

# SENATE BILL NO. 25

January 23, 2025, Introduced by Senators CHERRY, SHINK, BAYER, CHANG, MCCANN and GEISS and referred to Committee on Regulatory Affairs.

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.**

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

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

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

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

17           **(f)** ~~(e)~~—"BAIID mechanic" means a specialty mechanic who holds  
18 a certification from the department under section 10 to perform  
19 BAIID service.

20           **(g)** ~~(f)~~—"BAIID service" means the installation, removal,  
21 repair, or other servicing of breath alcohol ignition interlock  
22 devices.

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

26           **(i)** ~~(h)~~—"Contract" means a written or oral agreement, or a  
27 similar understanding or arrangement, in which a person agrees that  
28 another person will perform work, labor, diagnosis, repair,  
29 reconditioning, replacement, adjustment, or alteration, directly or

1 indirectly, on a motor vehicle.

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

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

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

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

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

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

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

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

28 (iii) A business that does not diagnose the operation of a motor  
29 vehicle, does not remove parts from a motor vehicle to be

1 remachined, and does not install finished machined or remachined  
 2 parts on a motor vehicle. This subparagraph does not apply to a  
 3 motor vehicle repair facility that engages in the business of  
 4 performing, or employing individuals who perform, vehicle body  
 5 work.

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

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

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

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

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

28 (2) If a certified mechanic works on, inspects and approves,  
 29 or supervises a repair, ~~he or she~~ **the certified mechanic** shall

1 affix ~~his or her~~ **the certified mechanic's** name and certification  
2 number, as assigned by the administrator, to the written statement  
3 of repairs given **to** the customer under section 34.

4 (3) A certified specialty or master mechanic or mechanic  
5 trainee shall not depart from, or disregard in any material  
6 respect, accepted motor vehicle repair industry standards.  
7 Compliance with published vehicle manufacturer, parts manufacturer,  
8 equipment manufacturer, or recognized aftermarket repair manual  
9 specifications creates a presumption that the mechanic or mechanic  
10 trainee has followed accepted motor vehicle repair industry  
11 standards.

12 (4) If the administrator, after notice and a hearing,  
13 determines that a specialty or master mechanic or mechanic trainee  
14 has violated subsection (3), the administrator may, under section  
15 21, require that the specialty or master mechanic or mechanic  
16 trainee do both of the following:

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

19 (b) ~~Only perform~~ **Perform only** specific motor vehicle repairs  
20 or repair procedures identified by the administrator until the  
21 training course or program described in subdivision (a) is  
22 completed.

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

28 (a) The name ~~, address,~~ and form of ownership of the facility,  
29 and if the owner is a corporation, the date and place of

1 incorporation.

2 (b) For applicants that apply on or after July 1, 2025, the  
3 location of the applicant's established place of business in this  
4 state, along with written verification from the appropriate  
5 municipal governing body or zoning authority that states that the  
6 applicant's established place of business meets all applicable  
7 municipal and zoning requirements.

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

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

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

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

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

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

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

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

23 (iv) The number of mechanics the facility employs who perform  
24 repairs.

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

29 (vi) Measured in square feet, the size of ~~that part of the~~ **the**

1 **space within** the facility ~~utilized~~**used** for performing repairs.

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

5 (g) ~~(e)~~ An irrevocable appointment of the secretary of state  
6 as the agent for the facility for service of process.

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

11 (i) Any document on which the facility routinely requires ~~the a~~  
12 customer's signature.

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

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

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

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

21 (j) ~~(g)~~ Any other relevant information required by the  
22 administrator.

23 (2) **Subject to this section, the owner of a motor vehicle**  
24 **repair facility that is registered under subsection (1) may be**  
25 **approved for a single, auxiliary facility under the same**  
26 **registration and registration number as the facility registered**  
27 **under subsection (1) if the owner of that motor vehicle repair**  
28 **facility submits an application for an auxiliary facility to the**  
29 **department, along with written verification from the appropriate**

1 municipal governing body or zoning authority that states that the  
2 auxiliary facility meets all applicable municipal and zoning  
3 requirements. The application for an auxiliary facility must be in  
4 a format as determined by the administrator.

