

MICHIGAN VEHICLE CODE (EXCERPT)
Act 300 of 1949

257.249 Denial, suspension, or revocation of license as dealer; grounds.

Sec. 249.

The secretary of state may deny the application of a person for a license as a dealer and refuse to issue the person a license as a dealer, or may suspend or revoke a license already issued, if the secretary of state finds that 1 or more of the following apply:

- (a) The applicant or licensee has made a false statement of a material fact in his or her application.
- (b) The applicant or licensee has not complied with the provisions of this chapter or a rule promulgated under this chapter.
- (c) The applicant or licensee has sold or leased or offered for sale or lease a new vehicle of a type required to be registered under this act without having authority of a contract with a manufacturer or distributor of the new vehicle.
- (d) The applicant or licensee has been guilty of a fraudulent act in connection with selling, leasing, or otherwise dealing in vehicles of a type required to be registered under this act.
- (e) The applicant or licensee has entered into or is about to enter into a contract or agreement with a manufacturer or distributor of vehicles of a type required to be registered under this act that is contrary to any provision of this act.
- (f) The applicant or licensee has no established place of business that is used or will be used for the purpose of selling, leasing, displaying, or offering for sale or lease or dealing in vehicles of a type required to be registered, and does not have proper servicing facilities.
- (g) The applicant or licensee is a corporation or partnership, and a stockholder, officer, director, or partner of the applicant or licensee has been guilty of any act or omission that would be cause for refusing, revoking, or suspending a license issued to the stockholder, officer, director, or partner as an individual.
- (h) The applicant or licensee has possessed a vehicle or a vehicle part that has been confiscated under section 415 of the Michigan penal code, 1931 PA 328, MCL 750.415. The secretary of state shall conduct a hearing pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, before the secretary of state takes any action under this subdivision.
- (i) The applicant or licensee has been convicted under section 415 of the Michigan penal code, 1931 PA 328, MCL 750.415.
- (j) The applicant or licensee has been convicted of violating 1986 PA 119, MCL 257.1351 to 257.1355.
- (k) The established place of business of the applicant or licensee is not in compliance with all applicable zoning requirements and municipal requirements.
- (l) The applicant or licensee has engaged in the business of buying, selling, trading, or exchanging new, used, or secondhand motor vehicles or has offered to buy, sell, trade, or exchange, or participate in the negotiation thereof, or attempted to buy, sell, trade, or exchange any motor vehicle or interest in any motor vehicle or any written instrument pertaining to a motor vehicle on a Sunday, as prohibited by 1953 PA 66, MCL 435.251 to 435.254.

History: 1949, Act 300, Eff. Sept. 23, 1949 ;-- Am. 1951, Act 270, Eff. Sept. 28, 1951 ;-- Am. 1981, Act 115, Imd. Eff. July 17, 1981 ;-- Am. 1988, Act 255, Eff. Oct. 1, 1989 ;-- Am. 1992, Act 304, Imd. Eff. Dec. 21, 1992 ;-- Am. 1993, Act 300, Eff. Jan. 1, 1994 ;-- Am. 2002, Act 642, Eff. Jan. 1, 2003 ;-- Am. 2004, Act 495, Eff. Jan. 31, 2005