

SENATE BILL No. 158

February 14, 2017, Introduced by Senator JONES and referred to the Committee on Regulatory Reform.

A bill to amend 1986 PA 119, entitled

"An act to regulate the business of buying or receiving used motor vehicle parts; to prescribe the powers and duties of certain state and local officers; and to provide penalties,"

by amending sections 1 and 2 (MCL 257.1351 and 257.1352), as amended by 2016 PA 112.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Agent" means an individual who, for compensation or
3 valuable consideration, is employed either directly or indirectly
4 by a dealer.

5 (b) "Dealer" means any person that engages in the ordinary

1 course of repeated and recurrent transactions of buying or
 2 receiving used motor vehicle parts from persons other than a
 3 licensee. The term includes any motor vehicle repair facility that
 4 engages in repeated and recurrent transactions of buying or
 5 receiving used motor vehicle parts from persons other than a
 6 licensee. The term does not include ~~a~~ **ANY OF THE FOLLOWING:**

7 **(i) A scrap metal processor or automotive recycler that buys**
 8 **or otherwise acquires motor vehicles or motor vehicle component**
 9 **parts for the purpose of processing or selling the metal for**
 10 **remelting.**

11 **(ii) AN END-USER, SCRAP TIRE HAULER, OR SCRAP TIRE PROCESSOR.**

12 **(iii) A DISPOSAL AREA THAT IS LICENSED UNDER, OR A SOLID WASTE**
 13 **HAULER THAT IS SUBJECT TO, PART 115 OF THE NATURAL RESOURCES AND**
 14 **ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.11501 TO**
 15 **324.11554.**

16 **(C) "END-USER" MEANS THAT TERM AS DEFINED IN SECTION 16901 OF**
 17 **THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA**
 18 **451, MCL 324.16901.**

19 **(D) ~~(e)~~"Late model vehicle" means a motor vehicle**
 20 **manufactured in the current model year or the 5 model years**
 21 **immediately preceding the current model year.**

22 **(E) ~~(d)~~"Local police agency" means the police agency of a**
 23 **city, village, or township, or if none, the county sheriff.**

24 **(F) ~~(e)~~"Major component part" means any of the following**
 25 **subassemblies of a motor vehicle regardless of its actual market**
 26 **value: front end assembly, including fenders, grills, hood, bumper,**
 27 **and related parts; engine; transmission; T-tops; rear clip**

1 assembly, including quarter panels and floor panel assembly; or
2 doors.

3 (G) ~~(f)~~—"Motor vehicle" means a motor vehicle as defined in
4 section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33.

5 (H) ~~(g)~~—"Motor vehicle repair facility" means a place of
6 business ~~which~~**THAT** engages in the business of performing or
7 employing persons who perform maintenance, diagnosis, or repair
8 service on a motor vehicle for compensation.

9 (I) ~~(h)~~—"Licensee" means a person that is licensed under
10 section 248 of the Michigan vehicle code, 1949 PA 300, MCL 257.248,
11 or similarly licensed in another state.

12 (J) ~~(i)~~—"Person" means an individual, corporation, limited
13 liability company, partnership, association, or other legal entity.

14 (K) **"SCRAP TIRE HAULER" MEANS THAT TERM AS DEFINED IN SECTION**
15 **16901 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT,**
16 **1994 PA 451, MCL 324.16901.**

17 (L) **"SCRAP TIRE PROCESSOR" MEANS THAT TERM AS DEFINED IN**
18 **SECTION 16901 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION**
19 **ACT, 1994 PA 451, MCL 324.16901.**

20 (M) ~~(j)~~—"Used motor vehicle part" means any of the following:

21 (i) A major component part, dashboard, radio, stereo, or seat
22 of a late model motor vehicle for which a certificate of title and
23 registration plate have been issued to a consumer or dealer.

24 (ii) A motor vehicle ~~tire,~~ tire wheel or rim ~~, or continuous~~
25 ~~tire tread~~**THAT IS RECEIVED BY THE DEALER IN CONJUNCTION WITH THE**
26 **PURCHASE OF A REPLACEMENT TIRE OR REPLACEMENT TIRE WHEEL OR RIM. AS**
27 **USED IN THIS SUBPARAGRAPH AND SUBPARAGRAPH (iii), "TIRE WHEEL OR**

1 RIM" INCLUDES A TIRE WHEEL OR RIM ON WHICH A TIRE IS MOUNTED.

2 (iii) A MOTOR VEHICLE TIRE, TIRE WHEEL OR RIM, OR CONTINUOUS
3 TIRE TREAD THAT IS RECEIVED BY THE DEALER BUT IS NOT IN CONJUNCTION
4 WITH THE PURCHASE OF A REPLACEMENT TIRE OR REPLACEMENT TIRE WHEEL
5 OR RIM.

