

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5804

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 222 and 244 (MCL 257.222 and 257.244), section 222 as amended by 2000 PA 397 and section 244 as amended by 2000 PA 369, and by adding section 17c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 17C. "FLOOD VEHICLE" MEANS A VEHICLE THAT WAS SUB-
2 MERGED IN WATER TO THE POINT THAT WATER ENTERED THE PASSENGER
3 COMPARTMENT OR TRUNK OVER THE SILL OF THE TRUNK FLOOR PAN OR
4 DOORSILL OR A VEHICLE ACQUIRED BY AN INSURANCE COMPANY AS PART OF
5 THE SETTLEMENT OF A WATER DAMAGE CLAIM.

6 Sec. 222. (1) Except as otherwise provided in this act, the
7 secretary of state shall issue a registration certificate and a
8 certificate of title when registering a vehicle ~~and~~ upon
9 receipt of the required fees. ~~A~~ THE SECRETARY OF STATE SHALL

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1 ISSUE A FLOOD, REBUILT, SALVAGE, OR SCRAP CERTIFICATE OF TITLE
2 FOR A vehicle brought into this state from another state or
3 jurisdiction that has a FLOOD, rebuilt, salvage, or scrap certif-
4 icate of title issued by that other state or jurisdiction. ~~shall~~
5 ~~be issued a rebuilt, salvage, or scrap certificate of title by~~
6 ~~the secretary of state.~~

7 (2) The SECRETARY OF STATE SHALL DELIVER THE registration
8 certificate ~~shall be delivered~~ to the owner. ~~and~~ THE
9 CERTIFICATE shall contain on its face the date issued, the name
10 and address of the owner, the registration number assigned to the
11 vehicle, and a description of the vehicle as determined by the
12 secretary of state.

13 (3) The certificate of title shall be manufactured in a
14 manner to prohibit as nearly as possible the ability to repro-
15 duce, alter, counterfeit, forge, or duplicate the certificate of
16 title without ready detection. ~~and~~ THE CERTIFICATE SHALL con-
17 tain on its face the identical information required on the face
18 of the registration certificate; if the vehicle is a motor vehi-
19 cle, the number of miles, not including the tenths of a mile,
20 registered on the vehicle's odometer at the time of transfer;
21 whether the vehicle is to be used or has been used as a taxi, as
22 a police vehicle, or by a political subdivision of this state,
23 unless the vehicle is owned by a dealer and loaned or leased to a
24 political subdivision of this state for use as a driver education
25 vehicle; whether the vehicle is a salvage vehicle; if the vehicle
26 has previously been issued a rebuilt certificate of title from
27 this state or a comparable certificate of title from any other

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1 state or jurisdiction; if the vehicle has been issued a scrap
2 certificate of title from this state or a comparable certificate
3 of title from any other state or jurisdiction; IF THE VEHICLE IS
4 A FLOOD VEHICLE OR HAS PREVIOUSLY BEEN ISSUED A FLOOD CERTIFICATE
5 OF TITLE FROM THIS STATE OR ANY OTHER STATE OR JURISDICTION; if
6 the owner or co-owner or lessee or co-lessee of the vehicle is
7 subject to registration denial under section 219(1)(d); a state-
8 ment of the owner's title and of all security interests in the
9 vehicle or in an accessory on the vehicle as set forth in the
10 application; the date that the application was filed; and any
11 other information that the secretary of state may require.

12 (4) The certificate of title shall contain a form for
13 assignment of title or interest and warranty of title by the
14 owner with space for the notation of a security interest in the
15 vehicle and in an accessory on the vehicle, which at the time of
16 a transfer shall be certified and signed, and space for a written
17 odometer mileage statement that is required upon transfer pursu-
18 ant to section 233a. The certificate of title may also contain
19 other forms that the secretary of state considers necessary to
20 facilitate the effective administration of this act. The certif-
21 icate shall bear the coat of arms of this state.

22 (5) The SECRETARY OF STATE SHALL MAIL OR DELIVER THE certif-
23 icate of title ~~shall be mailed or delivered~~ to the owner or
24 other person the owner may direct in a separate instrument, in a
25 form PRESCRIBED BY the secretary of state. ~~shall prescribe.~~

26 (6) A person who intentionally reproduces, alters,
27 counterfeits, forges, or duplicates a certificate of title or who

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1 uses a reproduced, altered, counterfeited, forged, or duplicated
2 certificate of title shall be punished as follows:

3 (a) If the intent of reproduction, alteration, counterfeit-
4 ing, forging, duplication, or use was to commit or aid in the
5 commission of an offense punishable by imprisonment for 1 or more
6 years, the person committing the reproduction, alteration, coun-
7 terfeiting, forging, duplication, or use is guilty of a misde-
8 meanor, punishable by imprisonment for a period equal to that
9 which could be imposed for the commission of the offense the
10 person had the intent to aid or commit. The court may also
11 assess a fine of not more than \$10,000.00 against the person.

