

HOUSE BILL NO. 5147

October 28, 2025, Introduced by Reps. Harris, DeSana, Rogers, Steckloff, Neyer, McKinney, Hoskins, Brixie, Hope, Scott, Martus, Bierlein, Price, Dievendorf, McFall, Wooden, Glanville, Foreman, Myers-Phillips, Young, Paiz, Skaggs, Breen, Conlin, BeGole, Hoadley and Edwards and referred to Committee on Regulatory Reform.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
(MCL 257.1 to 257.923) by adding chapter IIA.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER IIA DAMAGED OR DISABLED VEHICLE TOWING AND STORAGE

Sec. 270. (1) A towing agency must annually register and maintain a valid and current towing agency license issued by the department of licensing and regulatory affairs.

(2) The department of licensing and regulatory affairs shall promulgate rules under the administrative procedures act of 1969,

1 1969 PA 306, MCL 24.201 to 24.328, necessary to issue, reject,
2 suspend, and revoke a towing agency's license and to implement this
3 chapter.

4 (3) The department of licensing and regulatory affairs may, at
5 any time during the term of the license, inquire into the
6 licensee's management, conduct of the business, or otherwise to
7 determine that the licensee is in compliance with this chapter and
8 the rules promulgated under subsection (2).

9 Sec. 271. (1) Except as otherwise provided in this section, a
10 towing agency shall not commence the towing of a damaged or
11 disabled vehicle without signed authorization from the vehicle
12 owner or operator after the disclosures set forth in this section.

13 (2) Except as otherwise provided in this section, before
14 towing a damaged or disabled vehicle, a towing agency shall give
15 each vehicle owner or operator a written disclosure that provides
16 all of the following:

17 (a) The business name of the towing agency, as registered with
18 the department of licensing and regulatory affairs, and the
19 business's address and telephone number.

20 (b) The address of the vehicle's storage location after the
21 vehicle is towed.

22 (c) The cost of all relocation, storage, and other fees,
23 without limitation, that the towing agency will charge for any
24 provided services.

25 (d) A disclosure of the vehicle owner's or operator's rights
26 must be approved in advance by the department of licensing and
27 regulatory affairs and read substantially as follows:

28 "As a customer, you have the following rights under Michigan
29 law:

1 1. This disclosure must be provided to you in writing before
2 your vehicle is towed. It must include the business name and
3 address, the address where the vehicle will be towed, and a
4 reliable telephone number for the vehicle's location.

5 2. You must be told of the price of all services before
6 towing.

7 3. On request, you must be provided with a final invoice
8 itemizing all charges and any damage to the vehicle on the
9 vehicle's return to you.

10 4. On request, your vehicle must be returned during business
11 hours after payment of all reasonable fees. If you request your
12 vehicle be returned after normal business hours, you may be charged
13 an after-hours retrieval fee.

14 5. You have the right to pay all charges in cash or by debit
15 card, major credit card, or certified check.

16 6. On request, you must be provided with proof of the towing
17 agency's insurance that insures against all of the risk to
18 transport and store your vehicle.".

19 (3) The towing agency shall provide a copy of the disclosure
20 required under subsection (2) to the vehicle owner or operator and
21 shall maintain a copy of the disclosure as required under section
22 274.

23 (4) If the vehicle owner or operator is incapacitated,
24 incompetent, or otherwise unable to knowingly accept receipt of the
25 disclosure under subsection (2), the towing agency shall provide
26 the disclosure to the local police agency and, if known, the
27 vehicle owner's or operator's automobile insurance company.

28 (5) If a damaged or disabled vehicle is located on a roadway
29 with a posted speed limit of 55 miles per hour or greater and

1 immediate removal of the vehicle is necessary for safety or to
2 prevent the obstruction of traffic, the towing agency may satisfy
3 the disclosure requirements under this section after the vehicle
4 has been removed from the scene by, subject to subsection (4),
5 giving the disclosure to the vehicle owner or operator at the
6 earliest reasonable opportunity, not later than 1 business day
7 after removal of the vehicle.

8 (6) If the towing agency fails to comply with the requirements
9 of this section, the towing agency is prohibited from seeking any
10 compensation whatsoever from the vehicle owner or operator,
11 including, but not limited to, any towing, storage, or other
12 incidental fees. Furthermore, if the towing agency or operator
13 fails to comply with the requirements of this section, any
14 contracts entered into by the towing agency and the vehicle owner
15 or operator are null, void, and unenforceable.

16 Sec. 272. (1) On demand of the vehicle owner or operator, a
17 towing agency shall provide a legible, itemized, final invoice that
18 fairly and accurately documents the charges owed by the vehicle
19 owner or operator for relocation of damaged or disabled vehicles.
20 The written final invoice must accurately record all of the
21 following:

22 (a) The formal business name of the towing agency, as
23 registered with the department of licensing and regulatory affairs.

24 (b) The business address and telephone number.

25 (c) The date of the invoice.

26 (d) The odometer reading, if it can be obtained, of the
27 vehicle at the time the final invoice was prepared.

28 (e) The name of the vehicle owner or operator.