6 Sec. 2. (1) A dealer shall maintain a permanent record of each
7 transaction concerning the buying or receiving of any used motor
8 vehicle part from a person, other than ~~a~~**AN END-USER OR SCRAP TIRE**
9 **PROCESSOR THAT IS REGULATED UNDER PART 169 OF THE NATURAL RESOURCES**
10 **AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.16901 TO**
11 **324.16911, OR A** licensee, on a record of transaction form
12 prescribed in subsection (5), legibly written in ink in the English
13 language. Each record of transaction form shall be filled out in
14 duplicate by the dealer or agent with 1 copy given to the customer
15 and 1 copy retained by the dealer. At the time a dealer receives or
16 purchases a used motor vehicle part from a person other than ~~a~~**AN**
17 **END-USER, SCRAP TIRE PROCESSOR, OR** licensee, the dealer or agent
18 shall accurately record all of the following information on a
19 record of transaction form:

20 (a) A general description of the used motor vehicle part
21 received or purchased.

22 (b) The vehicle identification number of the vehicle the used
23 motor vehicle part came from.

24 (c) The state of origin of the used motor vehicle part.

25 (d) The date of the transaction.

26 (e) The name of the individual who is conducting the
27 transaction on behalf of the dealer.

1 (f) The name, date of birth, driver's license number or state
2 of Michigan personal identification card number, and street and
3 house number of the individual with whom the transaction is being
4 made, together with a legible imprint of the right thumb of the
5 individual with whom the transaction is made, or if that is not
6 possible, then the left thumb or a finger of that individual.
7 However, the thumbprint or fingerprint is only required on the
8 record of transaction form retained by the dealer. The dealer or
9 agent shall make a thumbprint or fingerprint available to the local
10 police agency or the department of state police only during the
11 course of a police investigation involving a used motor vehicle
12 part described on the record of transaction. This subdivision does
13 not apply to a transaction involving an insurance company that has
14 acquired ownership of a late model vehicle by the payment of
15 damages due to an accident and a dealer that buys the vehicle from
16 the insurance company for salvage.

17 (g) The price paid or to be paid by the dealer for the used
18 motor vehicle part.

19 (h) Subject to section 2a, the form of payment made to the
20 customer. The dealer or agent shall indicate the number of a check,
21 money order, or bank draft and the transaction number of any direct
22 deposit or electronic transfer to the customer's account at a
23 financial institution.

24 (i) The signature of the individual with whom the transaction
25 is made.

26 (2) A dealer or agent shall number the record of each
27 transaction consecutively, commencing with the number 1 and the

1 calendar year; and, if the transaction includes the buying or
2 receiving of 1 or more used motor vehicle tires, tire wheels or
3 rims, or continuous tire tread, shall place the transaction number
4 on a tag that the dealer or agent must attach to each of those
5 items the dealer or agent bought or received.

6 (3) The record of transaction forms of a dealer and each used
7 motor vehicle part received by a dealer as the result of a
8 transaction are open to an inspection by the local police agency
9 and the Michigan state police at all times during the ordinary
10 business hours of the dealer. As a condition of doing business, a
11 dealer is considered to have given consent to the inspection
12 described in this subsection. The record of transaction forms of a
13 dealer are not open to inspection by the general public.

14 (4) A dealer shall retain each record of a transaction for at
15 least 1 year after the transaction to which the record pertains. A
16 dealer that goes out of business or changes the dealer's business
17 address to another local jurisdiction either within or out of this
18 state shall transmit to the local police agency the records of all
19 transactions made by the dealer in the 1-year period before the
20 dealer closes or moves. After a period of 1 year from the date of
21 the transaction, if a police investigation concerning a used motor
22 vehicle part described on the record of transaction has not
23 occurred, the dealer and local police agency shall destroy, and not
24 keep a permanent record of, the records of the transaction.

25 (5) The form of the record of transaction shall be 8-1/2 by 11
26 inches in size and shall be as follows:

Senate Bill No. 158 as Amended May 25, 2017

1 "Record of Transaction
2
3 #
4 (Transaction number printed
5 on the form)
6
7 (1) Description of Property
8
9
10
11
12 (2) (3)
13 (Vehicle Identification Number) (State of Origin)
14 (4) , [~~19~~] (5)
15 (Date) (Name of Dealer/Employee)
16 (6) _____, _____, [~~19~~]
17] (Name of Customer) (Date of Birth)
18 ,
19 (Driver's License No./ (Street Address)
20 Mich. Personal ID Number)
21 (City & State) (Zip)
22 (7)
23 (Price Paid)
24 (8)
25 (Check no., bank draft

1 no., money order no.,
2 transaction no., or cash)

3

4

5

6

7

Thumbprint

(Signature of Customer)

"

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