a school,  
6 academy, or other similar establishment approved by the  
7 administrator under section 13a to provide training to mechanics or  
8 mechanical trainees under this act.

9           (d) "Automobile or light truck" means a motor vehicle that has  
10 a gross vehicle weight rating of less than 14,000 pounds.

11           **(e) "Auxiliary facility" means a motor vehicle repair facility**  
12 **that meets the requirements of section 14(3).**

13           (f) ~~(e)~~—"BAIID mechanic" means a specialty mechanic who holds  
14 a certification from the department under section 10 to perform  
15 BAIID service.

16           (g) ~~(f)~~—"BAIID service" means the installation, removal,  
17 repair, or other servicing of breath alcohol ignition interlock  
18 devices.

19           (h) ~~(g)~~—"Breath alcohol ignition interlock device" or "BAIID"  
20 means that term as defined in section 20d of the Michigan vehicle  
21 code, 1949 PA 300, MCL 257.20d.

22           (i) ~~(h)~~—"Contract" means a written or oral agreement, or a  
23 similar understanding or arrangement, in which a person agrees that  
24 another person will perform work, labor, diagnosis, repair,  
25 reconditioning, replacement, adjustment, or alteration, directly or  
26 indirectly, on a motor vehicle.

27           (j) ~~(i)~~—"Customer" means the owner or operator of a motor  
28 vehicle.

29           (k) ~~(j)~~—"Department" means the department of state.

1           (l) ~~(k)~~—"Distressed vehicle" means that term as defined in  
2 section 12a of the Michigan vehicle code, 1949 PA 300, MCL 257.12a.

3           (m) **"Established place of business" means the premises**  
4 **occupied continuously or at regular periods by a facility where**  
5 **that facility maintains records.**

6           (n) ~~(l)~~—"Estimate" means a written statement that itemizes as  
7 closely as possible the price for labor, by showing the labor price  
8 per hour, the number of hours required to perform the work, and the  
9 price of parts necessary for a specific repair.

10           (o) ~~(m)~~—"Facility" or "motor vehicle repair facility" means a  
11 place of business that is required to register under this act,  
12 **except for a motor vehicle repair facility that is an auxiliary**  
13 **facility,** and that, for compensation, is engaged in the business of  
14 performing, or employs individuals who perform, maintenance,  
15 diagnosis, vehicle body work, ~~or~~ repair service, or ~~, beginning~~  
16 ~~July 1, 2016,~~ BAIID service, on a motor vehicle. ~~The term does~~  
17 **Facility and motor vehicle repair facility do** not include any of  
18 the following:

19           (i) A person that engages only in the business of repairing the  
20 motor vehicles of a single commercial or industrial establishment  
21 or governmental agency.

22           (ii) An individual who is repairing ~~his or her~~ **the individual's**  
23 own or a family member's motor vehicle.

24           (iii) A business that does not diagnose the operation of a motor  
25 vehicle, does not remove parts from a motor vehicle to be  
26 remachined, and does not install finished machined or remachined  
27 parts on a motor vehicle. This subparagraph does not apply to a  
28 motor vehicle repair facility that engages in the business of  
29 performing, or employing individuals who perform, vehicle body

1 work.

2 (iv) A BAIID facility described in section 625k(14) (d) of the  
3 Michigan vehicle code, 1949 PA 300, MCL 257.625k.

4 (p) ~~(n)~~ "Heavy-duty truck" means a motor vehicle that has a  
5 gross vehicle weight rating of 14,000 pounds or more and includes  
6 both single-unit and combination tractor trailer or tractor  
7 semitrailer vehicles.

8 (q) ~~(o)~~ "Late model vehicle" means that term as defined in  
9 section 24b of the Michigan vehicle code, 1949 PA 300, MCL 257.24b.

10 (r) ~~(p)~~ "Lien" means a security interest in or other  
11 encumbrance on a motor vehicle ~~. The term and~~ includes a security  
12 interest created by agreement, a judicial lien obtained by legal or  
13 equitable process or proceedings, a common-law lien, or a statutory  
14 lien on a vehicle.

15 Sec. 13b. (1) A certified specialty or master mechanic shall  
16 display, in a conspicuous location in the ~~place of business where~~  
17 ~~he or she~~ **motor vehicle repair facility where the certified**  
18 **specialty or master mechanic** is employed or engaged to perform  
19 repairs, a current and valid certificate issued by the  
20 administrator. **A certified specialty or master mechanic who works**  
21 **at an auxiliary facility does not need to display in the auxiliary**  
22 **facility a current and valid certificate issued by the**  
23 **administrator.**

24 (2) If a certified mechanic works on, inspects and approves,  
25 or supervises a repair, ~~he or she~~ **the certified mechanic** shall  
26 affix ~~his or her~~ **the certified mechanic's** name and certification  
27 number, as assigned by the administrator, to the written statement  
28 of repairs given **to** the customer under section 34.