29 (f) A description of the motor vehicle, including the motor

1 vehicle identification number.

2 (g) A description of any modifications made to the vehicle by
3 the towing agency.

4 (h) A description of any observable damage to the vehicle on
5 the vehicle's initial receipt by the towing agency.

6 (i) A description of any observable damage to the vehicle at
7 the time of the vehicle's release.

8 (j) An itemized list of any charges and the total charge
9 presented to the vehicle's owner or operator.

10 (2) The towing agency shall retain a legible copy of the
11 invoice under subsection (1) as required under section 274.

12 Sec. 273. (1) A towing agency that relocates or stores damaged
13 or disabled vehicles shall post, in a prominent place on the
14 business premises and readily visible to customers, 1 or more signs
15 of the disclosures required under section 271(1).

16 (2) The first line of each sign under subsection (1) must be
17 in letters not less than 1-1/2 inches in height, and the remaining
18 lines of the sign must be in letters not less than 1/2 inch in
19 height.

20 Sec. 274. (1) A towing agency shall maintain copies of both of
21 the following:

22 (a) The disclosure provided to a vehicle's owner or operator
23 under section 271.

24 (b) The invoice provided to a vehicle's owner or operator as
25 required under section 272.

26 (2) The records under subsection (1) must be maintained for
27 not less than 5 years from the date of the release of the vehicle.
28 The records may be maintained in an electronic format or stored at
29 another location.

1 (3) The records stored under this section must be available
2 for inspection by the department of licensing and regulatory
3 affairs not later than 3 business days after a request.

4 Sec. 275. A vehicle used in a commercial vehicle safety
5 relocation service must have painted or firmly affixed to the
6 vehicle on both sides of the vehicle in a color or colors that
7 vividly contrast the color of the vehicle the name, address, and
8 telephone number of the towing agency. A decal furnished for a
9 towing vehicle by the Michigan public service commission under
10 section 8 of the motor carrier act, 1933 PA 254, MCL 479.8, must be
11 attached to a conspicuous location on the vehicle for which it was
12 issued as directed by the commission. A towing agency vehicle must
13 not be marked in a way that indicates the vehicle is a police-
14 agency-authorized vehicle or associated with a municipality.

15 Sec. 276. A towing agency vehicle must carry a copy of the
16 current license provided under section 270. The copy of the license
17 may be a photograph, photocopy, or reproduction by another legible
18 and durable process. If a person found responsible of not carrying
19 or displaying a copy of the license shows at a hearing that the
20 license was issued by the department of licensing and regulatory
21 affairs but was subsequently lost or destroyed, the person may be
22 excused from the payment of a fine.

23 Sec. 277. (1) A towing agency shall not do either of the
24 following:

25 (a) Include in a contract for the relocation or storage of
26 vehicles any clause that purports to waive or limit the towing
27 agency's liability under this chapter.

28 (b) Require a vehicle's owner or operator to sign a document
29 that purports to waive or limit the towing agency's liability under

1 this chapter.

2 (2) A contract, release, or other document that purports to
3 waive or limit the towing agency's liability to a vehicle's owner
4 or operator under this chapter is null and void.

5 Sec. 278. (1) The department of licensing and regulatory
6 affairs may request documentation from or investigate the business
7 practices of a towing agency to determine compliance with this
8 chapter.

9 (2) Except as otherwise provided, failure to comply with any
10 section of this chapter, as determined by the department of
11 licensing and regulatory affairs, subjects a towing agency to the
12 following sanctions:

13 (a) For a first violation, suspension of license, a fine up to
14 \$1,000.00, or both.

15 (b) For a second violation, suspension of license and a fine
16 up to \$5,000.00, or revocation of license.

17 (c) For a third violation, revocation of license.

18 Sec. 279. In addition to any other penalty or remedy under
19 this section or the Michigan consumer protection act, 1976 PA 331,
20 MCL 445.901 to 445.922, a towing agency that relocates or stores
21 damaged or disabled vehicles that fails to comply with the
22 following sections is responsible for a civil infraction or guilty
23 of a misdemeanor punishable as follows:

24 (a) For a violation of section 270 or 271, 1 of the following
25 as applicable:

26 (i) For a first violation, the individual is guilty of a
27 misdemeanor punishable by imprisonment for not more than 90 days, a
28 fine of not more than \$500.00, or both.

29 (ii) For a violation that occurs after 1 or more prior

1 convictions, the individual is guilty of a misdemeanor punishable
2 by imprisonment for not more than 1 year, a fine of not more than
3 \$1,000.00, or both.

4 (b) For a violation of section 272, 273, 274, 277, or 280, 1
5 of the following, as applicable:

6 (i) For a first violation, the individual is responsible for a
7 civil infraction.

8 (ii) For a violation that occurs after 1 or more prior
9 judgments, the individual is guilty of a misdemeanor punishable by
10 imprisonment for not more than 90 days, a fine of not more than
11 \$500.00, or both.

12 Sec. 280. A towing agency shall accept payment for accrued
13 towing or storage charges under this chapter by any debit card,
14 major credit card, certified check, or cash.

