

HOUSE BILL No. 5824

July 13, 1988, Introduced by Reps. Nye, Bender, Emmons, Muxlow, Ouwinga and Sparks and referred to the Committee on Transportation.

A bill to amend section 2 of Act No. 312 of the Public Acts of 1915, entitled as amended

"An act to establish, protect and enforce by lien the rights of garage keepers who furnish labor or material for storing, repairing, maintaining, keeping or otherwise supplying automobiles or other vehicles,"

being section 570.302 of the Michigan Compiled Laws; and to add section 1b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2 of Act No. 312 of the Public Acts of
2 1915, being section 570.302 of the Michigan Compiled Laws, is
3 amended and section 1b is added to read as follows:

4 SEC. 1B. IF CHARGES FOR SERVICES ON AN AIRCRAFT ARE NOT
5 PAID WITHIN 60 DAYS AFTER PERSONAL SERVICE OR SERVICE BY REGIS-
6 TERED OR CERTIFIED MAIL ADDRESSED TO THE LAST KNOWN ADDRESS OF
7 THE REGISTERED OWNER OF THE AIRCRAFT, OF A CLAIM OF LIEN TOGETHER

1 WITH AN ITEMIZED STATEMENT OF THE ACCOUNT UPON THE REGISTERED
2 OWNER OF THE AIRCRAFT, AND A RECORD OF THE LIEN HAS BEEN FILED
3 WITH THE FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGISTRY, THE
4 GARAGE KEEPER MAY SELL THE AIRCRAFT AT PUBLIC AUCTION. THE SALE
5 SHALL BE HELD NOT LESS THAN 20 DAYS NOR MORE THAN 60 DAYS AFTER
6 THE EXPIRATION OF THE 60-DAY PERIOD. BEFORE ANY SALE IS HELD,
7 THE GARAGE KEEPER SHALL GIVE TO THE FEDERAL AVIATION ADMINISTRA-
8 TION AIRCRAFT REGISTRY, ANY LIENHOLDER AS SHOWN BY THE RECORDS OF
9 THE FEDERAL AVIATION ADMINISTRATION AIRCRAFT REGISTRY, AND TO THE
10 REGISTERED OWNER OF THE AIRCRAFT, NOT LESS THAN 10 DAYS' WRITTEN
11 NOTICE OF THE TIME AND PLACE OF THE SALE. NOTICE TO THE FEDERAL
12 AVIATION ADMINISTRATION AIRCRAFT REGISTRY AND THE LIENHOLDERS
13 SHALL BE GIVEN BY FIRST CLASS MAIL, ADDRESSED TO THE FEDERAL AVI-
14 ATION ADMINISTRATION AIRCRAFT REGISTRY, OKLAHOMA CITY, OKLAHOMA,
15 AND TO THE ADDRESS OF THE LIENHOLDERS. NOTICE TO THE REGISTERED
16 OWNER OF THE AIRCRAFT SHALL BE GIVEN PERSONALLY OR BY CERTIFIED
17 MAIL, DIRECTLY TO THE LAST KNOWN ADDRESS OF THE REGISTERED
18 OWNER. THE GARAGE KEEPER MAY BID FOR AND PURCHASE THE AIRCRAFT
19 AT THE SALE. IF THE GARAGE KEEPER DIRECTLY OR INDIRECTLY PUR-
20 CHASES THE AIRCRAFT AT THE SALE, THE PROCEEDS OF THE SALE SHALL
21 BE CONSIDERED TO BE EITHER THE AMOUNT PAID BY THE GARAGE KEEPER
22 OR THE FAIR CASH MARKET VALUE OF THE AIRCRAFT AT THE TIME OF
23 SALE, WHICHEVER IS THE GREATER. ANY SURPLUS RECEIVED AT THE
24 SALE, AFTER ALL CHARGES OF THE GARAGE KEEPER HAVE BEEN PAID AND
25 SATISFIED AND ALL COSTS OF SALE HAVE BEEN DEDUCTED, SHALL BE
26 RETURNED TO ANY LIENHOLDER WHO HAS GIVEN NOTICE TO THE GARAGE
27 KEEPER OF HIS OR HER CLAIM OF LIEN, BEFORE DISTRIBUTION OF THE

1 PROCEEDS OF THE SALE IS COMPLETE, AND THE BALANCE SHALL BE
2 RETURNED TO THE REGISTERED OWNER OF THE AIRCRAFT.

3 Sec. 2. ~~If such~~ EXCEPT AS OTHERWISE PROVIDED FOR AIR-
4 CRAFT IN SECTION 1B, IF charges are not paid within 45 days after
5 personal service ~~or~~ or service by registered or certified mail
6 addressed to the last known address of the registered owner of
7 the vehicle, of a claim of lien together with an itemized state-
8 ment of the account upon the registered owner of the vehicle, the
9 garage keeper may sell the vehicle at public auction. The sale
10 shall be held not less than 20 days nor more than 60 days after
11 the expiration of the 45-day period. Before any sale is held,
12 the garage keeper shall give to the department of state, ~~and to~~
13 any ~~lien holder~~, LIENHOLDER as shown by the records of the
14 department OF STATE, and to the registered owner of the vehicle,
15 not less than 10 days' written notice of the time and place of
16 the sale. Notice to the department of state and the ~~lien~~
17 ~~holders~~ LIENHOLDERS shall be given by first class mail,
18 addressed to the department of state, Lansing, Michigan, and to
19 the address of the ~~lien holders~~ LIENHOLDERS, as shown by the
20 records of the department. Notice to the registered owner of
21 ~~such~~ THE vehicle shall be given personally or by certified
22 mail, directly to the last known address of the registered
23 owner. The garage keeper may bid for and purchase the vehicle at
24 the sale. If the garage keeper directly or indirectly purchases
25 the vehicle at the sale, the proceeds of the sale shall be con-
26 sidered to be either the amount paid by the garage keeper or the
27 fair cash market value of the vehicle at the time of sale,

1 whichever is the greater. Any surplus received at the sale,
2 after all charges of the garage keeper have been paid and satis-
3 fied and all costs of sale have been deducted, shall be returned
4 to any ~~lien holder~~ LIENHOLDER who has given notice to the
5 garage keeper of his OR HER claim of lien, before distribution of
6 the proceeds of the sale is complete, and the balance shall be
7 returned to the registered owner of the vehicle.