5 (3) An auxiliary facility must meet all of the following  
6 requirements:

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

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

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

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

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

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

28 (a) Two or more unresolved violations involving customer parts  
29 retention.



1           (b) Two or more unresolved violations for failing to maintain  
2 records.

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

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

6           (a) A registration certificate with a separate registration  
7 number from the facility with which the auxiliary facility shares a  
8 registration.

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

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

15          (d) A consumer information sign.

16          (e) A notice of parts return sign.

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

27          (2) A motor vehicle repair facility may continue to operate  
28 after the expiration date of ~~its~~**the facility's** then-current  
29 registration, pending approval of the renewal application by the

1 administrator, if the renewal application and renewal fee are  
 2 received by the administrator on or before the expiration date. If  
 3 a renewal application and renewal fee are filed after the  
 4 expiration date, the facility may operate from the day on which the  
 5 application and appropriate fee are received by the administrator,  
 6 pending approval of the renewal application. The administrator  
 7 shall charge a fee of 1-1/2 times the normal registration fee **for**  
 8 **each year the license is expired** if the renewal application is  
 9 received by the administrator after the expiration date.

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

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

23 Sec. 16. (1) If there is a change ~~in~~**of** ownership of a motor  
 24 vehicle repair facility, a new registration and payment of a new  
 25 registration fee is required and the facility shall not operate  
 26 until ~~its~~**the facility's** registration application is approved by  
 27 the administrator and the fee is paid. If a name ~~or~~**and** address of  
 28 ~~the~~**a** motor vehicle repair facility changes ~~,~~ and there is not a  
 29 change of ownership, the facility shall notify the administrator in

1 writing of the change ~~and shall make the appropriate changes on the~~  
2 ~~next renewal registration when due.~~ **by completing and submitting the**  
3 **repair facility change of address notification.** If an address of a  
4 **motor vehicle repair facility changes, the facility shall submit a**  
5 **written verification from the appropriate municipal governing body**  
6 **or zoning authority that states that the established place of**  
7 **business and, if applicable, any auxiliary facility, meet all**  
8 **applicable municipal and zoning requirements.**

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

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

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

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

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

3           Sec. 18. (1) The owner of a motor vehicle repair facility  
4 shall maintain reasonable business records for the facility **and, if**  
5 **applicable, any auxiliary facilities** and ensure that those records  
6 are open for reasonable inspection by the administrator or other  
7 law enforcement officials. As used in this subsection, "reasonable  
8 business records" includes those documents and records described in  
9 subsection (2) (a) to (c).

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

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

17           (i) Any document on which the facility required the customer's  
18 signature.

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

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

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

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

26           (b) If a facility is advised by the administrator that ~~he or~~  
27 ~~she~~ **the administrator** has received a complaint about a repair  
28 transaction performed by the facility, and the facility is under  
29 investigation by the administrator, the owner shall retain records

1 relating to the transaction or otherwise relevant to the complaint  
 2 until the date the administrator advises the facility in writing  
 3 that the complaint is closed, or for 3 years after the completion  
 4 of the repair transaction, whichever is later.

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

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

12 **(e) Business records for an auxiliary facility must be stored**  
 13 **at the facility with which the auxiliary facility shares a**  
 14 **registration.**

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

1 part was purchased, acquired, or sold.

2 (4) A facility shall maintain or attach the record of a sale,  
3 purchase, or acquisition of a major component part to a police book  
4 described in section 251 of the Michigan vehicle code, 1949 PA 300,  
5 MCL 257.251. A facility shall make ~~its~~**the facility's** police book  
6 and ~~its~~**the facility's** records of vehicle part sales, purchases, or  
7 acquisitions immediately available for inspection by the  
8 administrator and other law enforcement officials if a request for  
9 inspection is made.

10 (5) This section does not authorize a facility to engage in  
11 the business of dealing in vehicles or salvageable parts without a  
12 dealer's license under the Michigan vehicle code, 1949 PA 300, MCL  
13 257.1 to 257.923.