29 (3) A certified specialty or master mechanic or mechanic

1 trainee shall not depart from, or disregard in any material  
2 respect, accepted motor vehicle repair industry standards.  
3 Compliance with published vehicle manufacturer, parts manufacturer,  
4 equipment manufacturer, or recognized aftermarket repair manual  
5 specifications creates a presumption that the mechanic or mechanic  
6 trainee has followed accepted motor vehicle repair industry  
7 standards.

8 (4) If the administrator, after notice and a hearing,  
9 determines that a specialty or master mechanic or mechanic trainee  
10 has violated subsection (3), the administrator may, under section  
11 21, require that the specialty or master mechanic or mechanic  
12 trainee do both of the following:

13 (a) Successfully complete a designated training course or  
14 program as a prerequisite to continued certification.

15 (b) ~~Only perform~~ **Perform only** specific motor vehicle repairs  
16 or repair procedures identified by the administrator until the  
17 training course or program described in subdivision (a) is  
18 completed.

19 Sec. 14. **(1) The** ~~Except for an auxiliary facility, the~~ owner  
20 of a motor vehicle repair facility shall register the facility by  
21 providing all of the following information to the administrator, on  
22 a registration form provided by the administrator, accompanied by a  
23 registration fee in an amount determined under section 30:

24 (a) The name ~~, address,~~ and form of ownership of the facility,  
25 and if the owner is a corporation, the date and place of  
26 incorporation.

27 **(b) For applicants that apply on or after January 1, 2026, the**  
28 **location of the applicant's established place of business in this**  
29 **state, along with written verification from the appropriate**

1 **municipal governing body or zoning authority that states that the**  
 2 **applicant's established place of business meets all applicable**  
 3 **municipal and zoning requirements.**

4 (c) ~~(b)~~—The name and address of each of the owner's resident  
 5 agents, officers, directors, and partners in this state, as  
 6 applicable.

7 (d) ~~(e)~~—The principal occupation or business for the past 5  
 8 years of all of the following, as applicable:

9 (i) Each person that owns ~~10%~~**25%** or more of the facility.

10 (ii) For each owner described in subparagraph (i), every officer  
 11 and director if the owner is a corporation; every partner if the  
 12 owner is a partnership; and any other person that occupies a  
 13 similar status or performs similar functions.

14 (e) ~~(d)~~—A description of the facility that includes all of the  
 15 following **information**:

16 (i) The type of service business the facility operates.

17 (ii) The type of repairs the facility performs.

18 (iii) The type of vehicles the facility services.

19 (iv) The number of mechanics the facility employs who perform  
 20 repairs.

21 (v) ~~The~~**Subject to subdivision (f), the** range of gross revenue  
 22 received by the facility from performing repairs, including revenue  
 23 from parts and goods sold in conjunction with repairs, for the most  
 24 recent federal income tax year.

25 (vi) Measured in square feet, the size of ~~that part of the~~  
 26 **space within** the facility ~~utilized~~**used** for performing repairs.

27 (f) **Unless the applicant's gross revenue exceeds \$300,000.00,**  
 28 **proof of the facility's gross revenue provided under subdivision**  
 29 **(e) (v), if requested by the administrator.**

1           **(g)** ~~(e)~~—An irrevocable appointment of the secretary of state  
2 as the agent for the facility for service of process.

3           **(h)** ~~(f)~~—A copy of each instrument, form, contract, or other  
4 document used by the applicant in ~~dealing~~**connection** with the  
5 ~~public in the~~ repair of motor vehicles **for the public**, including,  
6 but not limited to, all of the following:

7           (i) Any document on which the facility routinely requires ~~the~~**a**  
8 customer's signature.

9           (ii) Any document used by the facility in connection with  
10 providing estimates, diagnoses, or repairs.

11           (iii) Any invoices, warranties, or waivers.

12           (iv) Any other document used by the facility to comply with  
13 this act or rules promulgated under this act.

14           **(i) If applicable, any auxiliary facilities that will share**  
15 **the same registration and registration number as the facility that**  
16 **the owner is registering.**

17           **(j)** ~~(g)~~—Any other relevant information required by the  
18 administrator.

19           **(2) Subject to this section, the owner of a motor vehicle**  
20 **repair facility that is registered under subsection (1) may be**  
21 **approved for a single, auxiliary facility under the same**  
22 **registration and registration number as the facility registered**  
23 **under subsection (1) if the owner of that motor vehicle repair**  
24 **facility submits an application for an auxiliary facility to the**  
25 **department, along with written verification from the appropriate**  
26 **municipal governing body or zoning authority that states that the**  
27 **auxiliary facility meets all applicable municipal and zoning**  
28 **requirements. The application for an auxiliary facility must be in**  
29 **a format as determined by the administrator.**

1           (3) An auxiliary facility must meet all of the following  
2 requirements:

3           (a) Be located within a 1-mile radius of the motor vehicle  
4 repair facility described under subsection (2).

5           (b) Serve as an extension of the motor vehicle repair facility  
6 described under subsection (2).

7           (c) Mirror the registered facility's hours of operation, types  
8 of vehicles serviced, and repairs performed.

9           (d) Rely on the established place of business of the motor  
10 vehicle repair facility described under subsection (2) for all in-  
11 person customer interactions including, but not limited to,  
12 customer drop off and pick up of vehicles, payment for services  
13 rendered, invoice generation, and other documents shared with a  
14 customer.

