

**House Bill 4231**

**Sponsor: Rep. Jim Koetje**

**Committee: Government Operations**

**Complete to 3-4-03**

**A SUMMARY OF HOUSE BILL 4231 AS INTRODUCED 2-13-03**

Under the Michigan Vehicle Code, if a vehicle has remained on public or private property for a period of time so that it appears to be abandoned, a police agency is required to determine whether the vehicle has been reported as stolen, and then affix a written notice to the vehicle ("sticker" the vehicle) noting that the vehicle appears to be abandoned and may be taken into custody. A vehicle that remains on public or private property for more than 48 (or 18 hours if on a state trunkline highway) hours after it has been "stickered" is considered an abandoned vehicle and the police may have it towed away at its owners' expense. When a vehicle is towed, the police must again check to see if it has been reported stolen, and then send a notice to the registered owner and secured party specifying the procedure to redeem the vehicle. An owner so notified may file a petition with a specified court requesting a hearing on the police agency's action. Failure to redeem the vehicle or to request a hearing within 20 days may result in the sale of the vehicle and the termination of all of the owner's rights to the vehicle or the proceeds of the sale. The law allows a registered owner to contest the fact that the vehicle is abandoned or the reasonableness of the towing and storage fees. If a court finds that a vehicle was not properly considered abandoned, the police agency is required to reimburse the owner for the accrued towing and storage fees.

The bill would modify these provisions so that they would apply only to vehicles abandoned on public property, and it would add a new process that would apply when vehicles are abandoned on private property. The bill would also make similar changes to the process of stickering, towing, and redeeming abandoned "scrap vehicles", whether registered or unregistered. In addition, the bill would delete the provision requiring a police agency to reimburse an owner for towing and storage fees if a court found that a vehicle was not properly considered abandoned.

Vehicles abandoned on private property. Under the bill, instead of a police agency "stickering" an apparently abandoned vehicle on private property, the owner of the property could place the sticker on the vehicle. The sticker would have to contain the property owner's name, address, and telephone number, the date and time the notice was affixed to the vehicle, and the date and time the vehicle could be towed at the owner's expense or scrapped (48 hours after the vehicle was "stickered").

Before removing an abandoned vehicle from private property, a towing service would be required to notify the local police agency to determine if the vehicle had been reported as stolen. Within 24 hours after taking an abandoned vehicle into custody, the "custodian" would be required to notify a court officer from within the jurisdiction from where the vehicle was towed

of the location of the vehicle. (The terms “custodian” and “court officer” are not defined in the bill.)

Within 7 days after being notified, the court officer would be required to send to the registered owner and secured party, by first class mail or personal service, notice that the vehicle was considered abandoned. The notice would be similar to the notice required under current law, but including the name and address of the private property owner or towing service, and the business address of the “custodian”. The notice would also contain a warning that failure to redeem the vehicle or to request a hearing within 20 days could result in the sale of the vehicle and the termination of all rights of the owner and secured party to the vehicle or the proceeds of the sale.

The registered owner could contest the fact that the vehicle was abandoned, or the reasonableness of the towing and storage fees, by requesting a hearing. The hearing would be conducted under the vehicle code. (Note: The sections of the vehicle code cited specify that the police agency [under the process specified in current law] has the burden of showing, by a preponderance of the evidence, that it has complied with the requirements of the act in processing the abandoned vehicle. Thus, the bill appears to require the police to make the same showing in the process proposed under the bill [which is initiated by the property owner, not the police].)

The owner of the vehicle could redeem the vehicle either by paying the towing and storage fees or by posting a bond with the court in the same amount when requesting a hearing.

If the owner did not redeem the vehicle or request a hearing within 20 days, the secured party could obtain the vehicle by paying the accrued charges to the custodian of the vehicle.

Not less than 20 days after the disposition of the hearing (or 20 days after the vehicle is “stickered” if no hearing were requested), the police agency would offer the vehicle for sale at a public auction. However, the bill would also specify that a local unit of government that maintains a vehicle storage or impound lot for abandoned vehicles could adopt an ordinance that requires that the public sale of abandoned vehicles found on private property be conducted by a court officer, rather than the police agency.

MCL 257.252a et al.

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