

# HOUSE BILL No. 6091

December 16, 2014, Introduced by Rep. Cotter and referred to the Committee on Regulatory Reform.

A bill to amend 1986 PA 119, entitled

"An act to regulate the business of buying or receiving used motor vehicle parts; to prescribe the powers and duties of certain state and local officers; and to provide penalties,"

by amending sections 1 and 2 (MCL 257.1351 and 257.1352) and by adding section 2a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. As used in this act:

2       (a) "Agent" means ~~a person~~ **AN INDIVIDUAL** who, for  
3       compensation or valuable consideration, is employed either  
4       directly or indirectly by a dealer.

5       (b) "Dealer" means any person ~~, corporation, partnership, or~~  
6       ~~association, which, in whole or in part,~~ **THAT** engages in the  
7       ordinary course of repeated and recurrent transactions of buying  
8       or receiving used motor vehicle parts from persons other than a  
9       licensee. ~~A dealer shall include~~ **THE TERM INCLUDES** any motor

1 vehicle repair facility ~~which~~**THAT** engages in repeated and  
 2 recurrent transactions of buying or receiving used motor vehicle  
 3 parts from persons other than a licensee. ~~Dealer~~**THE TERM** does  
 4 not include a scrap metal processor ~~who~~**THAT** buys or otherwise  
 5 acquires motor vehicles or motor vehicle component parts for the  
 6 purpose of processing or selling the metal for remelting.

7 (c) "Late model vehicle" means a motor vehicle manufactured  
 8 in the current model year or the 5 model years immediately  
 9 preceding the current model year.

10 (d) "Local police agency" means the police agency of ~~the~~**A**  
 11 city, village, or township, or if none, the county sheriff.

12 (e) "Major component part" means ~~1~~**ANY** of the following  
 13 subassemblies of a motor vehicle regardless of its actual market  
 14 value: front end assembly, including fenders, grills, hood,  
 15 bumper, and related parts; engine; transmission; T-tops; rear  
 16 clip assembly, including quarter panels and floor panel assembly;  
 17 **OR** doors. ~~, tires, tire wheels, and continuous treads.~~

18 (f) "Motor vehicle" means a motor vehicle as defined in  
 19 section 33 of the Michigan vehicle code, ~~Act No. 300 of the~~  
 20 ~~Public Acts of 1949, being section 257.33 of the Michigan~~  
 21 ~~Compiled Laws.1949 PA 300, MCL 257.33.~~

22 (g) "Motor vehicle repair facility" means a place of  
 23 business which engages in the business of performing or employing  
 24 persons who perform maintenance, diagnosis, or repair service on  
 25 a motor vehicle for compensation.

26 (h) "Licensee" means a person ~~, partnership, corporation, or~~  
 27 ~~association~~**THAT IS** licensed under section 248 of the Michigan

vehicle code, ~~Act No. 300 of the Public Acts of 1949, being~~  
~~section 257.248 of the Michigan Compiled Laws, 1949 PA 300, MCL~~  
~~257.248~~, or similarly licensed in another state.

(I) "PERSON" MEANS AN INDIVIDUAL, CORPORATION, LIMITED  
 LIABILITY COMPANY, PARTNERSHIP, ASSOCIATION, OR OTHER LEGAL  
 ENTITY.

(J) ~~(i)~~ "Used motor vehicle part" means any OF THE  
 FOLLOWING:

(i) A major component part, dashboard, radio, stereo, or seat  
 of a late model motor vehicle for which a certificate of title  
 and registration plate have been issued to a consumer or dealer.

(ii) A MOTOR VEHICLE TIRE, TIRE WHEEL OR RIM, OR CONTINUOUS  
 TIRE TREAD.

Sec. 2. (1) A dealer shall maintain a permanent record of  
 each transaction concerning the buying or receiving of any used  
 motor vehicle part from a person other than a licensee, on A  
 record of transaction ~~forms provided for~~ FORM PRESCRIBED in  
 subsection (5), legibly written in ink in the English language.  
 Each record of transaction form shall be filled out in duplicate  
 by the dealer or agent with 1 copy ~~going~~ GIVEN to the customer ,  
 and 1 copy ~~to be~~ retained by the dealer. At the time a dealer  
 receives or purchases a used motor vehicle part from a person  
 other than a licensee, the dealer or agent shall accurately  
 record all of the following information on a record of  
 transaction form:

(a) A general description of the used motor vehicle part  
 received or purchased.

1 (b) The vehicle identification number of the vehicle the  
2 used motor vehicle part came from.

3 (c) The state of origin of the used motor vehicle part.

4 (d) The date of the transaction.

5 (e) The name of the ~~person~~**INDIVIDUAL WHO IS** conducting the  
6 transaction ~~for~~**ON BEHALF OF** the dealer.