15           (e) Not perform any repairs that are not approved, directed,  
16 or initiated by and through the motor vehicle repair facility  
17 described under subsection (2).

18           (4) Upon receiving an application for an auxiliary facility  
19 under subsection (2), the administrator shall review the compliance  
20 history of the registered motor vehicle repair facility and may, if  
21 the registered motor vehicle repair facility has any of the  
22 following, deny the application or revoke the approval of the  
23 application:

24           (a) Two or more unresolved violations involving customer parts  
25 retention.

26           (b) Two or more unresolved violations for failing to maintain  
27 records.

28           (c) An unresolved violation for hindering or obstructing a  
29 general compliance inspection or a consumer complaint inspection.



1 (5) An auxiliary facility does not need any of the following:

2 (a) A registration certificate with a separate registration  
3 number from the facility with which the auxiliary facility shares a  
4 registration.

5 (b) An exterior sign that identifies the business.

6 (c) Any customer instrument, form, contract, written  
7 statement, or other document required under section 32(6) or  
8 section 34 that is distinct from the instruments, forms, contracts,  
9 written statements, or other documents used by the facility with  
10 which the auxiliary facility shares a registration.

11 (d) A consumer information sign.

12 (e) A notice of parts return sign.

13 Sec. 15. (1) A motor vehicle repair facility registration  
14 under this act takes effect on the date ~~it~~**the registration** is  
15 approved by the administrator and expires 1 year after that date.  
16 ~~The~~**Except as otherwise provided in subsection (4), the** owner of a  
17 motor vehicle repair facility shall renew ~~its~~**the facility's**  
18 registration annually and shall submit an application for renewal  
19 of the registration, accompanied by a registration fee in an amount  
20 determined under section 30, with the administrator ~~at least~~**not**  
21 **later than** 30 days before the expiration of ~~its~~**the facility's**  
22 then-current registration.

23 (2) A motor vehicle repair facility may continue to operate  
24 after the expiration date of ~~its~~**the facility's** then-current  
25 registration, pending approval of the renewal application by the  
26 administrator, if the renewal application and renewal fee are  
27 received by the administrator on or before the expiration date. If  
28 a renewal application and renewal fee are filed after the  
29 expiration date, the facility may operate from the day on which the

1 application and appropriate fee are received by the administrator,  
 2 pending approval of the renewal application. The administrator  
 3 shall charge a fee of 1-1/2 times the normal registration fee **for**  
 4 **each year the license is expired** if the renewal application is  
 5 received by the administrator after the expiration date.

6 (3) A person that owns more than 1 motor vehicle repair  
 7 facility shall file a single registration form for all of those  
 8 facilities annually, that along with the other information required  
 9 under this act, clearly indicates the location of and the  
 10 individual in charge of each facility, and shall pay a separate  
 11 registration fee, **except for a facility that is an auxiliary**  
 12 **facility**, for each of those facilities.

13 (4) **An owner of a motor vehicle repair facility with a gross**  
 14 **revenue that exceeds \$300,000.00 may renew the facility's**  
 15 **registration for more than 1 year but not more than 4 years if the**  
 16 **owner submits an application for renewal to the administrator**  
 17 **accompanied by a registration fee in an amount determined under**  
 18 **section 30(4).**

19 Sec. 16. (1) If there is a change ~~in~~**of** ownership of a motor  
 20 vehicle repair facility, a new registration and payment of a new  
 21 registration fee is required and the facility shall not operate  
 22 until ~~its~~**the facility's** registration application is approved by  
 23 the administrator and the fee is paid. If a name ~~or~~**and** address of  
 24 ~~the~~**a** motor vehicle repair facility changes ~~,~~ and there is not a  
 25 change of ownership, the facility shall notify the administrator in  
 26 writing of the change ~~and shall make the appropriate changes on the~~  
 27 ~~next renewal registration when due.~~**by completing and submitting the**  
 28 **repair facility change of address notification. If an address of a**  
 29 **motor vehicle repair facility changes, the facility shall submit a**

1 written verification from the appropriate municipal governing body  
2 or zoning authority that states that the established place of  
3 business and, if applicable, any auxiliary facility, meet all  
4 applicable municipal and zoning requirements.

5 (2) If the owner of a motor vehicle repair facility is a  
6 corporation, and ~~10%~~**25%** or more of the stock of the corporation is  
7 sold or transferred, the owner shall notify the administrator of  
8 that change ~~within~~**not later than** 30 days ~~of~~**after** the sale or  
9 transfer.

10 (3) As used in this section, "change of ownership" means a  
11 sale of all or part of a facility to a new owner, ~~The term~~  
12 ~~includes~~**including** a sale or transfer of a partnership interest in  
13 the owner of a facility if the owner is a partnership. ~~The term~~  
14 **Change of ownership** does not include the sale or transfer of stock  
15 in the owner of a facility if the owner is a corporation.