12 (b) If the intent of the reproduction, alteration, counter-
13 feiting, forging, duplication, or use was to commit or aid in the
14 commission of an offense punishable by imprisonment for not more
15 than 1 year, the person committing the reproduction, alteration,
16 counterfeiting, forging, duplication, or use is guilty of a mis-
17 demeanor, punishable by imprisonment for not more than 1 year, or
18 a fine of not more than \$1,000.00, or both.

19 (7) The certificate of title for a police vehicle, a vehicle
20 owned by a political subdivision of this state, a salvage vehi-
21 cle, a rebuilt vehicle, ~~and~~ a scrap vehicle, OR A FLOOD VEHICLE
22 shall be different in color from the certificate of title for all
23 other vehicles unless the vehicle is loaned or leased to a polit-
24 ical subdivision of this state for use as a driver education
25 vehicle.

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1 (8) A scrap certificate of title shall contain a legend that
2 the vehicle is not to be titled or registered and is to be used
3 for parts or scrap metal only.

4 (9) A certificate of title shall not be issued for a vehicle
5 which has had a salvage certificate of title unless the certifi-
6 cate of title contains a legend that discloses the vehicle's
7 former condition to consumers and potential purchasers.

8 Sec. 244. (1) A manufacturer owning any vehicle of a type
9 otherwise required to be registered under this act may operate or
10 move the vehicle upon a street or highway ~~solely~~ PRIMARILY for
11 the purposes of transporting or testing or in connection with a
12 golf tournament or a public civic event, if the vehicle displays,
13 in the manner prescribed in section 225, 1 special plate approved
14 by the secretary of state.

15 (2) A producer of a vehicle subcomponent system essential to
16 the operation of the vehicle or the safety of an occupant may
17 operate or move a motor vehicle upon a street or highway solely
18 to transport or test the subcomponent system if the motor vehicle
19 displays, in the manner prescribed in section 225, 1 special
20 plate approved by the secretary of state. To be eligible for the
21 special plate, the subcomponent system producer must be either a
22 recognized subcomponent system producer or must be a subcomponent
23 system producer under contract with a vehicle manufacturer.

24 (3) A dealer owning any vehicle of a type otherwise required
25 to be registered under this act may operate or move the vehicle
26 upon a street or highway without registering the vehicle if the
27 vehicle displays, in the manner prescribed in section 225, 1

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1 special plate issued to the owner by the secretary of state. As
2 used in this subsection, "dealer" includes any employee, servant,
3 or agent of the dealer.

4 (4) A transporter may operate or move any vehicle of like
5 type upon a street or highway solely to deliver the vehicle upon
6 displaying a special plate issued to him or her as provided in
7 this chapter.

8 (5) The plates described in this section shall not be used
9 on service cars or wreckers which are being operated as an
10 adjunct of a licensee's business. A manufacturer, transporter,
11 or dealer, making or permitting any unauthorized use of a special
12 plate under this chapter is considered to have forfeited its
13 license under this chapter and the secretary of state, after
14 notice and a hearing, may suspend or cancel the right to use the
15 plates and cause the plates to be surrendered to and repossessed
16 by the state.

17 (6) Transporters shall furnish a sufficient surety bond or
18 policy of insurance as protection for public liability and prop-
19 erty damage as may be required by the secretary of state.

20 (7) The secretary of state shall determine the number of
21 plates a manufacturer, dealer, or transporter reasonably needs in
22 his or her business.

23 (8) Upon the sale of a vehicle otherwise required to be reg-
24 istered under this act, the vendee shall be permitted to operate
25 the vehicle upon a street or highway for not more than 72 hours
26 after taking possession, but during that time the vehicle shall
27 have the dealer plate attached as provided in this section. The

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1 application for registration shall be made in the name of the
2 vendee before the vehicle is used. The dealer and the vendee
3 shall be jointly responsible for the return of the dealer plate
4 to the dealer within 72 hours, and the failure of the vendee to
5 return or the vendor to use due diligence to procure the dealer
6 plate shall constitute a misdemeanor, and in addition the license
7 of the dealer may be revoked. The vendee, while using the
8 dealer's plate, shall have in his or her possession proof that
9 clearly indicates the date of sale of the motor vehicle.

10 (9) Vehicles owned by the dealer and bearing the dealer's
11 plate may be driven upon a street or highway for demonstration
12 purposes by any prospective buyer for a period of 72 hours.

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