

HOUSE SUBSTITUTE FOR SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5365

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 217, 234, and 717 (MCL 257.217, 257.234, and
257.717), section 217 as amended by 2000 PA 397, section 234 as
amended by 2000 PA 151, and section 717 as amended by 2002 PA
453.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 217. (1) An owner of a vehicle that is subject to reg-
2 istration under this act shall apply to the secretary of state,
3 upon an appropriate form furnished by the secretary of state, for
4 the registration of the vehicle and issuance of a certificate of
5 title for the vehicle. ~~Effective January 1, 1994, a~~ A vehicle
6 brought into this state from another state or jurisdiction that
7 has a rebuilt, salvage, scrap, FLOOD, or comparable certificate
8 of title issued by that other state or jurisdiction shall be

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1 issued a rebuilt, salvage, ~~or~~ scrap, OR FLOOD certificate of
2 title by the secretary of state. The application shall be accom-
3 panied by the required fee. An application for a certificate of
4 title shall bear the signature of the owner. The application
5 shall contain all of the following:

6 (a) The owner's name, the owner's bona fide residence, and
7 either of the following:

8 (i) ~~The owner's mailing address, if~~ IF the owner is an
9 individual, THE OWNER'S MAILING ADDRESS.

10 (ii) ~~The owner's business address, if~~ IF the owner is a
11 firm, association, PARTNERSHIP, LIMITED LIABILITY COMPANY, or
12 corporation, THE OWNER'S BUSINESS ADDRESS.

13 (b) A description of the vehicle including the make or name,
14 style of body, and model year; the number of miles, not including
15 the tenths of a mile, registered on the vehicle's odometer at the
16 time of transfer; WHETHER THE VEHICLE IS A FLOOD VEHICLE OR
17 ANOTHER STATE PREVIOUSLY ISSUED THE VEHICLE A FLOOD CERTIFICATE
18 OF TITLE; whether the vehicle is to be or has been used as a taxi
19 or police vehicle, or by a political subdivision of this state,
20 unless the vehicle is owned by a dealer and loaned or leased to a
21 political subdivision of this state for use as a driver education
22 vehicle; whether the vehicle has previously been issued a salvage
23 or rebuilt certificate of title from this state or a comparable
24 certificate of title from any other state or jurisdiction; vehi-
25 cle identification number; and the vehicle's weight fully
26 equipped, if a passenger vehicle registered in accordance with
27 section 801(1)(a), and, if a trailer coach or pickup camper, in

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1 addition to the weight, the manufacturer's serial number, or in
2 the absence of the serial number, a number assigned by the secre-
3 tary of state. A number assigned by the secretary of state shall
4 be permanently placed on the trailer coach or pickup camper in
5 the manner and place designated by the secretary of state.

6 (c) A statement of the applicant's title and the names and
7 addresses of the holders of security interests in the vehicle and
8 in an accessory to the vehicle, in the order of their priority.

9 (d) Further information that the secretary of state reason-
10 ably requires to enable the secretary of state to determine
11 whether the vehicle is lawfully entitled to registration and the
12 owner entitled to a certificate of title. If the secretary of
13 state is not satisfied as to the ownership of a late model vehi-
14 cle or other vehicle having a value over \$2,500.00, before regis-
15 tering the vehicle and issuing a certificate of title, the secre-
16 tary of state may require the applicant to file a properly exe-
17 cuted surety bond in a form prescribed by the secretary of state
18 and executed by the applicant and a company authorized to conduct
19 a surety business in this state. The bond shall be in an amount
20 equal to twice the value of the vehicle as determined by the sec-
21 retary of state and shall be conditioned to indemnify or reim-
22 burse the secretary of state, any prior owner, and any subsequent
23 purchaser of the vehicle and their successors in interest against
24 any expense, loss, or damage, including reasonable attorney's
25 fees, by reason of the issuance of a certificate of title for the
26 vehicle or on account of any defect in the right, title, or
27 interest of the applicant in the vehicle. An interested person

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1 has a right of action to recover on the bond for a breach of the
2 conditions of the bond, but the aggregate liability of the surety
3 to all persons shall not exceed the amount of the bond. The bond
4 shall be returned at the end of 3 years, or before 3 years if the
5 vehicle is no longer registered in this state and the currently
6 valid certificate of title is surrendered to the secretary of
7 state, unless the secretary of state has received notification of
8 the pendency of an action to recover on the bond. If the secre-
9 tary of state is not satisfied as to the ownership of a vehicle
10 that is valued at \$2,500.00 or less and that is not a late model
11 vehicle, the secretary of state shall require the applicant to
12 certify that the applicant is the owner of the vehicle and enti-
13 tled to register and title the vehicle.