16 Sec. 17. (1) The owner of a facility that is registered or is  
17 required to register under this act shall ensure that the facility  
18 ~~is~~**and, if applicable, any auxiliary facilities are** open to  
19 inspection by the administrator and other law enforcement officials  
20 during reasonable business hours. During reasonable business hours,  
21 the administrator and other law enforcement officials may make  
22 periodic unannounced inspections of the premises, parts records,  
23 and parts inventories of a facility **or auxiliary facility**.

24 (2) A person shall not hinder, obstruct, or otherwise prevent  
25 an inspection under this section or section 18 or 18a.

26 (3) As used in this section, "reasonable business hours"  
27 includes any posted or advertised business hours of a facility.

28 Sec. 18. (1) The owner of a motor vehicle repair facility  
29 shall maintain reasonable business records for the facility **and, if**

1 **applicable, any auxiliary facilities** and ensure that those records  
2 are open for reasonable inspection by the administrator or other  
3 law enforcement officials. As used in this subsection, "reasonable  
4 business records" includes those documents and records described in  
5 subsection (2)(a) to (c).

6 (2) The owner of a motor vehicle repair facility shall retain  
7 the records of the facility **and, if applicable, any auxiliary**  
8 **facilities** for the following time periods:

9 (a) The owner shall retain copies of each instrument, form,  
10 contract, or other document used in connection with a repair  
11 transaction, including, but not limited to, all of the following  
12 for at least 3 years after completion of the repair transaction:

13 (i) Any document on which the facility required the customer's  
14 signature.

15 (ii) Any document used by the facility in connection with  
16 providing an estimate, diagnosis, or repair.

17 (iii) Any invoice, warranty, or waiver.

18 (iv) Any other document used by the facility to record or  
19 convey the terms of the transaction.

20 (v) Any other document required under this act or rules  
21 promulgated under this act in connection with a repair transaction.

22 (b) If a facility is advised by the administrator that ~~he or~~  
23 ~~she~~**the administrator** has received a complaint about a repair  
24 transaction performed by the facility, and the facility is under  
25 investigation by the administrator, the owner shall retain records  
26 relating to the transaction or otherwise relevant to the complaint  
27 until the date the administrator advises the facility in writing  
28 that the complaint is closed, or for 3 years after the completion  
29 of the repair transaction, whichever is later.

1 (c) If a repair transaction involves the assumption by the  
2 facility of an obligation ~~extending beyond~~ **for more than** 3 years,  
3 the owner shall retain records or documents relating to that  
4 obligation for ~~at least~~ **not less than** the term of the obligation.

5 (d) For any other document or record than those described in  
6 subdivision (a), (b), or (c), the owner shall retain that document  
7 or record for ~~at least~~ **not less than** 3 years.

8 **(e) Business records for an auxiliary facility must be stored**  
9 **at the facility with which the auxiliary facility shares a**  
10 **registration.**

11 (3) A facility that engages in vehicle body work shall  
12 maintain records in a form prescribed by the administrator. The  
13 records ~~shall~~ **must** contain the date of purchase or acquisition of  
14 each distressed vehicle, a description of the vehicle, and the name  
15 and address of the person from which the vehicle was acquired. If  
16 the vehicle is sold, the record ~~shall~~ **must** contain the date of sale  
17 and the name and address of the purchaser. The record ~~shall~~ **must**  
18 indicate whether a certificate of title or salvage certificate of  
19 title was obtained by the facility for the vehicle. If the vehicle  
20 is a late model vehicle, the facility shall maintain a record of  
21 the purchase or sale of each major component part purchased or  
22 acquired by the facility for the vehicle. The record ~~shall~~ **must**  
23 contain the date of purchase or acquisition of the part, a  
24 description of the part, the identification number assigned to the  
25 part, and the name and address of the person to or from which the  
26 part was purchased, acquired, or sold.

27 (4) A facility shall maintain or attach the record of a sale,  
28 purchase, or acquisition of a major component part to a police book  
29 described in section 251 of the Michigan vehicle code, 1949 PA 300,

1 MCL 257.251. A facility shall make ~~its~~**the facility's** police book  
2 and ~~its~~**the facility's** records of vehicle part sales, purchases, or  
3 acquisitions immediately available for inspection by the  
4 administrator and other law enforcement officials if a request for  
5 inspection is made.

6 (5) This section does not authorize a facility to engage in  
7 the business of dealing in vehicles or salvageable parts without a  
8 dealer's license under the Michigan vehicle code, 1949 PA 300, MCL  
9 257.1 to 257.923.

