

**[No. 354]**

**(HB 5407)**

AN ACT to amend 1978 PA 387, entitled "An act to make appropriations to the department of state; to prescribe the powers and duties of the department of state and the state treasurer; to provide for loans to persons who own certain vehicles for the cost of their alteration or replacement; and to provide an interest rate for repayment of those loans," by amending section 4 (MCL 257.934).

*The People of the State of Michigan enact:*

**257.934 Creation of security interest in name of state on vehicle; sign disclosing state's lien. [M.S.A. 9.2634]**

Sec. 4. The department of state or the department of treasury shall create a security interest in the name of the state on a vehicle owned by a carrier who receives a loan under this act. The security interest shall be created as provided in section 217 or 238 of the Michigan vehicle code, 1949 PA 300, MCL 257.217 and 257.238, and article 9 of the uniform commercial code, 1962 PA 174, MCL 440.9101 to 440.9708. Each vehicle subject to a security interest under this act shall be labeled during the life of the loan with a sign disclosing the state's lien. The sign shall be in a form prescribed by the department of treasury.

**Effective date.**

Enacting section 1. This amendatory act takes effect July 1, 2001.

**Conditional effective date.**

Enacting section 2. This amendatory act does not take effect unless House Bill No. 5228 of the 90th Legislature is enacted into law.

Approved December 28, 2000.

Filed with Secretary of State December 28, 2000.

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**Compiler's note:** House Bill No. 5228, referred to in enacting section 2, was filed with the Secretary of State December 28, 2000, and became P.A. 2000, No. 348, Eff. July 1, 2001.

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