

MICHIGAN VEHICLE CODE (EXCERPT)
Act 300 of 1949

257.248b Foreign salvage vehicle dealer license; form and contents of application; division of dealer licensees into quarter segments; expiration and renewal of license; investigations; stipulation as to service of process.

Sec. 248b.

(1) A person from a foreign state shall not purchase, sell, or otherwise deal in distressed late model motor vehicles or salvageable parts unless the person first obtains a foreign salvage vehicle dealer license from the secretary of state.

(2) The application for a foreign salvage vehicle dealer license shall be in the form prescribed by the secretary of state and shall be signed by the applicant. The application shall include the following:

(a) Name of applicant.

(b) Location of applicant's established place of business in a foreign state.

(c) The name under which business is to be conducted.

(d) If the business is a corporation, the state of incorporation and a copy of the articles of incorporation filed in that state.

(e) Name, address, date of birth, and social security number of each owner or partner and, if a corporation, the name of the principal officers.

(f) A statement of the previous history, record, and associations of the applicant and of each owner, partner, officer, and director, which statement shall be sufficient to establish to the satisfaction of the secretary of state the business reputation and character of the applicant.

(g) A statement showing whether the applicant has previously applied for a license in any other state, the result of the application, and whether the applicant has ever been the holder of a license that was revoked or suspended.

(h) If the applicant is a corporation or partnership, a statement showing whether a partner, employee, officer, or director has been refused a license or has been the holder of a license that was revoked or suspended.

(i) Evidence that the applicant holds the appropriate license to buy, sell, or otherwise deal in distressed, late model vehicles or salvageable parts in a foreign state and actually engages in the business of buying, selling, or otherwise dealing in distressed, late model motor vehicles or salvageable parts in the foreign state.

(j) Evidence that the applicant maintains or will maintain an established place of business.

(k) Evidence that the applicant maintains or will maintain a police book and vehicle parts purchase and sales records as required under this act.

(l) Evidence of worker's compensation insurance coverage for employees classified under the standard industrial classification number 4015, entitled "motor vehicle parts — used" or under the national council on compensation insurance code number 3821, entitled "automobile dismantling", if applicable.

(m) Federal employer tax identification number.

(n) Certification that neither the applicant nor another person named on the application is acting as the alter ego or in the place of or on behalf of any other person or persons in seeking the license. For the purpose of this subdivision, "alter ego" means a person who acts for or on behalf of, or in the place of, another person for purposes of obtaining a vehicle dealer license.

(3) The secretary of state may divide the calendar year into quarters and the total number of dealer licensees into approximately convenient quarter segments. Each dealer license granted under subsection (1) shall expire on the last day of the month in the quarter for the business year in which the license was issued, and may be renewed upon application and payment of the fee required by section 807.

(4) A license shall not be granted until an investigation is made of the applicant's qualifications under this act and a criminal history investigation of the applicant is conducted through a law enforcement informational network. This subsection does not apply to license renewals. The secretary of state shall make the investigations within 15 days after receipt of the application and make a report on the investigations.

(5) A dealer required to be licensed under this section, as a condition precedent to the granting of a license, shall file with the secretary of state an irrevocable written stipulation, authenticated by the applicant, stipulating and agreeing that legal process affecting the dealer, served on the secretary of state or a deputy of the secretary of state, has the same effect as if personally served on the dealer. This appointment remains in force as long as any liability of the dealer remains outstanding within this state.

History: Add. 1988, Act 255, Eff. Oct. 1, 1989 ;-- Am. 1992, Act 304, Imd. Eff. Dec. 21, 1992 ;-- Am. 1993, Act 300, Eff. Jan. 1, 1994