14 Sec. 30. (1) The **nonrefundable** registration fee for the  
15 registration of a facility is determined by a sliding fee scale  
16 that is based on the gross annual revenue of the facility, as  
17 follows:

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

1	<del>\$80,001.00 to</del>	175.00
2	<del>\$100,000.00.....</del>	
3	<del>\$100,001.00 to</del>	200.00
4	<del>\$120,000.00.....</del>	
5	<del>\$120,001.00 to</del>	225.00
6	<del>\$140,000.00.....</del>	
7	<del>\$140,001.00 to</del>	250.00
8	<del>\$160,000.00.....</del>	
9	<del>\$160,001.00 to</del>	275.00
10	<del>\$180,000.00.....</del>	
11	<del>\$180,001.00 to</del>	300.00
12	<del>\$200,000.00.....</del>	
13	<del>\$200,001.00 to</del>	325.00
14	<del>\$220,000.00.....</del>	
15	<del>\$220,001.00 to</del>	350.00
16	<del>\$240,000.00.....</del>	
17	<del>\$240,001.00 to</del>	375.00
18	<del>\$260,000.00.....</del>	
19	<del>\$260,001.00 to</del>	400.00
20	<del>\$280,000.00.....</del>	
21	<del>\$280,001.00 to</del>	425.00
22	<del>\$300,000.00.....</del>	
23	<del>\$300,001.00 to</del>	450.00
24	<del>\$320,000.00.....</del>	
25	<del>\$320,001.00 to</del>	475.00
26	<del>\$340,000.00.....</del>	
27	<del>over</del>	500.00
28	<del>\$340,000.00.....</del>	

29           (2) The **nonrefundable** examination, application, certificate,

1 and renewal fees for the certification of mechanics are as follows:

2 (a) Each certification examination administered by the  
 3 administrator, ~~\$6.00.~~**\$18.00. Notwithstanding the requirements of**  
 4 **section 40, the department shall deposit \$12.00 of each \$18.00**  
 5 **certification examination fee the department receives into the**  
 6 **mechanic certification examination fund created under section 30a.**

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

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

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

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

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

26 (d) Replacement certificate, \$5.00.

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

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

29 However, either of the following may apply for a mechanic trainee



1 permit without paying a fee under this subdivision:

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

4 (ii) A student who is currently enrolled in a vocational  
5 education or special education program that includes employment by  
6 a motor vehicle repair facility; that is approved by the department  
7 of education; and for which the student receives credit toward the  
8 award of a high school or special education diploma.

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

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

13 **(5) ~~(4)~~As used in this section, ÷**

14 ~~(a) "Armed forces" means that term as defined in section 2 of~~  
15 ~~the veteran right to employment services act, 1994 PA 39, MCL~~  
16 ~~35.1092.~~

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

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

26 **(2) The state treasurer shall deposit money and other assets**  
27 **received from any other source into the fund. The state treasurer**  
28 **shall direct the investment of money in the fund and credit**  
29 **interest and earnings from the investments to the fund.**

1           (3) The department of state is the administrator of the fund  
2 for audits of the fund.

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

5           (a) To develop and update the content of the mechanic  
6 certification examination.

7           (b) To administer the mechanic certification examination.

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

1           (2) If a facility or mechanic informs the customer that the  
 2 price for repair will exceed the written estimate or the stated  
 3 limit in the waiver and the customer does not want the repair work  
 4 performed, the customer is responsible for all reasonable costs to  
 5 return the vehicle to the condition ~~it~~**the vehicle** was in at the  
 6 time ~~it~~**the vehicle** entered the facility. The facility shall  
 7 indicate those costs in written form, itemizing the costs as  
 8 closely as possible with a copy given to the customer. The cost of  
 9 a diagnosis made by the facility, whether or not the customer  
 10 authorizes the facility to perform those repairs, ~~shall~~**must** be  
 11 included in the written estimate before the diagnosis is  
 12 undertaken.