15 Sec. 281. (1) A towing agency must be insured for all of the
16 following:

17 (a) All risks associated with the transportation of vehicles
18 towed under this chapter.

19 (b) All areas where a vehicle towed under this chapter is
20 impounded or stored, including, but not limited to, adequate
21 coverage for loss by fire, theft, and other risks.

22 (2) On the demand of a vehicle's owner or operator, a towing
23 agency shall promptly supply proof of the existence of the
24 insurance under subsection (1).

25 (3) If the department of licensing and regulatory affairs
26 finds that a towing agency has violated this section, the towing
27 agency shall be fined not less than \$100.00 or more than \$500.00.

28 Sec. 282. The department of licensing and regulatory affairs
29 shall use the fines and fees collected under this chapter for the

1 costs of administration and enforcement of this chapter.

2 Sec. 283. (1) A police agency with a duty to remove vehicles
3 from public or private property in accordance with section 252d
4 shall maintain a tow rotation list of towing agencies that may
5 remove damaged or disabled vehicles in accordance with section
6 252d. A towing agency operating in the jurisdiction of a police
7 agency may submit an application in a form and manner prescribed by
8 the police agency for inclusion on the police agency's tow rotation
9 list. The police agency selects the towing agencies that are
10 included on a tow rotation list. A complaint about a police
11 agency's process for inclusion on a tow rotation list or the use of
12 a tow rotation list must be referred in writing to the head of the
13 police agency administering that tow rotation list. The head of the
14 police agency makes the final determination on the towing agencies
15 that are included on a tow rotation list and must not be held
16 personally liable for the exclusion of a towing agency from a tow
17 rotation list.

18 (2) If a police officer initiates a tow of a damaged or
19 disabled vehicle, the police officer shall inform the police
20 officer's agency or police dispatch center that a tow has been
21 authorized. The police agency shall contact a towing agency from
22 the police agency's tow rotation list that serves the geographical
23 area where the tow was authorized, and shall contact the towing
24 agency directly using a method provided on the application under
25 subsection (1). Except as otherwise provided in this section, the
26 towing agencies must be contacted in the order listed on the
27 appropriate tow rotation list, at which point the towing agency
28 must be placed at the end of that tow rotation list. If a listed
29 towing agency is not available, the next listed towing agency on

1 that tow rotation list must be contacted.

2 (3) A police agency may deviate from the order listed on a tow
3 rotation list if the towing agency next on that tow rotation list
4 is, in the judgment of the authorizing police officer or the police
5 agency, incapable of or not properly equipped for a specific task
6 related to the tow that requires special skills or equipment. A
7 deviation from the order listed on the tow rotation list under this
8 subdivision must not cause the towing agency determined to be
9 incapable or not properly equipped to handle the request to lose
10 the next turn on the tow rotation list.

11 (4) In the event of an emergency, a police officer or agency,
12 taking into account public safety and the location of the
13 emergency, may deviate from the order of the tow rotation list and
14 obtain towing services from any source deemed appropriate.

15 (5) Except as provided in subsection (6), a person shall not
16 travel to the scene of a motor vehicle accident or a disabled
17 vehicle located on public property, property open to the public, or
18 a state trunk line highway and solicit business for a towing
19 agency. A person that violates this subsection is responsible for a
20 civil infraction and must be ordered to pay a civil fine of
21 \$1,000.00.

22 (6) Subsection (5) does not apply if either of the following
23 conditions occurs:

24 (a) A police agency that has jurisdiction over the scene of
25 the accident or disabled vehicle, or an individual involved in that
26 accident or disabled vehicle, requests a towing agency to come to
27 the scene, whether or not that towing agency is next on the police
28 agency's tow rotation list.

29 (b) A towing agency that does not travel to the scene of a

1 motor vehicle accident or disabled vehicle as described in
2 subsection (1) for the purpose of soliciting business for a towing
3 agency offers assistance to a stranded motorist without creating a
4 nuisance or interfering with management of a motor vehicle accident
5 by law enforcement.

6 (7) Subject to section 252d, a police agency at the scene of a
7 vehicle that needs to be towed shall permit an owner or operator of
8 a motor vehicle to request the towing agency of the owner's or
9 operator's choice unless 1 or more of the following apply:

10 (a) The vehicle is involved in suspected criminal activity, a
11 fatality, or a law enforcement investigation.

12 (b) The vehicle is being impounded.

13 (c) If the vehicle is creating a road or safety hazard as
14 determined by law enforcement at the scene, the requested towing
15 agency is unavailable or cannot respond in a timely manner.

16 Sec. 284. A person that suffered from a towing agency's
17 violation of this act may bring an action in any court that has
18 jurisdiction to recover treble damages, costs of the action, and
19 reasonable attorney fees.

20 Enacting section 1. This amendatory act does not take effect
21 unless all of the following bills of the 103rd Legislature are
22 enacted into law:

23 (a) Senate Bill No. ____ (request no. S00265'25) or House Bill
24 No. 5146 (request no. H00265'25).

25 (b) Senate Bill No. ____ (request no. S03418'25) or House Bill
26 No. 5148 (request no. H03418'25).