

SENATE BILL No. 200

April 7, 1987, Introduced by Senators POSTHUMUS, FAUST, SHINKLE,
SCHWARZ and CRUCE and referred to the Committee on Commerce
and Technology.

A bill to amend the title of Act No. 300 of the Public Acts
of 1949, entitled as amended

"Michigan vehicle code,"

as amended, being sections 257.1 to 257.923 of the Michigan
Compiled Laws; and to add sections 254a, 254b, 254c, 254d, 254e,
254f, 254g, and 810a; to repeal certain acts and parts of acts;
and to repeal certain acts and parts of acts on specific dates.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title of Act No. 300 of the Public Acts of
2 1949, as amended, being sections 257.1 to 257.923 of the Michigan
3 Compiled Laws, is amended and sections 254a, 254b, 254c, 254d,
4 254e, 254f, 254g, and 810a are added to read as follows:

TITLE

1
2 An act to provide for the registration, titling, sale,
3 transfer, and regulation of vehicles operated upon the public
4 highways of this state or any other place open to the general
5 public and distressed vehicles; to provide for the licensing of
6 dealers; to provide for the examination, licensing, and control
7 of operators and chauffeurs; to provide for the giving of proof
8 of financial responsibility and security by owners and operators
9 of vehicles; to provide for the imposition, levy, and collection
10 of specific taxes on vehicles, and the levy and collection of
11 sales and use taxes, license fees, and permit fees; to provide
12 for the regulation and use of streets and highways; to provide
13 for the creation of a Michigan department of state publications
14 fund; TO PROVIDE FOR THE CREATION OF AN AUTOMOBILE THEFT PREVEN-
15 TION AUTHORITY AND FUND; to provide penalties and sanctions for a
16 violation of this act; to provide for civil liability of owners
17 and operators of vehicles and service of process on residents and
18 nonresidents; to provide for the enforcement of this act; to pro-
19 vide for the creation of and to prescribe the powers and duties
20 of certain state agencies; TO REPEAL CERTAIN ACTS AND PARTS OF
21 ACTS ON SPECIFIC DATES; and to repeal all other acts or parts of
22 acts inconsistent with this act or contrary to this act.

23 SEC. 254A. AS USED IN SECTIONS 254B TO 254G:

24 (A) "AUTHORITY" MEANS THE AUTOMOBILE THEFT PREVENTION
25 AUTHORITY.

26 (B) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE AUTOMOBILE
27 THEFT PREVENTION AUTHORITY.

1 (C) "ECONOMIC AUTOMOBILE THEFT" MEANS AUTOMOBILE THEFT
2 PERPETRATED FOR FINANCIAL GAIN.

3 SEC. 254B. (1) THERE IS HEREBY CREATED A PUBLIC BODY CORPO-
4 RATE AND POLITIC TO BE KNOWN AS THE AUTOMOBILE THEFT PREVENTION
5 AUTHORITY.

6 (2) THE PURPOSES, POWERS, AND DUTIES OF THE AUTHORITY SHALL
7 BE VESTED IN AND EXERCISED BY A BOARD OF DIRECTORS.

8 (3) THE BOARD OF DIRECTORS SHALL CONSIST OF 7 MEMBERS,
9 APPOINTED BY THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE
10 SENATE, 2 OF WHOM SHALL BE REPRESENTATIVE OF PURCHASERS OF AUTO-
11 MOBILE INSURANCE IN THIS STATE, 2 OF WHOM SHALL BE REPRESENTATIVE
12 OF AUTOMOBILE INSURERS DOING BUSINESS IN THIS STATE, 2 OF WHOM
13 SHALL BE REPRESENTATIVE OF LAW ENFORCEMENT OFFICIALS IN THIS
14 STATE, AND 1 OF WHOM SHALL BE THE DIRECTOR OF THE DEPARTMENT OF
15 STATE POLICE OR HIS OR HER DESIGNEE. THE GOVERNOR SHALL DESIG-
16 NATE 1 MEMBER TO SERVE AS THE CHAIRPERSON OF THE AUTHORITY.

17 (4) MEMBERS OF THE BOARD SHALL SERVE FOR A TERM OF 2 YEARS.

18 (5) MEMBERS OF THE BOARD SHALL SERVE WITHOUT COMPENSATION
19 FOR THEIR MEMBERSHIP ON THE BOARD, EXCEPT THAT MEMBERS OF THE
20 BOARD SHALL RECEIVE REASONABLE REIMBURSEMENT FOR NECESSARY TRAVEL
21 AND EXPENSES.