10 Sec. 30. (1) The **nonrefundable** registration fee for the  
11 registration of a facility is determined by a sliding fee scale  
12 that is based on the gross annual revenue of the facility, as  
13 follows:

14	GROSS ANNUAL REVENUE	FEE
15	under	\$ <del>25.00</del> <b>100.00</b>
16	<del>\$5,000.00</del> <b>\$50,000.00</b> .....	
17	<del>\$5,001.00</del> <b>\$50,000.00</b> to	<del>50.00</del> <b>200.00</b>
18	<del>\$15,000.00</del> <b>\$100,000.00</b> .....	
19	<del>\$15,001.00</del> <b>\$100,001.00</b> to	<del>75.00</del> <b>300.00</b>
20	<del>\$25,000.00</del> <b>\$200,000.00</b> .....	
21	<del>\$25,001.00</del> <b>\$200,001.00</b> to	<del>100.00</del> <b>400.00</b>
22	<del>\$40,000.00</del> <b>\$300,000.00</b> .....	
23	<del>\$40,001.00</del> to <del>\$60,000.00</del> <b>over \$300,000.00</b> .....	<del>125.00</del> <b>500.00</b>
24	<del>\$60,001.00</del> to	<del>150.00</del>
25	<del>\$80,000.00</del> .....	
26	<del>\$80,001.00</del> to	<del>175.00</del>
27	<del>\$100,000.00</del> .....	
28	<del>\$100,001.00</del> to	<del>200.00</del>
29	<del>\$120,000.00</del> .....	

1	<del>\$120,001.00 to</del>	225.00
2	<del>\$140,000.00.....</del>	
3	<del>\$140,001.00 to</del>	250.00
4	<del>\$160,000.00.....</del>	
5	<del>\$160,001.00 to</del>	275.00
6	<del>\$180,000.00.....</del>	
7	<del>\$180,001.00 to</del>	300.00
8	<del>\$200,000.00.....</del>	
9	<del>\$200,001.00 to</del>	325.00
10	<del>\$220,000.00.....</del>	
11	<del>\$220,001.00 to</del>	350.00
12	<del>\$240,000.00.....</del>	
13	<del>\$240,001.00 to</del>	375.00
14	<del>\$260,000.00.....</del>	
15	<del>\$260,001.00 to</del>	400.00
16	<del>\$280,000.00.....</del>	
17	<del>\$280,001.00 to</del>	425.00
18	<del>\$300,000.00.....</del>	
19	<del>\$300,001.00 to</del>	450.00
20	<del>\$320,000.00.....</del>	
21	<del>\$320,001.00 to</del>	475.00
22	<del>\$340,000.00.....</del>	
23	<del>over</del>	500.00
24	<del>\$340,000.00.....</del>	

25           (2) The **nonrefundable** examination, application, certificate,  
26 and renewal fees for the certification of mechanics are as follows:

27           (a) Each certification examination administered by the  
28 administrator, ~~\$6.00.~~**\$18.00. Notwithstanding the requirements of**  
29 **section 40, the department shall deposit \$12.00 of each \$18.00**

1 **certification examination fee the department receives into the**  
 2 **mechanic certification examination fund created under section 30a.**

3 (b) Application for original certificate, \$25.00. However, any  
 4 of the following may apply for an original specialty or master  
 5 mechanic certificate without paying a fee under this subdivision:

6 (i) An individual who is currently certified by the  
 7 administrator in at least 1 repair category may apply for  
 8 certification in 1 or more additional repair categories without  
 9 paying a fee under this subdivision.

10 (ii) A mechanic trainee who presents proof that ~~he or she~~**the**  
 11 **trainee** has successfully completed 30 or more hours of continuing  
 12 mechanic education courses given by an approved educational  
 13 institution during the 5-year period immediately preceding the date  
 14 the trainee submits the application for certification.

15 (iii) An individual who served in the armed forces; was  
 16 separated from that service; and provides to the administrator a  
 17 form DD214, a form DD215, or any other form that is satisfactory to  
 18 the administrator that demonstrates that the individual was  
 19 separated from that service, with an honorable character of service  
 20 or under honorable conditions (general) character of service.

21 (c) Application for renewal certificate, \$20.00.

22 (d) Replacement certificate, \$5.00.

23 (3) The permit fees for a mechanic trainee are as follows:

24 (a) Application for a mechanic trainee permit, \$20.00.

25 However, either of the following may apply for a mechanic trainee  
 26 permit without paying a fee under this subdivision:

27 (i) An individual who is currently certified by the  
 28 administrator in at least 1 repair category.

29 (ii) A student who is currently enrolled in a vocational



1 education or special education program that includes employment by  
 2 a motor vehicle repair facility; that is approved by the department  
 3 of education; and for which the student receives credit toward the  
 4 award of a high school or special education diploma.

5 (b) Replacement of trainee permit, \$5.00.

6 **(4) The fee for a multiyear registration described under**  
 7 **section 15(4) is the applicable fee under subsection (1) multiplied**  
 8 **by the number of years the registration is renewed.**

9 (5) ~~(4)~~ As used in this section, ÷

10 ~~(a) "Armed forces" means that term as defined in section 2 of~~  
 11 ~~the veteran right to employment services act, 1994 PA 39, MCL~~  
 12 ~~35.1092.~~

13 ~~(b) "Gross~~ **gross** annual revenue" means a facility's gross  
 14 revenue from performing repairs, including parts and goods sold in  
 15 conjunction with repairs, in ~~its~~ **the facility's** most recently  
 16 completed federal income tax year, or, if the facility has not been  
 17 in business for a complete federal income tax year, the facility's  
 18 reasonably anticipated gross revenue for ~~its~~ **the facility's** first  
 19 full federal income tax year of operation.