14 (e) Except as provided in subdivision (f), an application
15 for a commercial vehicle shall also have attached a scale weight
16 receipt of the motor vehicle fully equipped as of the time the
17 application is made. A scale weight receipt is not necessary if
18 there is presented with the application a registration receipt of
19 the previous year that shows on its face the empty weight of the
20 motor vehicle as registered with the secretary of state that is
21 accompanied by a statement of the applicant that there has not
22 been structural change in the motor vehicle that has increased
23 the empty weight and that the previous registered weight is the
24 true weight.

25 (f) An application for registration of a vehicle on the
26 basis of elected gross weight shall include a declaration by the

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1 applicant specifying the elected gross weight for which
2 application is being made.

3 (g) If the application is for a certificate of title of a
4 motor vehicle registered in accordance with section ~~801(i)(q)~~
5 801(1)(P), the application shall include the manufacturer's sug-
6 gested base list price for the model year of the vehicle.
7 Annually, the secretary of state shall publish a list of the
8 manufacturer's suggested base list price for each vehicle being
9 manufactured. Once a base list price is published by the secre-
10 tary of state for a model year for a vehicle, the base list price
11 shall not be affected by subsequent increases in the
12 manufacturer's suggested base list price but shall remain the
13 same throughout the model year unless changed in the annual list
14 published by the secretary of state. If the secretary of state's
15 list has not been published for that vehicle by the time of the
16 application for registration, the base list price shall be the
17 manufacturer's suggested retail price as shown on the label
18 required to be affixed to the vehicle under section 3 of the
19 automobile information disclosure act, Public Law 85-506,
20 15 U.S.C. 1232. If the manufacturer's suggested retail price is
21 unavailable, the application shall list the purchase price of the
22 vehicle as defined in section 801(4).

23 ~~(2) Beginning October 1, 1999, the secretary of state shall~~
24 ~~require an~~ AN applicant for registration of a leased pickup
25 truck or passenger vehicle that is subject to registration under
26 this act, except a vehicle that is subject to registration tax
27 under section 801g, ~~to~~ SHALL disclose in writing TO THE

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1 SECRETARY OF STATE the lessee's name, the lessee's bona fide
2 residence, and either of the following:

3 (a) ~~The~~ IF THE LESSEE IS AN INDIVIDUAL, THE lessee's
4 Michigan driver license number or Michigan personal identifica-
5 tion number or, if the lessee does not have a Michigan driver
6 license or Michigan personal identification number, the lessee's
7 mailing address. ~~, if the lessee is an individual.~~

8 (b) ~~The lessee's business address, if~~ IF the lessee is a
9 firm, association, PARTNERSHIP, LIMITED LIABILITY COMPANY, or
10 corporation, THE LESSEE'S BUSINESS ADDRESS.

11 (3) The secretary of state shall maintain the information
12 described in subsection (2) on the secretary of state's computer
13 records.

14 (4) A dealer selling or exchanging vehicles required to be
15 titled, within 15 days after delivering a vehicle to the purchas-
16 er, and a person engaged in the sale of vessels required to be
17 numbered by part 801 of the natural resources and environmental
18 protection act, 1994 PA 451, MCL 324.80101 to 324.80199, within
19 15 days after delivering a boat trailer weighing less than 2,500
20 pounds to the purchaser, shall apply to the secretary of state
21 for a new title, if required, and transfer or secure registration
22 plates and secure a certificate of registration for the vehicle
23 or boat trailer, in the name of the purchaser. The dealer's
24 license may be suspended or revoked in accordance with section
25 249 for failure to apply for a title when required or for failure
26 to transfer or secure registration plates and certificate of
27 registration within the 15 days required by this section. If the

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1 dealer or person fails to apply for a title when required, and to
2 transfer or secure registration plates and secure a certificate
3 of registration and pay the required fees within 15 days of
4 delivery of the vehicle or boat trailer, a title and registration
5 for the vehicle or boat trailer may subsequently be acquired only
6 upon the payment of a transfer fee of \$15.00 in addition to the
7 fees specified in section 806. The purchaser of the vehicle or
8 boat trailer shall sign the application, including, when applica-
9 ble, the declaration specifying the maximum elected gross weight,
10 as required by subsection (1)(f), and other necessary papers to
11 enable the dealer or person to secure the title, registration
12 plates, and transfers from the secretary of state. IF THE SECRE-
13 TARY OF STATE MAILS OR DELIVERS A PURCHASER'S CERTIFICATE OF
14 TITLE TO A DEALER, THE DEALER SHALL MAIL OR DELIVER THE CERTIFI-
15 CATE OF TITLE TO THE PURCHASER NOT MORE THAN 5 DAYS AFTER RECEIV-
16 ING THE CERTIFICATE OF TITLE FROM THE SECRETARY OF STATE.