22 (6) A MAJORITY OF THE MEMBERS OF THE BOARD SHALL CONSTITUTE
23 A QUORUM FOR THE TRANSACTION OF BUSINESS AT A MEETING, OR THE
24 EXERCISE OF A POWER OR FUNCTION OF THE AUTHORITY, NOTWITHSTANDING
25 THE EXISTENCE OF 1 OR MORE VACANCIES. NOTWITHSTANDING ANY OTHER
26 PROVISION OF LAW, ACTION MAY BE TAKEN BY THE AUTHORITY AT A
27 MEETING UPON A VOTE OF THE MAJORITY OF ITS MEMBERS PRESENT IN

1 PERSON OR THROUGH THE USE OF AMPLIFIED TELEPHONIC EQUIPMENT, IF
2 AUTHORIZED BY THE BYLAWS OF THE BOARD. THE AUTHORITY SHALL MEET
3 AT THE CALL OF THE CHAIR OR AS MAY BE PROVIDED IN THE BYLAWS OF
4 THE AUTHORITY. MEETINGS OF THE AUTHORITY MAY BE HELD ANYWHERE
5 WITHIN THE STATE OF MICHIGAN.

6 (7) THE AUTHORITY SHALL BE WITHIN THE DEPARTMENT OF STATE
7 POLICE AND SHALL EXERCISE ITS PRESCRIBED STATUTORY POWERS,
8 DUTIES, AND FUNCTIONS INDEPENDENTLY OF THE HEAD OF THAT
9 DEPARTMENT. THE BUDGETING, PROCUREMENT, AND RELATED FUNCTIONS OF
10 THE AUTHORITY, AND ADMINISTRATIVE RESPONSIBILITIES FOR EMPLOYEES
11 OF THE AUTHORITY, SHALL BE PERFORMED UNDER THE DIRECTION AND
12 SUPERVISION OF THE DIRECTOR OF THE DEPARTMENT OF STATE POLICE.

13 SEC. 254C. THE AUTHORITY SHALL HAVE THE POWER TO DO ANY OF
14 THE FOLLOWING IN ORDER TO CARRY OUT THE PURPOSES SPECIFIED IN
15 SECTION 254D:

16 (A) SUE AND BE SUED; TO HAVE A SEAL AND ALTER THE SAME AT
17 PLEASURE; TO HAVE PERPETUAL SUCCESSION; TO MAKE, EXECUTE, AND
18 DELIVER CONTRACTS, CONVEYANCES, AND OTHER INSTRUMENTS NECESSARY
19 OR CONVENIENT TO THE EXERCISE OF ITS POWERS; AND TO MAKE AND
20 AMEND BYLAWS.

21 (B) SOLICIT AND ACCEPT GIFTS, GRANTS, LOANS, FUNDS COLLECTED
22 AND PLACED IN THE AUTOMOBILE THEFT PREVENTION FUND, AND OTHER
23 AIDS FROM ANY PERSON OR THE FEDERAL, STATE, OR A LOCAL GOVERNMENT
24 OR ANY AGENCY THEREOF.

25 (C) MAKE GRANTS AND INVESTMENTS.

26 (D) PROCURE INSURANCE AGAINST ANY LOSS IN CONNECTION WITH
27 ITS PROPERTY, ASSETS, OR ACTIVITIES.

1 (E) INVEST ANY MONEY HELD IN RESERVE OR SINKING FUNDS, OR
2 ANY MONEY NOT REQUIRED FOR IMMEDIATE USE OR DISBURSEMENT, AT ITS
3 DISCRETION AND TO NAME AND USE DEPOSITORIES FOR ITS MONEY.

4 (F) CONTRACT FOR GOODS AND SERVICES AND ENGAGE PERSONNEL AS
5 IS NECESSARY, INCLUDING THE SERVICES OF PRIVATE CONSULTANTS, MAN-
6 AGERS, COUNSEL, AUDITORS, AND OTHERS FOR RENDERING PROFESSIONAL,
7 MANAGEMENT, AND TECHNICAL ASSISTANCE AND ADVICE, PAYABLE OUT OF
8 ANY MONEY OF THE FUND LEGALLY AVAILABLE FOR THIS PURPOSE.

9 (G) INDEMNIFY AND PROCURE INSURANCE INDEMNIFYING ANY MEMBER
10 OF THE BOARD FROM PERSONAL LOSS OR ACCOUNTABILITY FROM LIABILITY
11 RESULTING FROM A MEMBER'S ACTION OR INACTION AS A MEMBER OF THE
12 BOARD.

13 SEC. 254D. (1) MONEY RECEIVED PURSUANT TO SECTION 810A, AND
14 ALL OTHER MONEY RECEIVED BY THE AUTHORITY, SHALL BE SEGREGATED
15 AND PLACED IN A FUND TO BE KNOWN AS THE AUTOMOBILE THEFT PREVEN-
16 TION FUND. THE AUTOMOBILE THEFT PREVENTION FUND SHALL BE ADMIN-
17 ISTERED BY THE AUTHORITY.

18 (2) MONEY IN THE AUTOMOBILE THEFT PREVENTION FUND SHALL BE
19 EXPENDED IN THE FOLLOWING ORDER OF PRIORITY:

20 (A) TO PAY THE COSTS OF ADMINISTRATION OF THE AUTHORITY.