7 (f) The name, date of birth, driver's license number or  
8 state of Michigan personal identification card number, and street  
9 and house number of the ~~person~~**INDIVIDUAL** with whom the

10 transaction is being made, together with a legible imprint of the  
11 right thumb of the ~~person~~**INDIVIDUAL** with whom the transaction is  
12 made, or if that is not possible, then the left thumb or a finger  
13 of that ~~person~~**INDIVIDUAL**. However, the thumbprint or

14 fingerprint ~~shall~~**IS** only ~~be~~ required on the record of  
15 transaction form retained by the dealer. The **DEALER SHALL MAKE A**  
16 thumbprint or fingerprint ~~shall be made~~ available to the local  
17 police agency or the department of state police only during the  
18 course of a police investigation involving a used motor vehicle  
19 part described on the record of transaction. This ~~paragraph shall~~

20 **SUBDIVISION DOES** not apply to a transaction involving an  
21 insurance company that has acquired ownership of a late model  
22 vehicle by the payment of damages due to an accident and a dealer  
23 that buys the vehicle from the insurance company for salvage.

24 (g) The price paid or to be paid by the dealer for the used  
25 motor vehicle part.

26 (h) ~~The~~**SUBJECT TO SECTION 2A, THE** form of payment made to  
27 the customer. The dealer shall indicate the number of a check,

1 money order, or bank draft **AND THE TRANSACTION NUMBER OF ANY**  
2 **DIRECT DEPOSIT OR ELECTRONIC TRANSFER TO THE CUSTOMER'S ACCOUNT**  
3 **AT A FINANCIAL INSTITUTION.**

4 (i) The signature of the ~~person~~**INDIVIDUAL** with whom the  
5 transaction is made.

6 (2) ~~The~~**A DEALER SHALL NUMBER THE** record of each transaction  
7 ~~shall be numbered~~ consecutively, commencing with the number 1 and  
8 the calendar year.

9 (3) The record of transaction forms of a dealer and each  
10 used motor vehicle part received by a dealer as the result of a  
11 transaction ~~shall be~~**ARE** open to an inspection by the local  
12 police agency and the Michigan state police at all times during  
13 the ordinary business hours of the dealer. As a condition of  
14 doing business, a dealer ~~shall be~~**IS** considered to have given  
15 consent to the inspection ~~prescribed by~~**DESCRIBED IN** this  
16 subsection. The record of transaction forms of a dealer ~~shall~~**ARE**  
17 not ~~be~~ open to inspection by the general public.

18 (4) ~~Each~~**A DEALER SHALL RETAIN EACH** record of a transaction  
19 ~~shall be retained by the dealer for not less than~~**AT LEAST** 1 year  
20 after the transaction to which the record pertains. A dealer ~~who~~  
21 **THAT** goes out of business or changes ~~his or her~~**THE DEALER'S**  
22 business address to another local jurisdiction either within or  
23 out of this state shall transmit to the local police agency the  
24 records of all transactions made by the dealer ~~not more than 1~~  
25 ~~year before his or her closing or moving.~~**IN THE 1-YEAR PERIOD**  
26 **BEFORE THE DEALER CLOSSES OR MOVES.** After a period of 1 year from  
27 the date of the transaction, if a police investigation concerning

1 a used motor vehicle part described on the record of transaction  
 2 has not occurred, the dealer and local police agency shall  
 3 destroy, and not keep a permanent record of, the records of the  
 4 transaction.

5 (5) The form of the record of transaction shall be 8-1/2 by  
 6 11 inches in size and shall be as follows:

7 "Record of Transaction

8  
 9 # \_\_\_\_\_  
 10 (Transaction number printed  
 11 on the form)

12  
 13 (1) Description of Property \_\_\_\_\_  
 14 \_\_\_\_\_  
 15 \_\_\_\_\_  
 16 \_\_\_\_\_  
 17 \_\_\_\_\_

18 (2) \_\_\_\_\_ (3) \_\_\_\_\_  
 19 (Vehicle Identification Number) (State of Origin)

20 (4) \_\_\_\_\_, 19 \_\_\_\_ (5) \_\_\_\_\_  
 21 (Date) (Name of Dealer/Employee)

22 (6) \_\_\_\_\_, \_\_\_\_\_, 19 \_\_\_\_  
 23 (Name of Customer) (Date of Birth)

24 \_\_\_\_\_,  
 25 (Driver's License No./ (Street Address)  
 26 Mich. Personal ID Number)  
 27 \_\_\_\_\_ (City & State) \_\_\_\_\_ (Zip)

28 (7) \_\_\_\_\_  
 29 (Price Paid)

30 (8) \_\_\_\_\_  
 31 (Check no., bank draft  
 32 no., money order no.,

TRANSACTION NO., or cash)

Thumbprint

(Signature of Customer)

SEC. 2A. (1) IN A TRANSACTION CONCERNING THE BUYING OR RECEIVING OF ANY USED MOTOR VEHICLE TIRES, TIRE WHEELS OR RIMS, OR CONTINUOUS TIRE TREAD, THE ONLY METHODS OF PAYMENT A DEALER MAY USE TO PAY A CUSTOMER ARE A CHECK, A MONEY ORDER, A BANK DRAFT, OR A DIRECT DEPOSIT OR ELECTRONIC TRANSFER TO THE CUSTOMER'S ACCOUNT AT A FINANCIAL INSTITUTION.

(2) A DEALER THAT VIOLATES SUBSECTION (1) IS GUILTY OF A MISDEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A FINE OF NOT MORE THAN \$500.00, OR BOTH.