20 **Sec. 30a. (1) The mechanic certification examination fund is**  
 21 **created in the state treasury.**

22 **(2) The state treasurer shall deposit money and other assets**  
 23 **received from any other source into the fund. The state treasurer**  
 24 **shall direct the investment of money in the fund and credit**  
 25 **interest and earnings from the investments to the fund.**

26 **(3) The department of state is the administrator of the fund**  
 27 **for audits of the fund.**

28 **(4) The department of state shall expend money from the fund,**  
 29 **on appropriation, only for 1 or more of the following purposes:**

1           **(a) To develop and update the content of the mechanic**  
2 **certification examination.**

3           **(b) To administer the mechanic certification examination.**

4           Sec. 32. (1) Before beginning repair work, a motor vehicle  
5 repair facility shall give to the customer a written estimate that  
6 itemizes as closely as possible the price for labor and parts  
7 necessary for the work. A facility shall not charge for work done  
8 or parts supplied in excess of the estimated price, or in excess of  
9 the limit stated by the customer in the waiver described in  
10 subsection (3), without the knowing written or oral consent of the  
11 customer, obtained at some time after the facility determines that  
12 the estimated price or stated limit is insufficient and before any  
13 work that is not estimated or is in excess of the limit is done or  
14 the parts that are not estimated or are in excess of the limit are  
15 supplied. If a waiver is not signed under subsection (3) and the  
16 estimated price is exceeded by not more than 10% or \$50.00,  
17 whichever is lesser, the facility is not required to obtain the  
18 written or oral consent of the customer for the excess charge  
19 unless specifically requested by the customer. This section ~~shall~~  
20 **must** not be construed as requiring a motor vehicle repair facility,  
21 mechanic, or mechanic trainee to give a written estimated price if  
22 the facility, mechanic, or trainee agrees not to perform the  
23 requested repair. If the actual cost of a repair is less than the  
24 agreed on estimated cost, the customer shall pay only the actual  
25 cost.

26           (2) If a facility or mechanic informs the customer that the  
27 price for repair will exceed the written estimate or the stated  
28 limit in the waiver and the customer does not want the repair work  
29 performed, the customer is responsible for all reasonable costs to

1 return the vehicle to the condition ~~it~~**the vehicle** was in at the  
 2 time ~~it~~**the vehicle** entered the facility. The facility shall  
 3 indicate those costs in written form, itemizing the costs as  
 4 closely as possible with a copy given to the customer. The cost of  
 5 a diagnosis made by the facility, whether or not the customer  
 6 authorizes the facility to perform those repairs, ~~shall~~**must** be  
 7 included in the written estimate before the diagnosis is  
 8 undertaken.

9 (3) If a customer initiates a request for service or parts for  
 10 the repair of a motor vehicle without receiving a written estimate  
 11 and voluntarily agrees to pay all reasonable costs of repair up to  
 12 an amount stated by the customer, a facility may obtain from the  
 13 customer a waiver of ~~his or her~~**the customer's** right to receive a  
 14 prior estimate of repair costs. The waiver ~~shall~~**must** be in 14  
 15 point or larger bold capital type face and executed with 1 copy to  
 16 the customer who is requesting the repairs. The waiver ~~shall~~**must**  
 17 read as follows:

18 "I, \_\_\_\_\_, voluntarily authorize \_\_\_\_\_ to provide  
 19 services or parts in the repair of the below described motor  
 20 vehicle without receiving an estimate of repair costs. By signing  
 21 this form, I understand that I will give up my right to:

- 22 1. Receive a written estimate of the cost for repairs;
- 23 2. Approve in advance any repairs or costs with a total cost  
 24 under \$ \_\_\_\_\_; and
- 25 3. Refuse to pay for repairs with a total cost less than the  
 26 amount stated above.

27 The facility may exceed the amount stated above only after I  
 28 give my written or oral approval.

29 Motor vehicle description:

1 Customer signature \_\_\_\_\_

2 Date \_\_\_\_\_

3 Time \_\_\_\_\_".

4 (4) A waiver described in subsection (3) is not effective  
5 unless ~~it~~**the waiver** is given by the customer voluntarily and with  
6 full knowledge of the implications of the waiver. A motor vehicle  
7 repair facility or anyone in ~~its~~**the facility's** employ shall not  
8 make use of a waiver described in subsection (3) in an attempt to  
9 evade this act.

10 (5) ~~A~~**Except for a motor vehicle repair facility that is an**  
11 **auxiliary facility, a** motor vehicle repair facility shall at all  
12 times display, in a place and manner conspicuous to ~~its~~**the**  
13 **facility's** customers, a current and valid certificate of repair  
14 facility registration issued by the administrator.

15 (6) A motor vehicle repair facility shall include ~~its~~**the**  
16 **facility's** registration number, as assigned by the administrator,  
17 on each copy of any instrument, form, contract, or other document  
18 used by the applicant in dealing with the public in the repair of  
19 motor vehicles, including, but not limited to, all of the  
20 following:

21 (a) Any document on which the facility routinely requires the  
22 customer's signature.

23 (b) Any document used by the facility in connection with  
24 providing estimates, diagnoses, or repairs.

