Act No. 74 Public Acts of 2018 Approved by the Governor March 19, 2018 Filed with the Secretary of State March 19, 2018 EFFECTIVE DATE: June 17, 2018

STATE OF MICHIGAN 99TH LEGISLATURE REGULAR SESSION OF 2018

Introduced by Rep. VanderWall

ENROLLED HOUSE BILL No. 4839

AN ACT to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of manufacturers, the manufacturers of certain devices, the manufacturers of automated technology, upfitters, owners, and operators of vehicles and service of process on residents and nonresidents; to regulate the introduction and use of certain evidence; to regulate and certify the manufacturers of certain devices; to provide for approval and certification of installers and servicers of certain devices; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending sections 219 and 258 (MCL 257.219 and 257.258), section 219 as amended by 2010 PA 155 and section 258 as amended by 1999 PA 73.

The People of the State of Michigan enact:

Sec. 219. (1) The secretary of state shall refuse issuance of a registration or a transfer of registration upon any of the following grounds:

(a) The application contains a false or fraudulent statement, the applicant has failed to furnish required information or reasonable additional information requested by the secretary of state, or the applicant is not entitled to the registration of the vehicle under this act.

(b) The secretary of state has reasonable ground to believe that the vehicle is a stolen or embezzled vehicle, or that the granting of registration would constitute a fraud against the rightful owner or other person having a valid lien upon the vehicle.

(c) The registration of the vehicle is suspended or revoked for any reason provided in the motor vehicle laws of this state.

(d) At the time of the application, the operator's or chauffeur's license of the owner or co-owner or lessee or co-lessee is suspended, revoked, or denied, except for an applicant who has been issued a license under section 304, or the operator has never been licensed by this state for a third or subsequent violation of section 625 or 625m, a local ordinance substantially corresponding to section 625 or 625m, or a law of another state substantially corresponding to section 625 or 625m, or for a fourth or subsequent suspension or revocation under section 904. (e) The required fee has not been paid.

(f) The applicant, at the time of applying for registration or a transfer of registration other than a temporary registration issued under section 226b, fails to present a certificate of compliance or waiver for a motor vehicle as required under either part 63 or part 65 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.6301 to 324.6321 and 324.6501 to 324.6539.

(g) The application for registration of a vehicle with an elected gross weight of 55,000 pounds or more is not accompanied with proof of payment of the federal highway use tax levied under the surface transportation assistance act of 1982, Public Law 97-424.

(h) The applicant is a motor carrier subject to an out-of-service order, the applicant has applied for a registration or transfer registration as a subterfuge for a person subject to an out-of-service order, or the applicant's business is operated, managed, controlled by, or affiliated with a person that is ineligible for registration, including, but not limited to, the applicant, a relative or family member of the applicant, or a corporate officer or shareholder of the applicant. As used in this subdivision, "out-of-service order" means that term as defined in 49 CFR 390.5, and also includes an out-of-service order issued under 49 CFR 386.73.

(2) The secretary of state shall refuse issuance of a certificate of title or a salvage certificate of title upon any of the following grounds:

(a) The application contains a false or fraudulent statement, the applicant has failed to furnish required information or reasonable additional information requested by the secretary of state, or the applicant is not entitled to the issuance of a certificate of title or salvage certificate of title under this act.

(b) The secretary of state has reasonable ground to believe that the vehicle is a stolen or embezzled vehicle or that the issuance of a certificate of title or a salvage certificate of title would constitute a fraud against the rightful owner or other person having a valid security interest upon the vehicle.

(c) The required fee has not been paid.

(3) The secretary of state shall not issue a registration for a vehicle for which a temporary registration plate was issued under section 904c until the violation resulting in the issuance of the plate is adjudicated or the vehicle is transferred to a person who is subject to payment of a use tax under section 3 of the use tax act, 1937 PA 94, MCL 205.93.

Sec. 258. (1) The secretary of state may cancel, revoke, or suspend the registration of a vehicle, a certificate of title, registration certificate, or registration plate if any of the following apply:

(a) The secretary of state determines that the registration, certificate of title, or plate was fraudulently or erroneously issued.

(b) The secretary of state determines that the licensee has made or is making an unlawful use of his or her registration certificate, plate, or certificate of title.

(c) A registered vehicle has been dismantled or wrecked.

(d) The secretary of state determines that the required fee has not been paid and it is not paid upon reasonable notice or demand.

(e) A registration certificate or registration plate is knowingly displayed upon a vehicle other than the one for which it was issued.

(f) The secretary of state determines that the owner has committed an offense under this act involving the registration or certificate of title.

(g) The secretary of state is authorized to do so under this act.

(h) Upon receiving notification from another state or foreign country that a certificate of title issued by the secretary of state has been surrendered by the owner in conformity with the laws of that state or foreign country.

(i) It is shown by satisfactory evidence that delivery of a motor vehicle in the possession of a dealer was not made to the applicant registered under this act. The money paid for registration and license fees may be refunded to the party who applies for the refund.

(j) The owner is a motor carrier subject to an out-of-service order. As used in this subdivision, "out-of-service order" means that term as defined in 49 CFR 390.5, and also includes an out-of-service order issued under 49 CFR 386.73. A law enforcement officer may also confiscate a registration plate issued to a motor carrier described in this subdivision.

(2) If the licensee's offense consists of hauling on the registered vehicle a gross weight more than 1,000 pounds in excess of the elected gross weight specified on the owners' registration certificate, the registration shall be canceled and the vehicle shall not again be operated on the highways, roads, or streets until it is registered again and new plates are issued. The new registration fee shall be computed on the basis of twice the difference between the original registration fee and the registration fee applicable to the gross weight constituting the violation of the elected gross weight. One-half of the new registration fee shall be a penalty. The period of the new registration fee shall not exceed the maximum

gross weight of the vehicle or combination of vehicles as determined by the number of axles and the legal weight applicable to those axles as specified by section 722. The gross weight of a vehicle or combination of vehicles may be determined by weighing the individual axles or group of axles, and the total weight on all axles is the gross vehicle weight.

(3) Before the secretary of state makes a cancellation under subsection (1)(a), (b), (e), (f), or (g), the person affected by the cancellation shall be given notice and an opportunity to be heard.

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

This act is ordered to take immediate effect.

Clerk of the House of Representatives

Secretary of the Senate

Approved _____

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Governor