



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 173 (as introduced 3-7-19)
Sponsor: Senator Jim Stamas
Committee: Local Government

Date Completed: 3-12-19

CONTENT

The bill would amend the Michigan Vehicle Code to do the following:

- **Prohibit a local unit of government from accepting a payment, commission, or portion of wrecker, recovery, or towing service fees from a wrecker, recovery, or towing service in exchange for securing business for that service.**
- **Prohibit a wrecker, recovery, or towing service from offering to a local unit of government a payment, fee, or commission to induce the local unit of government to enter into a contract with or secure business for the service.**

The bill would take effect 90 days after its enactment.

Under the Code, a local unit of government may not require as a term of a contract with a wrecker, recovery, or towing service that the service pay a fee to that local unit of government for responding to the scene of an impound, accident, disabled vehicle, or abandoned vehicle and providing those services.

In addition, the bill would prohibit a local unit of government from accepting a payment, commission, or portion of wrecker, recovery, or towing service fees from a wrecker, recovery, or towing service in exchange for securing business for that service. A wrecker, recovery, or towing service could not offer to a local unit of government a payment, fee, or commission to induce the local unit of government to enter into a contract with or secure business for the service.

MCL 257.676d

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Ryan Bergan

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