

HOUSE BILL No. 5574

March 7, 1990, Introduced by Reps. Ciaramitaro, Leland, Dolan, Berman, Fitzgerald, Gire, Jondahl and London and referred to the Committee on Consumers.

A bill to amend section 249 of Act No. 300 of the Public Acts of 1949, entitled as amended,
"Michigan vehicle code,"
as amended by Act No. 255 of the Public Acts of 1988, being section 257.249 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 249 of Act No. 300 of the Public Acts of
2 1949, as amended by Act No. 255 of the Public Acts of 1988, being
3 section 257.249 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 249. The secretary of state may deny the application
6 of a person for a license as a dealer and refuse to issue the
7 person a license as a dealer, or may suspend or revoke a license
8 already issued, if the secretary of state finds that the
9 applicant or licensee has done 1 or more of the following:

1 (a) Has made a false statement of a material fact in his or
2 her application.

3 (b) Has not complied with the provisions of this chapter.

4 (c) Has sold or offered for sale a new vehicle of a type
5 required to be registered under this act without having authority
6 of a contract with a manufacturer or distributor of the new
7 vehicle.

8 (d) Has been guilty of a fraudulent act in connection with
9 selling or otherwise dealing in vehicles of a type required to be
10 registered under this act.

11 (e) Has entered into or is about to enter into a contract or
12 agreement with a manufacturer or distributor of vehicles of a
13 type required to be registered under this act, which is contrary
14 to any provision of this act.

15 (f) Has no established place of business which is used or
16 will be used for the purpose of selling, displaying, and offering
17 for sale or dealing in vehicles of a type required to be regis-
18 tered, and does not have proper servicing facilities.

19 (g) If the applicant is a corporation or partnership, a
20 stockholder, officer, director, or partner of the applicant has
21 been guilty of any act or omission which would be cause for
22 refusing, revoking, or suspending a license issued to the offi-
23 cer, director, or partner as an individual.

24 (h) Has possessed a vehicle or a vehicle part which has been
25 confiscated under section 415 of the Michigan penal code, Act
26 No. 328 of the Public Acts of 1931, as amended, being section
27 750.415 of the Michigan Compiled Laws. The secretary of state

1 shall conduct a hearing pursuant to the administrative procedures
2 act of 1969, Act No. 306 of the Public Acts of 1969, as amended,
3 being sections 24.201 to 24.328 of the Michigan Compiled Laws,
4 before the secretary of state takes any action under this
5 subdivision.

6 (i) Has been convicted under section 415 of the Michigan
7 penal code, Act No. 328 of the Public Acts of 1931, as amended.

8 (j) ~~Until~~ BEGINNING OCTOBER 1, 1989, AND UNTIL January 1,
9 1993, has been convicted of violating Act No. 119 of the Public
10 Acts of 1986, being sections 257.1351 to 257.1355 of the Michigan
11 Compiled Laws.

12 (K) HAS FAILED TO PROVIDE WRITTEN NOTICE TO A PROSPECTIVE
13 BUYER OF A MOTOR VEHICLE, WHICH THE APPLICANT OR LICENSEE REPRESENTS AS A NEW MOTOR VEHICLE OR AS A DEMONSTRATOR, OF ALL REPAIRS
14 MADE TOTALING \$250.00 OR MORE AT RETAIL VALUATION TO THE VEHICLE
15 WHICH HE OR SHE HAS OR SHOULD HAVE KNOWLEDGE OF, WHETHER OR NOT
16 THOSE REPAIRS WERE MADE BY HIM OR HER.