

Act No. 139
Public Acts of 2010
Approved by the Governor
August 3, 2010
Filed with the Secretary of State
August 4, 2010
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**STATE OF MICHIGAN
95TH LEGISLATURE
REGULAR SESSION OF 2010**

Introduced by Senators Thomas, Gilbert, Sanborn, Whitmer, Kuipers, Nofs, Jansen, Hunter, Allen, McManus, Olshove, Brown, Pappageorge, Cropsey, Barcia, Clarke, Cherry, Patterson, Scott, Richardville, Stamas, Bishop, Gleason, Birkholz, Anderson, Kahn and Van Woerkom

ENROLLED SENATE BILL No. 1309

AN ACT to amend 1981 PA 118, entitled "An act to regulate motor vehicle manufacturers, distributors, wholesalers, dealers, and their representatives; to regulate dealings between manufacturers and distributors or wholesalers and their dealers; to regulate dealings between manufacturers, distributors, wholesalers, dealers, and consumers; to prohibit unfair practices; to provide remedies and penalties; and to repeal certain acts and parts of acts," by amending sections 5 and 6 (MCL 445.1565 and 445.1566), section 5 as amended by 1998 PA 456 and section 6 as amended by 1983 PA 188.

The People of the State of Michigan enact:

Sec. 5. (1) "New motor vehicle" means a motor vehicle that is in the possession of the manufacturer, distributor, or wholesaler, or has been sold only to a new motor vehicle dealer and for which the new motor vehicle dealer has not issued an original title.

(2) "New motor vehicle dealer" means a person, including a distributor, that holds a dealer agreement granted by a manufacturer, distributor, or importer for the sale or distribution of its motor vehicles; is engaged in the business of purchasing, selling, exchanging, or dealing in new motor vehicles; and has an established place of business in this state.

(3) "Person" means a natural person, partnership, corporation, limited liability company, association, trust, estate, or other legal entity.

(4) "Proposed new motor vehicle dealer" means a person who has an application pending for a new dealer agreement with a manufacturer or distributor. Proposed motor vehicle dealer does not include a person whose dealer agreement is being renewed or continued.

Sec. 6. (1) "Relevant market area" means 1 of the following:

(a) In a county that has a population of more than 150,000, the area within a radius of 9 miles of the site of the intended place of business of a proposed new vehicle dealer or the intended place of business of a new vehicle dealer that plans to relocate its place of business. For purposes of this section, the 9-mile distance is determined by measuring the distance between the nearest surveyed boundary of an existing new motor vehicle dealer's principal place of business and the nearest surveyed boundary line of the proposed or relocated new motor vehicle dealer's principal place of business.

(b) In a county that has a population of 150,000 or fewer, the area within a radius of 15 miles of the site of the intended place of business of a proposed new vehicle dealer or the intended place of business of a new vehicle dealer that plans to relocate its place of business. For purposes of this section, the 15-mile distance is determined by measuring the distance between the nearest surveyed boundary line of an existing new motor vehicle dealer's principal place of business and the nearest surveyed boundary line of the proposed or relocated new motor vehicle dealer's principal place of business.

(2) "Successor manufacturer" means a manufacturer that acquires, succeeds to, or assumes any part of the business of another manufacturer as the result of any of the following:

(a) A change in ownership, operation, or control of a predecessor manufacturer by sale or transfer of assets, corporate stock, or other equity interest, assignment, merger, consolidation, combination, joint venture, redemption, court-approved sale, operation of law, or any other means.

(b) Termination, suspension, or cessation of a part or all of the business operations of a predecessor manufacturer.

(c) Discontinuance of the sale of a product line.

(d) A change in distribution system by a predecessor manufacturer, whether through a change in distributor or the predecessor manufacturer's decision to cease conducting any business through a particular distributor.

(3) "Used motor vehicle" means a motor vehicle that is not a new motor vehicle.

(4) "Used motor vehicle dealer" means a person that is engaged in the business of purchasing, selling, exchanging, or dealing in used motor vehicles and that has an established place of business in this state at which it conducts that business. The term does not include a new motor vehicle dealer purchasing, selling, exchanging, or dealing in used motor vehicles as part of its business of purchasing, selling, exchanging, or dealing in new motor vehicles.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 95th Legislature are enacted into law:

(a) Senate Bill No. 1308.

(b) House Bill No. 6099.

(c) House Bill No. 6100.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved

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Governor