MILITARY PERSONNEL MOTOR VEHICLE LEASING ACT
Act 144 of 2008

AN ACT to allow certain active duty service members to terminate motor vehicle leases; to provide for the rights and responsibilities of the lessees and lessors to those terminated motor vehicle leases; to provide for the powers and duties of certain state officials; to prescribe civil sanctions and provide penalties; and to provide for the disposition of civil fines.

History: 2008, Act 144, Imd. Eff. May 28, 2008.

The People of the State of Michigan enact:

445.1011 Short title.

Sec. 1. This act shall be known and may be cited as the "military personnel motor vehicle leasing act".

History: 2008, Act 144, Imd. Eff. May 28, 2008.

445.1012 Definitions.

Sec. 2. As used in this act:

(a) "Active duty" means active duty pursuant to an executive order of the president of the United States, an act of congress, or an order of the governor.

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

(c) "Lessee" means that term as defined in section 1 of 1990 PA 169, MCL 445.991.

(d) "Lessor" means that term as defined in section 1 of 1990 PA 169, MCL 445.991.

(e) "Michigan national guard" means that term as defined in section 105 of the Michigan military act, 1967 PA 150, MCL 32.505.

(f) "Motor vehicle" means that term as defined in section 1 of 1990 PA 169, MCL 445.991.

(g) "Motor vehicle lease" means a lease contract as that term is defined in section 1 of 1990 PA 169, MCL 445.991.

(h) "Service member" means a member of the armed forces, a reserve branch of the armed forces, or the Michigan national guard.

History: 2008, Act 144, Imd. Eff. May 28, 2008.

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445.1013 Termination of motor lease by service member or spouse; requirements.

Sec. 3. A service member who is deployed on active duty for a period of 180 days or more, or the spouse of that service member, may terminate any motor vehicle lease that meets all of the following requirements:

(a) The motor vehicle lease is entered into on or after the effective date of this act.

(b) The motor vehicle lease is executed by or on behalf of the service member as a lessee.

(c) The motor vehicle lease is executed before the service member is deployed on active duty.

History: 2008, Act 144, Imd. Eff. May 28, 2008.

445.1014 Termination of motor vehicle lease; effectiveness.

Sec. 4. A termination of the motor vehicle lease under section 3 is effective on the date all of the following are met:

(a) The service member who is deployed on active duty, or the service member's spouse, provides the lessor by certified mail, return receipt requested, a written notice of the service member's intention to terminate the lease, a copy of the military or gubernatorial orders calling the service member to active duty, and a copy of any orders further extending the service member's period of active duty.

(b) The motor vehicle subject to the motor vehicle lease is returned to the custody or control of the lessor within 15 days after the delivery of the written notice under subdivision (a).

History: 2008, Act 144, Imd. Eff. May 28, 2008.

445.1015 Termination of motor vehicle lease; payments; charges; refund of advance payments.

Sec. 5. (1) If a motor vehicle lease is terminated under this act, the lessee shall pay any past due lease payments owed to the lessor as of the effective date of the termination and a pro rata share of any current lease payments owed as of that effective date.

(2) If a motor vehicle lease is terminated under this act, the lessor may not impose an early termination charge for that termination. However, the lessee shall pay any taxes, court costs, title or registration fees, and

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any other obligation and liability of the lessee under the terms of the lease, including, but not limited to, reasonable charges to the lessee for excess wear, use, and mileage, that are due and unpaid as of the effective date of the termination.

(3) If a motor vehicle lease is terminated under this act, the lessor shall refund to the lessee any lease amounts paid in advance for a period after the effective date of the termination of that motor vehicle lease, within 30 days after the effective date of the lease's termination.

History: 2008, Act 144, Imd. Eff. May 28, 2008.

445.1016 Civil action; equitable relief; civil fine.

Sec. 6. (1) Before the effective date of a motor vehicle lease termination under this act, the lessor may bring a civil action and, if appropriate, obtain equitable relief from all or part of the lessor's obligations to the lessee under this act.

(2) In addition to any other penalty that may be provided by law, the attorney general may file a civil action in which the court may impose on a lessor that violates this act a civil fine of not more than $1,000.00 for each violation. Money recovered under this subsection shall be forwarded to the state treasurer for deposit into the military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.

History: 2008, Act 144, Imd. Eff. May 28, 2008.

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