

USED MOTOR VEHICLE PARTS
Act 119 of 1986

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.

History: 1986, Act 119, Eff. Mar. 31, 1987.

The People of the State of Michigan enact:

***** 257.1351 THIS SECTION IS AMENDED EFFECTIVE AUGUST 8, 2016: See 257.1351.amended *****

257.1351 Definitions.

Sec. 1. As used in this act:

(a) "Agent" means a person who, for compensation or valuable consideration, is employed either directly or indirectly by a dealer.

(b) "Dealer" means any person, corporation, partnership, or association, which, in whole or in part, engages in the ordinary course of repeated and recurrent transactions of buying or receiving used motor vehicle parts from persons other than a licensee. A dealer shall include any motor vehicle repair facility which engages in repeated and recurrent transactions of buying or receiving used motor vehicle parts from persons other than a licensee. Dealer does not include a scrap metal processor who buys or otherwise acquires motor vehicles or motor vehicle component parts for the purpose of processing or selling the metal for remelting.

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

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

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

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

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

(h) "Licensee" means a person, partnership, corporation, or association 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, or similarly licensed in another state.

(i) "Used motor vehicle part" means any 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.

History: 1986, Act 119, Eff. Mar. 31, 1987.

***** 257.1351.amended THIS AMENDED SECTION IS EFFECTIVE AUGUST 8, 2016 *****

257.1351.amended Definitions.

Sec. 1. As used in this act:

(a) "Agent" means an individual who, for compensation or valuable consideration, is employed either directly or indirectly by a dealer.

(b) "Dealer" means any person that engages in the ordinary course of repeated and recurrent transactions of buying or receiving used motor vehicle parts from persons other than a licensee. The term includes any motor vehicle repair facility that engages in repeated and recurrent transactions of buying or receiving used motor vehicle parts from persons other than a licensee. The term does not include a scrap metal processor or automotive recycler that buys or otherwise acquires motor vehicles or motor vehicle component parts for the purpose of processing or selling the metal for remelting.

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

(d) "Local police agency" means the police agency of a city, village, or township, or if none, the county

sheriff.

(e) "Major component part" means any of the following subassemblies of a motor vehicle regardless of its actual market value: front end assembly, including fenders, grills, hood, bumper, and related parts; engine; transmission; T-tops; rear clip assembly, including quarter panels and floor panel assembly; or doors.

(f) "Motor vehicle" means a motor vehicle as defined in section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33.

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

(h) "Licensee" means a person that is licensed under section 248 of the Michigan vehicle code, 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) "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.

History: 1986, Act 119, Eff. Mar. 31, 1987;—Am. 2016, Act 112, Eff. Aug. 8, 2016.

***** 257.1352 THIS SECTION IS AMENDED EFFECTIVE AUGUST 8, 2016: See 257.1352.amended *****

257.1352 Record of transactions.

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 record of transaction forms provided for 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 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.

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

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

(d) The date of the transaction.

(e) The name of the person conducting the transaction for the dealer.

(f) The name, date of birth, driver's license number or state of Michigan personal identification card number, and street and house number of the person with whom the transaction is being made, together with a legible imprint of the right thumb of the person with whom the transaction is made, or if that is not possible, then the left thumb or a finger of that person. However, the thumbprint or fingerprint shall only be required on the record of transaction form retained by the dealer. The thumbprint or fingerprint shall be made available to the local police agency or the department of state police only during the course of a police investigation involving a used motor vehicle part described on the record of transaction. This paragraph shall not apply to a transaction involving an insurance company that has acquired ownership of a late model vehicle by the payment of damages due to an accident and a dealer that buys the vehicle from the insurance company for salvage.

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

(h) The form of payment made to the customer. The dealer shall indicate the number of a check, money order, or bank draft.

(i) The signature of the person with whom the transaction is made.

(2) The record of each transaction shall be numbered consecutively, commencing with the number 1 and the calendar year.

(3) The record of transaction forms of a dealer and each used motor vehicle part received by a dealer as the result of a transaction shall be open to an inspection by the local police agency and the Michigan state police at all times during the ordinary business hours of the dealer. As a condition of doing business, a dealer shall be considered to have given consent to the inspection prescribed by this subsection. The record of transaction forms of a dealer shall not be open to inspection by the general public.

(4) Each record of a transaction shall be retained by the dealer for not less than 1 year after the transaction to which the record pertains. A dealer who goes out of business or changes his or her business address to

another local jurisdiction either within or out of this state shall transmit to the local police agency the records of all transactions made by the dealer not more than 1 year before his or her closing or moving. After a period of 1 year from the date of the transaction, if a police investigation concerning a used motor vehicle part described on the record of transaction has not occurred, the dealer and local police agency shall destroy, and not keep a permanent record of, the records of the transaction.

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

"Record of Transaction

(Transaction number printed on the form)

(1) Description of Property _____

(2) _____ (3) _____
(Vehicle Identification Number) (State of Origin)

(4) _____, 19 ____ (5) _____
(Date) (Name of Dealer/Employee)

(6) _____, 19 ____
(Name of Customer) (Date of Birth)

(Driver's License No./ Mich. Personal ID Number) (Street Address)

(City & State) (Zip)

(7) _____
(Price Paid)

(8) _____
(Check no., bank draft no., money order no., or cash)

Thumbprint _____ " _____
(Signature of Customer)

History: 1986, Act 119, Eff. Mar. 31, 1987.

