

[No. 369]

(SB 1324)

AN ACT to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds and grant programs; to provide for the appropriation of money for certain grant programs; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending section 244 (MCL 257.244), as amended by 1992 PA 306.

The People of the State of Michigan enact:

257.244 Operation of vehicle by manufacturer, subcomponent system producer, dealer, or transporter with special plate; unauthorized use of special plate; penalties; surety bond or insurance; number of plates; operation of vehicle with dealer plate by vendee or prospective purchaser. [M.S.A. 9.1944]

Sec. 244. (1) A manufacturer owning any vehicle of a type otherwise required to be registered under this act may operate or move the vehicle upon a street or highway solely for the purposes of transporting or testing or in connection with a golf tournament or a public civic event, if the vehicle displays, in the manner prescribed in section 225, 1 special plate approved by the secretary of state.

(2) A producer of a vehicle subcomponent system essential to the operation of the vehicle or the safety of an occupant may operate or move a motor vehicle upon a street or highway solely to transport or test the subcomponent system if the motor vehicle displays, in the manner prescribed in section 225, 1 special plate approved by the secretary of state. To be eligible for the special plate, the subcomponent system producer must be either a recognized subcomponent system producer or must be a subcomponent system producer under contract with a vehicle manufacturer.

(3) A dealer owning any vehicle of a type otherwise required to be registered under this act may operate or move the vehicle upon a street or highway without registering the vehicle if the vehicle displays, in the manner prescribed in section 225, 1 special plate issued to the owner by the secretary of state. As used in this subsection, "dealer" includes any employee, servant, or agent of the dealer.

(4) A transporter may operate or move any vehicle of like type upon a street or highway solely to deliver the vehicle upon displaying a special plate issued to him or her as provided in this chapter.

(5) The plates described in this section shall not be used on service cars or wreckers which are being operated as an adjunct of a licensee's business. A manufacturer,

2000 PUBLIC AND LOCAL ACTS

transporter, or dealer, making or permitting any unauthorized use of a special plate under this chapter is considered to have forfeited its license under this chapter and the secretary of state, after notice and a hearing, may suspend or cancel the right to use the plates and cause the plates to be surrendered to and repossessed by the state.

(6) Transporters shall furnish a sufficient surety bond or policy of insurance as protection for public liability and property damage as may be required by the secretary of state.

(7) The secretary of state shall determine the number of plates a manufacturer, dealer, or transporter reasonably needs in his or her business.

(8) Upon the sale of a vehicle otherwise required to be registered under this act, the vendee shall be permitted to operate the vehicle upon a street or highway for not more than 72 hours after taking possession, but during that time the vehicle shall have the dealer plate attached as provided in this section. The application for registration shall be made in the name of the vendee before the vehicle is used. The dealer and the vendee shall be jointly responsible for the return of the dealer plate to the dealer within 72 hours, and the failure of the vendee to return or the vendor to use due diligence to procure the dealer plate shall constitute a misdemeanor, and in addition the license of the dealer may be revoked. The vendee, while using the dealer's plate, shall have in his or her possession proof that clearly indicates the date of sale of the motor vehicle.

(9) Vehicles owned by the dealer and bearing the dealer's plate may be driven upon a street or highway for demonstration purposes by any prospective buyer for a period of 72 hours.

This act is ordered to take immediate effect.

Approved January 1, 2001.

Filed with Secretary of State January 2, 2001.
