

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.80130k Public sale of abandoned vessel.

Sec. 80130k. (1) A public sale for a vessel, and its contents, that has been determined to be abandoned under section 80130f or 80197 or removed under section 80130h shall comply with all of the following:

(a) Be under the control of the police agency or, if the vessel is being sold under section 80130f(11), the custodian of the vessel. However, a police agency may designate the custodian of the vessel or a third party to conduct the auction.

(b) Be open to the public and consist of open auction bidding or bidding by sealed bids. If sealed bids are received, the police agency or the agency's designee or, if the vessel is being sold under section 80130f(11), the custodian of the vessel shall provide the person submitting a bid with a receipt for the bid.

(c) Except as otherwise provided in section 80130f(11) and (12), be held not less than 5 days after public notice of the sale has been published. The public notice shall be published at least once in a newspaper having a general circulation within the county in which the vessel was abandoned or on a publicly accessible website maintained by the secretary of state. The public notice shall give a description of the vessel for sale and shall state the time, date, and location of the sale.

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

(a) Accrued towing and storage charges. If the money received from the public sale does not satisfy the accrued towing, storage, and disposal fees, the towing company may collect the balance of those unpaid fees from the last titled owner or, if there is no titled owner, the last registered owner, subject to section 80130m(2) and (3).

(b) Expenses incurred by the police agency or the custodian of the vessel, for disposition as described in section 80130j(3)(a).

(c) Payment of the \$40.00 in fees under section 80130j(3)(a).

(d) Sent to the department of treasury's unclaimed property division to be disbursed as follows:

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

(ii) Remainder to the owner. A reasonable attempt shall be made to mail the remainder to the last titled owner or, if there is no titled owner, the last registered owner. If delivery of the remainder cannot be accomplished, the remainder shall become the property of the local unit of government whose police agency entered the vessel in the law enforcement information network.

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

(a) Turn the vessel over to the towing firm or the custodian of the vessel to satisfy charges against the vessel by completing the release form under section 80130g. However, if the value of the vessel does not satisfy the accrued towing, storage, and disposal fees, the custodian of the vessel may collect the balance of those unpaid fees from the last titled owner or, if there is no titled owner, the last registered owner, subject to section 80130m.

(b) Obtain title to the vessel for the police agency or the unit of government the police agency represents, by doing both of the following:

(i) Paying the towing and storage charges.

(ii) Applying for title to the vessel.

(c) Holding another public sale under subsection (1).

(4) Upon disposition of the vessel, the police agency or towing agency or custodian shall provide the secretary of state and the police agency, if that police agency did not conduct the sale, with the vessel's disposition and the name of the agency that disposed of it and the police agency shall cancel the entry in the law enforcement information network under section 80130f or 80130h, if applicable.

(5) If by 25 days after the date of notice required under section 80130f the police agency has not provided a copy of the bill of sale by the police agency for the abandoned vessel to the towing agency or custodian or police agency's designee, the towing agency or custodian or police agency designee may obtain an original of the bill of sale by submitting an application to the secretary of state in a form as determined by the secretary of state.

History: Add. 2014, Act 549, Eff. Apr. 16, 2015.