25 (c) Any invoices, warranties, or waivers.

26 (d) Any other document used by the facility to comply with  
27 this act or rules promulgated under this act.

28 Sec. 32a. (1) A motor vehicle repair facility shall display a  
29 consumer information sign. The sign ~~shall~~**must** contain 12 lines of

1 lettering worded substantially as follows:

2 "THIS ESTABLISHMENT IS REGISTERED WITH THE MICHIGAN DEPARTMENT  
3 OF STATE AND IS REQUIRED BY LAW TO FURNISH A CUSTOMER WITH A:

4 (1) WRITTEN ESTIMATE IF REPAIRS WILL BE \$50 OR MORE OR ON  
5 REQUEST IF REPAIRS WILL BE LESS THAN \$50.

6 (2) DETAILED STATEMENT OF LABOR AND PARTS SUPPLIED. QUESTIONS  
7 REGARDING SERVICE WORK SHOULD BE DIRECTED FIRST TO THE MANAGER OF  
8 THIS REPAIR FACILITY.

9 MICHIGAN DEPARTMENT OF STATE

10 P.O. BOX \_\_\_\_\_, LANSING, MI 489 \_\_\_\_\_

11 TOLL-FREE TELEPHONE: 800 \_\_\_\_\_

12 MON.-FRI., 8:30 A.M. - 4:30 P.M.

13 DEPARTMENT OF STATE WEBSITE: \_\_\_\_\_."

14 (2) All of the following apply to a sign required under  
15 subsection (1):

16 (a) It ~~shall~~**must** be rectangular in shape and ~~at least~~**not**  
17 **less than** 28 inches high by 24 inches wide.

18 (b) It ~~shall~~**must** be constructed of durable material.

19 (c) The background of the sign ~~shall~~**must** be white.

20 (d) Print and other markings on the sign ~~shall~~**must** be black.

21 (e) The wording of the sign ~~shall~~**must** be printed in bold,  
22 block, capital letters that are ~~1-inch~~**1 inch** high and ~~1/2-inch~~**1/2**  
23 **inch** wide in lines 1, 2, 8, 9, 10, and 12; ~~3/4-inch~~**3/4 inch** high  
24 and ~~1/2-inch~~**1/2 inch** wide in line 11; and ~~1/2-inch~~**1/2 inch** high  
25 and ~~3/8-inch~~**3/8 inch** wide in lines 3 to 7.

26 (f) The sign ~~shall~~**must** be laid out in a clearly legible  
27 fashion, with the lettering arranged so that there is ~~at least~~**not**  
28 **less than** a 1/8-inch space between any 2 letters within a line and  
29 ~~at least~~**not less than** a 1/2-inch space between any 2 lines.

1           (g) The sign ~~shall~~**must** include the address, telephone  
2 numbers, and ~~Internet~~ website address of the department in lines 9,  
3 10, and 12, as provided by the administrator.

4           (3) All of the following apply to the display of a sign  
5 required under subsection (1) by a motor vehicle repair facility:

6           (a) The facility shall display the sign at each entrance to  
7 the facility and at each cashier station. As used in this  
8 subsection **and section 33(8)**, "entrance to the facility" means each  
9 location in or about the facility where customer repair service  
10 orders are initially executed.

11           (b) The facility shall ensure that the sign is unobstructed  
12 and clearly and readily visible to customers.

13           (c) If the facility is not enclosed or is a mobile facility,  
14 the facility shall ensure that ~~it~~**the sign** is placed in an area  
15 where ~~it~~**the sign** is easily noticeable to customers who are  
16 transacting business with the facility.

17           (4) The administrator may require that a facility replace any  
18 sign that does not meet all of the requirements of this section or  
19 is no longer readily legible, or that the facility reposition any  
20 sign that is improperly displayed.

21           Sec. 33. (1) A motor vehicle repair facility shall return  
22 replaced parts to the customer at the time the repair work is  
23 completed. All of the following apply to the obligation to return  
24 replaced parts under this subsection:

25           (a) A facility is not required to return any of the following  
26 replaced parts to the customer:

27           (i) Parts that are exempted from the return requirement by the  
28 administrator because of size, weight, or similar factors. However,  
29 a facility shall not prevent a customer from removing any heavy or

1 large part, by the customer's own means and at ~~his or her~~ **the**  
2 **customer's** expense.

3 (ii) Subject to subsection (3), parts that the motor vehicle  
4 repair facility or mechanic is required to return to the  
5 manufacturer or distributor under a warranty or exchange  
6 arrangement.

7 (iii) For reasons of safety, a gasoline tank or any other  
8 container-type part that was filled with or was otherwise in  
9 appreciable contact with flammable fuels, unless that part is  
10 rendered nonflammable.

11 (b) If any returned part presents an actual danger of  
12 flammability or explosiveness, the facility shall clearly inform  
13 the customer of that danger.

14 (c) When the repair work is completed, if requested by the  
15 customer, the facility shall reasonably clean the replaced parts  
16 that are to be returned or inspected by the customer. The facility  
17 shall place portable parts in a suitable container. The facility  
18 shall store any parts that ~~it~~ **the facility** identifies as not  
19 portable in a suitable place in the facility for the customer's  
20 inspection.