***** 257.1352.amended THIS AMENDED SECTION IS EFFECTIVE AUGUST 8, 2016 *****

257.1352.amended Record of transaction.

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 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 given to the customer and 1 copy 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.
- (b) The vehicle identification number of the vehicle the used motor vehicle part came from.
- (c) The state of origin of the used motor vehicle part.
- (d) The date of the transaction.
- (e) The name of the individual who is conducting the transaction on behalf of the dealer.
- (f) The name, date of birth, driver's license number or state of Michigan personal identification card number, and street and house number of the individual with whom the transaction is being made, together with a legible imprint of the right thumb of the individual with whom the transaction is made, or if that is not possible, then the left thumb or a finger of that individual. However, the thumbprint or fingerprint is only required on the record of transaction form retained by the dealer. The dealer or agent shall make a thumbprint or fingerprint available to the local police agency or the department of state police only during the course of a police investigation involving a used motor vehicle part described on the record of transaction. This subdivision does not apply to a transaction involving an insurance company that has acquired ownership of a late model vehicle by the payment of damages due to an accident and a dealer that buys the vehicle from the

insurance company for salvage.

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

(h) Subject to section 2a, the form of payment made to the customer. The dealer or agent shall indicate the number of a check, money order, or bank draft and the transaction number of any direct deposit or electronic transfer to the customer's account at a financial institution.

(i) The signature of the individual with whom the transaction is made.

(2) A dealer or agent shall number the record of each transaction consecutively, commencing with the number 1 and the calendar year; and, if the transaction includes the buying or receiving of 1 or more used motor vehicle tires, tire wheels or rims, or continuous tire tread, shall place the transaction number on a tag that the dealer or agent must attach to each of those items the dealer or agent bought or received.

(3) The record of transaction forms of a dealer and each used motor vehicle part received by a dealer as the result of a transaction are open to an inspection by the local police agency and the Michigan state police at all times during the ordinary business hours of the dealer. As a condition of doing business, a dealer is considered to have given consent to the inspection described in this subsection. The record of transaction forms of a dealer are not open to inspection by the general public.

(4) A dealer shall retain each record of a transaction for at least 1 year after the transaction to which the record pertains. A dealer that goes out of business or changes the dealer's business address to another local jurisdiction either within or out of this state shall transmit to the local police agency the records of all transactions made by the dealer in the 1-year period before the dealer closes or moves. After a period of 1 year from the date of the transaction, if a police investigation concerning a used motor vehicle part described on the record of transaction has not occurred, the dealer and local police agency shall destroy, and not keep a permanent record of, the records of the transaction.

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

"Record of Transaction"

(Transaction number printed on the form)

(1) Description of Property _____

(2) _____ (3) _____
(Vehicle Identification Number) (State of Origin)

(4) _____, 19 ____ (5) _____
(Date) (Name of Dealer/Employee)

(6) _____, 19 ____
(Name of Customer) (Date of Birth)

(Driver's License No./ Mich. Personal ID Number) (Street Address)

(City & State) (Zip)

(7) _____
(Price Paid)

(8) _____
(Check no., bank draft no., money order no., transaction no., or cash)

_____ "

Thumbprint _____ (Signature of Customer)

History: 1986, Act 119, Eff. Mar. 31, 1987;—Am. 2016, Act 112, Eff. Aug. 8, 2016.

***** 257.1352a.added THIS ADDED SECTION IS EFFECTIVE AUGUST 8, 2016 *****

257.1352a.added Form of payment.

Sec. 2a. 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. If a payment is made by check, money order, or bank draft under this section, the dealer must mail

that payment to the customer at the address shown on the identification required under section 2(1)(f).

History: Add. 2016, Act 112, Eff. Aug. 8, 2016.

257.1353 Failure to make entry in record as misdemeanor or felony; penalties.

Sec. 3. (1) A dealer or agent who knowingly fails to make an entry of any material matter in his or her record of transactions as required by section 2 is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of \$1,000.00, or both.

(2) A dealer or agent who knowingly violates subsection (1) a second or subsequent time is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.

History: 1986, Act 119, Eff. Mar. 31, 1987.

***** 257.1354 THIS SECTION IS AMENDED EFFECTIVE AUGUST 8, 2016: See 257.1354.amended *****

257.1354 Violation as misdemeanor or felony; penalties.

Sec. 4. (1) A dealer who knowingly violates section 2(3), (4), or (5) is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of \$1,000.00, or both.

(2) A dealer who knowingly violates section 2(3), (4), or (5) a second or subsequent time is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.

History: 1986, Act 119, Eff. Mar. 31, 1987.

***** 257.1354.amended THIS AMENDED SECTION IS EFFECTIVE AUGUST 8, 2016 *****

257.1354.amended Violation as misdemeanor or felony; penalties.

Sec. 4. (1) A dealer or agent that knowingly violates section 2(3), (4), or (5) or section 2a is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of \$1,000.00, or both.

(2) A dealer or agent that knowingly violates section 2(3), (4), or (5) or section 2a a second or subsequent time is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.

History: 1986, Act 119, Eff. Mar. 31, 1987;—Am. 2016, Act 112, Eff. Aug. 8, 2016.

257.1355 Felonious conduct; penalty.

Sec. 5. A dealer or agent who does any of the following is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both:

- (a) Totally fails to record a transaction on a record of transaction form as required by section 2.
- (b) Knowingly falsifies a record required by section 2.

History: 1986, Act 119, Eff. Mar. 31, 1987.