17 (5) If a vehicle is delivered to a purchaser who has valid
18 Michigan registration plates that are to be transferred to the
19 vehicle, and an application for title, if required, and registra-
20 tion for the vehicle is not made before delivery of the vehicle
21 to the purchaser, the registration plates shall be affixed to the
22 vehicle immediately, and the dealer shall provide the purchaser
23 with an instrument in writing, on a form prescribed by the secre-
24 tary of state, which shall serve as a temporary registration for
25 the vehicle for a period of 15 days from the date the vehicle is
26 delivered.

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1 (6) An application for a certificate of title that indicates
2 the existence of a security interest in the vehicle or in an
3 accessory to the vehicle, if requested by the security interest
4 holder, shall be accompanied by a copy of the security agreement
5 which need not be signed. The request may be made of the seller
6 on an annual basis. The secretary of state shall indicate on the
7 copy the date and place of filing of the application and return
8 the copy to the person submitting the application who shall for-
9 ward it to the holder of the security interest named in the
10 application.

11 (7) If the seller does not prepare the credit information,
12 contract note, and mortgage, and the holder, finance company,
13 credit union, or banking institution requires the installment
14 seller to record the lien on the title, the holder, finance com-
15 pany, credit union, or banking institution shall pay the seller a
16 service fee of not more than \$10.00. The service fee shall be
17 paid from the finance charges and shall not be charged to the
18 buyer in addition to the finance charges. The holder, finance
19 company, credit union, or banking institution shall issue its
20 check or bank draft for the principal amount financed, payable
21 jointly to the buyer and seller, and there shall be imprinted on
22 the back side of the check or bank draft the following:

23 "Under Michigan law, the seller must record a first lien in
24 favor of (name of lender) _____ on the vehicle with
25 vehicle identification number _____ and title the vehi-
26 cle only in the name(s) shown on the reverse side." On the front
27 of the sales check or draft, the holder, finance company, credit

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1 union, or banking institution shall note the name(s) of the
2 prospective owner(s). Failure of the holder, finance company,
3 credit union, or banking institution to comply with these
4 requirements frees the seller from any obligation to record the
5 lien or from any liability that may arise as a result of the
6 failure to record the lien. A service fee shall not be charged
7 to the buyer.

8 (8) In the absence of actual malice proved independently and
9 not inferred from lack of probable cause, a person who in any
10 manner causes a prosecution for larceny of a motor vehicle; for
11 embezzlement of a motor vehicle; for any crime an element of
12 which is the taking of a motor vehicle without authority; or for
13 buying, receiving, possessing, or aiding in the concealment of a
14 stolen, embezzled, or converted motor vehicle knowing that the
15 motor vehicle has been stolen, embezzled, or converted, is not
16 liable for damages in a civil action for causing the
17 prosecution. This subsection does not relieve a person from
18 proving any other element necessary to sustain his or her cause
19 of action.

20 Sec. 234. (1) The purchaser or transferee, unless the
21 person is a licensed dealer, shall present or cause to be
22 presented the certificate of title and registration certificate
23 if plates are being transferred to another vehicle, assigned as
24 provided in this act, to the secretary of state accompanied by
25 the fees as provided by law, whereupon a new certificate of title
26 and registration certificate shall be issued to the assignee.
27 The certificate of title shall be mailed or delivered to the

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1 owner or another person the owner may direct in a separate
2 instrument in a form the secretary of state shall prescribe.

3 (2) IF THE SECRETARY OF STATE MAILS OR DELIVERS A
4 PURCHASER'S OR TRANSFEREE'S CERTIFICATE OF TITLE TO A DEALER, THE
5 DEALER SHALL MAIL OR DELIVER THAT CERTIFICATE OF TITLE TO THE
6 PURCHASER OR TRANSFEREE NOT MORE THAN 5 DAYS AFTER RECEIVING THE
7 CERTIFICATE OF TITLE FROM THE SECRETARY OF STATE.

8 (3) ~~(2)~~ Unless the transfer is made and the fee paid
9 within 15 days, the vehicle is considered to be without registra-
10 tion, the secretary of state may repossess the license plates,
11 and transfer of the vehicle ownership may be effected and a valid
12 registration acquired thereafter only upon payment of a transfer
13 fee of \$15.00 in addition to the fee provided for in section
14 806.

15 (4) ~~(3)~~ If a security interest is reserved or created at
16 the time of the transfer, the parties shall comply with the
17 requirements of section 238.

18 Sec. 717. (1) The total outside width of a vehicle or the
19 load on a vehicle shall not exceed 96 inches, except as otherwise
20 provided in this section.