21 (d) If a facility charges a fee to a customer in connection  
22 with the return of replaced parts, the facility ~~must~~ **shall** disclose  
23 that fee to the customer in writing before the customer engages the  
24 facility to replace the part.

25 (2) A customer ~~shall~~ **must** be informed of ~~his~~ **the customer's**  
26 right to receive or inspect replaced parts as provided in this  
27 section before the customer executes any document or engages the  
28 facility or mechanic for the work. Subject to subsection (5), the  
29 facility shall provide this information to the customer by

1 providing the following notice to the customer, printed or  
 2 displayed on the face of any contract, work order form, or other  
 3 document that evidences the engagement of the facility or mechanic  
 4 in ~~at least~~**not less than** 12-point boldfaced letters that are ~~at~~  
 5 ~~least~~**not less than** 4 points larger than the principal size of the  
 6 letters in that document, or providing the notice in a separate  
 7 written document in ~~at least~~**not less than** 12-point, boldfaced,  
 8 capital letters, as follows:

9 **"YOU ARE ENTITLED BY LAW TO THE RETURN OF ALL PARTS REPLACED,**  
 10 **EXCEPT THOSE WHICH ARE TOO HEAVY OR LARGE, AND THOSE REQUIRED TO BE**  
 11 **SENT BACK TO THE MANUFACTURER OR DISTRIBUTOR BECAUSE OF WARRANTY**  
 12 **WORK OR AN EXCHANGE AGREEMENT. YOU ARE ENTITLED TO INSPECT THE**  
 13 **PARTS WHICH CANNOT BE RETURNED TO YOU."**

14 (3) If a facility is obligated to return a replaced part to  
 15 the manufacturer or a distributor under a warranty agreement, or,  
 16 subject to subsection (4), under an exchange agreement, the  
 17 facility is not required to return that part to the customer.  
 18 However, the facility or mechanic shall offer the customer an  
 19 opportunity to inspect the replaced part. If the customer accepts  
 20 the offer to inspect the part, or otherwise requests to inspect the  
 21 part, the facility or mechanic shall allow the customer to inspect  
 22 the part when the repair work is completed. A facility is not  
 23 required to show a replacement part to a customer if the  
 24 replacement is made without charge to the customer.

25 (4) If replacement of a part is contingent on the facility  
 26 keeping the part under an exchange agreement, the facility shall  
 27 explain, in a manner understandable to the customer, the precise  
 28 terms of the exchange agreement, including if applicable a  
 29 disclosure of the price to the customer if ~~he or she~~**the customer**



1 wishes to reclaim the part. If a customer raises a question or  
 2 dispute with the facility ~~within~~ **not later than** 2 business days  
 3 after the delivery of the repaired vehicle to the customer and the  
 4 dispute involves an exchange part for which the facility required  
 5 the customer pay a deposit in the amount of the facility's  
 6 obligation, the facility shall refund the deposit to the customer  
 7 if ~~he or she~~ **the customer** returns the part to the facility.

8 (5) A facility that displays the notice described in  
 9 subsection (2) on a clearly legible sign with lettering ~~at least~~  
 10 **not less than** 1 inch high, conspicuously displayed in the part of  
 11 the facility where customers routinely contract for repairs, is not  
 12 required to provide the notice to a customer in the form of a  
 13 document described in subsection (2).

14 (6) All of the following apply to the disposition of replaced  
 15 parts that are not returned to the customer:

16 (a) Unless subdivision (b) applies, the facility shall ~~not~~  
 17 ~~dispose of~~ **keep** the parts for ~~at least~~ **not less than** 2 business  
 18 days after the customer takes possession of the repaired vehicle,  
 19 unless the customer has specifically authorized immediate  
 20 disposition of the parts.

21 (b) If a customer questions or disputes repairs performed by a  
 22 facility or the charges for those repairs ~~within~~ **not later than** 2  
 23 days after the customer takes possession of the repaired vehicle,  
 24 the facility shall ~~not dispose of~~ **keep** the replaced parts until the  
 25 question or dispute is resolved. If the dispute involves the  
 26 replaced part, the facility shall, in the presence of the customer,  
 27 immediately affix to the part a permanent mark sufficient to  
 28 identify the part.

29 (7) If requested by a customer, a facility shall explain

1 exactly why a replaced part is defective or nonfunctional, or  
2 otherwise why ~~it~~**the part** was replaced.

3 (8) The motor vehicle repair facility shall display a clearly  
4 legible sign in a conspicuous place at the entrance ~~of~~**to** the  
5 facility that indicates that customers may make inquiries  
6 concerning repair service or complaints to the administrator and  
7 states the address and telephone number of the department.

8 Sec. 40. ~~The~~**Except as otherwise provided in section 30(2)(a),**  
9 **the** fees collected ~~pursuant to~~**under** this act ~~shall be~~**are** credited  
10 to the general fund of ~~the~~**this** state.

11 Enacting section 1. This amendatory act takes effect on  
12 January 1, 2026.