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

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

- 26           1. Receive a written estimate of the cost for repairs;  
 27           2. Approve in advance any repairs or costs with a total cost  
 28 under \$ \_\_\_\_\_; and  
 29           3. Refuse to pay for repairs with a total cost less than the

1 amount stated above.

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

4 Motor vehicle description:

5 Customer signature \_\_\_\_\_

6 Date \_\_\_\_\_

7 Time \_\_\_\_\_".

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

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

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

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

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

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

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

3 Sec. 32a. (1) A motor vehicle repair facility shall display a  
4 consumer information sign. The sign ~~shall~~**must** contain 12 lines of  
5 lettering worded substantially as follows:

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

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

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

13 MICHIGAN DEPARTMENT OF STATE  
14 P.O. BOX \_\_\_\_\_, LANSING, MI 489\_\_\_\_\_  
15 TOLL-FREE TELEPHONE: 800 \_\_\_\_\_  
16 MON.-FRI., 8:30 A.M. - 4:30 P.M.  
17 DEPARTMENT OF STATE WEBSITE: \_\_\_\_\_."

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

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

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

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

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

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

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

5           (g) The sign ~~shall~~**must** include the address, telephone  
6 numbers, and ~~Internet~~ website address of the department in lines 9,  
7 10, and 12, as provided by the administrator.

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

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

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

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

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

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

29           (a) A facility is not required to return any of the following

1 replaced parts to the customer:

2 (i) Parts that are exempted from the return requirement by the  
3 administrator because of size, weight, or similar factors. However,  
4 a facility shall not prevent a customer from removing any heavy or  
5 large part, by the customer's own means and at ~~his or her~~ **the**  
6 **customer's** expense.

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

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

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

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

25 (d) If a facility charges a fee to a customer in connection  
26 with the return of replaced parts, the facility ~~must~~ **shall** disclose  
27 that fee to the customer in writing before the customer engages the  
28 facility to replace the part.

29 (2) A customer ~~shall~~ **must** be informed of ~~his~~ **the customer's**

1 right to receive or inspect replaced parts as provided in this  
2 section before the customer executes any document or engages the  
3 facility or mechanic for the work. Subject to subsection (5), the  
4 facility shall provide this information to the customer by  
5 providing the following notice to the customer, printed or  
6 displayed on the face of any contract, work order form, or other  
7 document that evidences the engagement of the facility or mechanic  
8 in ~~at least~~**not less than** 12-point boldfaced letters that are ~~at~~  
9 ~~least~~**not less than** 4 points larger than the principal size of the  
10 letters in that document, or providing the notice in a separate  
11 written document in ~~at least~~**not less than** 12-point, boldfaced,  
12 capital letters, as follows:

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

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

29 (4) If replacement of a part is contingent on the facility



1 keeping the part under an exchange agreement, the facility shall  
 2 explain, in a manner understandable to the customer, the precise  
 3 terms of the exchange agreement, including if applicable a  
 4 disclosure of the price to the customer if ~~he or she~~ **the customer**  
 5 wishes to reclaim the part. If a customer raises a question or  
 6 dispute with the facility ~~within~~ **not later than** 2 business days  
 7 after the delivery of the repaired vehicle to the customer and the  
 8 dispute involves an exchange part for which the facility required  
 9 the customer pay a deposit in the amount of the facility's  
 10 obligation, the facility shall refund the deposit to the customer  
 11 if ~~he or she~~ **the customer** returns the part to the facility.

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

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

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

25 (b) If a customer questions or disputes repairs performed by a  
 26 facility or the charges for those repairs ~~within~~ **not later than** 2  
 27 days after the customer takes possession of the repaired vehicle,  
 28 the facility shall ~~not dispose of~~ **keep** the replaced parts until the  
 29 question or dispute is resolved. If the dispute involves the

1 replaced part, the facility shall, in the presence of the customer,  
2 immediately affix to the part a permanent mark sufficient to  
3 identify the part.

4 (7) If requested by a customer, a facility shall explain  
5 exactly why a replaced part is defective or nonfunctional, or  
6 otherwise why ~~it~~**the part** was replaced.

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

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

15 Enacting section 1. This amendatory act takes effect on July  
16 1, 2025.