21 (B) TO ACHIEVE THE PURPOSES AND OBJECTIVES OF THE AUTHORITY,
22 WHICH ARE THE FOLLOWING:

23 (i) PROVIDE FINANCIAL SUPPORT TO THE DEPARTMENT OF STATE
24 POLICE AND LOCAL LAW ENFORCEMENT AGENCIES FOR ECONOMIC AUTOMOBILE
25 THEFT ENFORCEMENT TEAMS.

1 (ii) PROVIDE FINANCIAL SUPPORT TO STATE OR LOCAL LAW
2 ENFORCEMENT AGENCIES FOR PROGRAMS DESIGNED TO REDUCE THE
3 INCIDENCE OF ECONOMIC AUTOMOBILE THEFT.

4 (iii) PROVIDE FINANCIAL SUPPORT TO LOCAL PROSECUTORS FOR
5 PROGRAMS DESIGNED TO REDUCE THE INCIDENCE OF ECONOMIC AUTOMOBILE
6 THEFT.

7 (iv) PROVIDE FINANCIAL SUPPORT TO JUDICIAL AGENCIES FOR PRO-
8 GRAMS DESIGNED TO REDUCE THE INCIDENCE OF ECONOMIC AUTOMOBILE
9 THEFT.

10 (v) CONDUCT EDUCATIONAL PROGRAMS DESIGNED TO INFORM AUTOMO-
11 BILE OWNERS OF METHODS OF PREVENTING AUTOMOBILE THEFT AND TO PRO-
12 VIDE EQUIPMENT, FOR EXPERIMENTAL PURPOSES, TO ENABLE AUTOMOBILE
13 OWNERS TO PREVENT AUTOMOBILE THEFT.

14 (3) MONEY IN THE AUTOMOBILE THEFT PREVENTION FUND SHALL NOT
15 BE DIRECTLY USED TO PROVIDE VENTURE CAPITAL TO BUSINESSES OR
16 INDIVIDUALS.

17 (4) MONEY IN THE AUTOMOBILE THEFT PREVENTION FUND SHALL NOT
18 BE CONSIDERED STATE MONEY.

19 SEC. 254E. (1) THE AUTHORITY SHALL DEVELOP AND IMPLEMENT A
20 PLAN OF OPERATION.

21 (2) THE PLAN OF OPERATION SHALL INCLUDE AN ASSESSMENT OF THE
22 SCOPE OF THE PROBLEM OF AUTOMOBILE THEFT, INCLUDING PARTICULAR
23 AREAS OF THE STATE WHERE THE PROBLEM IS GREATEST; AN ANALYSIS OF
24 VARIOUS METHODS OF COMBATING THE PROBLEM OF AUTOMOBILE THEFT AND
25 ECONOMIC AUTOMOBILE THEFT; A PLAN FOR PROVIDING FINANCIAL SUPPORT
26 TO COMBAT AUTOMOBILE THEFT AND ECONOMIC AUTOMOBILE THEFT; AND AN
27 ESTIMATE OF THE FUNDS REQUIRED TO IMPLEMENT THE PLAN.

1 (3) THE AUTHORITY SHALL REPORT ANNUALLY ON OR BEFORE
2 FEBRUARY 1 TO THE GOVERNOR AND THE LEGISLATURE ON ITS ACTIVITIES
3 IN THE PRECEDING YEAR.

4 SEC. 254F. ON JULY 1, 1989, THE AUTHORITY SHALL BE DIS-
5 SOLVED AND THE ASSETS OF THE AUTHORITY SHALL BE LIQUIDATED. THE
6 PROCEEDS OF THE LIQUIDATION AND THE MONEY IN THE AUTOMOBILE THEFT
7 PREVENTION FUND SHALL BE DEPOSITED IN THE STATE TREASURY TO THE
8 CREDIT OF THE DEPARTMENT OF STATE POLICE FOR USE IN ECONOMIC
9 AUTOMOBILE THEFT PREVENTION.

10 SEC. 254G. SECTIONS 254A TO 254G ARE REPEALED EFFECTIVE
11 JULY 1, 1989.

12 SEC. 810A. AT THE TIME OF REGISTERING A VEHICLE, THE SECRE-
13 TARY OF STATE SHALL COLLECT FROM THE OWNER OF THE VEHICLE, IN
14 ADDITION TO THE TAX COLLECTED UNDER SECTION 801, AN ANNUAL
15 ASSESSMENT OF 75 CENTS. MONEY COLLECTED UNDER THIS SECTION SHALL
16 BE PLACED IN THE AUTOMOBILE THEFT PREVENTION FUND CREATED BY SEC-
17 TION 254D.

18 Section 2. Chapter 61 of Act No. 218 of the Public Acts of
19 1956, being sections 500.6101 to 500.6125 of the Michigan
20 Compiled Laws, is repealed.

21 Section 3. This amendatory act does not dissolve and recre-
22 ate the automobile theft prevention authority created in chapter
23 61 of the insurance code of 1956, Act No. 218 of the Public Acts
24 of 1956, being sections 500.6101 to 500.6125 of the Michigan
25 Compiled Laws, but the authority is intended to continue to be
26 the same public body corporate and politic as created in that
27 chapter.