21 (2) A person may operate or move an implement of husbandry
22 of any width on a highway as required, designed, and intended for
23 farming operations, including the movement of implements of hus-
24 bandry being driven or towed and not hauled on a trailer, without
25 obtaining a special permit for an excessively wide vehicle or
26 load under section 725. The operation or movement of the
27 implement of husbandry shall be in a manner so as to minimize the

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1 interruption of traffic flow. A person shall not operate or move
2 an implement of husbandry to the left of the center of the road-
3 way from a half hour after sunset to a half hour before sunrise,
4 under the conditions specified in section 639, or at any time
5 visibility is substantially diminished due to weather
6 conditions. A person operating or moving an implement of hus-
7 bandry shall follow all traffic regulations.

8 (3) The total outside width of the load of a vehicle hauling
9 concrete pipe, agricultural products, or unprocessed logs, pulp-
10 wood, or wood bolts shall not exceed 108 inches.

11 (4) Except as provided in subsections (2) and (5) and this
12 subsection, if a vehicle that is equipped with pneumatic tires is
13 operated on a highway, the maximum width from the outside of 1
14 wheel and tire to the outside of the opposite wheel and tire
15 shall not exceed 102 inches, and the outside width of the body of
16 the vehicle or the load on the vehicle shall not exceed 96
17 inches. However, a truck and trailer or a tractor and semi-
18 trailer combination hauling pulpwood or unprocessed logs may be
19 operated with a maximum width of not to exceed 108 inches in
20 accordance with a special permit issued under section 725.

21 (5) The total outside body width of a bus, a trailer coach,
22 a truck camper, or a motor home shall not exceed 102 inches.
23 However, an appurtenance of a trailer coach, a truck camper, or a
24 motor home that extends not more than 6 inches beyond the total
25 outside body width is not a violation of this section.

26 (6) A vehicle shall not extend beyond the center line of a
27 state trunk line highway except when authorized by law. Except

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1 as provided in subsection (2), if the width of the vehicle makes
2 it impossible to stay away from the center line, a permit shall
3 be obtained under section 725.

4 (7) The director of the state transportation department, a
5 county road commission, or a local authority may designate a
6 highway under the agency's jurisdiction as a highway on which a
7 person may operate a vehicle or vehicle combination that is not
8 more than 102 inches in width, including load, the operation of
9 which would otherwise be prohibited by this section. The agency
10 making the designation may require that the owner or lessee of
11 the vehicle or of each vehicle in the vehicle combination secure
12 a permit before operating the vehicle or vehicle combination.
13 This subsection does not restrict the issuance of a special
14 permit under section 725 for the operation of a vehicle or vehi-
15 cle combination. This subsection does not permit the operation
16 of a vehicle or vehicle combination described in section 722a
17 carrying a load described in that section if the operation would
18 otherwise result in a violation of that section.

19 (8) THE DIRECTOR OF THE STATE TRANSPORTATION DEPARTMENT, A
20 COUNTY ROAD COMMISSION, OR A LOCAL AUTHORITY MAY ISSUE A SPECIAL
21 PERMIT UNDER SECTION 725 TO A PERSON OPERATING A VEHICLE OR VEHI-
22 CLE COMBINATION IF ALL OF THE FOLLOWING ARE MET:

23 (A) THE VEHICLE OR VEHICLE COMBINATION, INCLUDING LOAD, IS
24 NOT MORE THAN 106 INCHES IN WIDTH.

25 (B) THE VEHICLE OR VEHICLE COMBINATION IS USED SOLELY TO
26 MOVE NEW MOTOR VEHICLES OR PARTS OR COMPONENTS OF NEW MOTOR
27 VEHICLES BETWEEN FACILITIES THAT MEET ALL OF THE FOLLOWING:

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1 (i) NEW MOTOR VEHICLES OR PARTS OR COMPONENTS OF NEW MOTOR
2 VEHICLES ARE MANUFACTURED OR ASSEMBLED IN THE FACILITIES.

3 (ii) THE FACILITIES ARE LOCATED WITHIN 10 MILES OF EACH
4 OTHER.

5 (iii) THE FACILITIES ARE LOCATED WITHIN THE CITY LIMITS OF
6 THE SAME CITY AND THE CITY IS LOCATED IN A COUNTY THAT HAS A POP-
7 ULATION OF MORE THAN 400,000 AND LESS THAN 500,000 ACCORDING TO
8 THE MOST RECENT FEDERAL DECENNIAL CENSUS.

9 (c) THE SPECIAL PERMIT AND ANY RENEWALS ARE EACH ISSUED FOR
10 A TERM OF 1 YEAR OR LESS.

11 (9) ~~-(8)-~~ A person who violates this section is responsible
12 for a civil infraction. The owner of the vehicle may be charged
13 with a violation of this section.

14 Enacting section 1. This amendatory act takes effect
15 October 1, 2002.