



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4360 (Substitute S-2 as reported)
Sponsor: Representative Peter J. Lucido
House Committee: Local Government
Senate Committee: Local Government

CONTENT

The bill would create a new law to do the following:

- Prohibit a local government or law enforcement agency from operating a motor vehicle storage facility or towing operation, requiring an authorized vendor to deliver a motor vehicle to a facility, or accepting any consideration, financial or other, from an authorized vendor that operated a facility.
- Allow an individual or entity to bring an action seeking an injunction against a local government or law enforcement agency that violated the prohibition.
- Require a court to issue an injunctive order requiring the local government or law enforcement agency to cease and desist violating the proposed law if the court determined that the entity was in violation of its provisions.
- Provide that a local government or law enforcement agency that violated an injunction would be subject to a civil fine of up to \$1,000 per day, with a maximum of \$10,000.
- Allow the continuation of existing operations of motor vehicle storage facilities or towing operations operated by a local government or law enforcement agency before the bill's effective date, and make other exceptions.

"Authorized vendor" would mean an individual or entity that a local government or law enforcement agency designates through contract, permit, practice, or license to have authority to remove or store motor vehicles at the request of the local government or law enforcement agency.

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have little fiscal impact on local government and no fiscal impact on the State. Few county and city law enforcement agencies operate motor vehicle storage facilities or towing operations and would not be affected by the bill, which would allow agencies to continue towing operations and storage facilities already in use. If a local government or law enforcement agency were to operate a motor vehicle storage facility or towing operation in violation of the bill, the government or agency could be liable for financial damages, the amount of which would depend on the facts of each case.

Date Completed: 5-31-18

Fiscal Analyst: Bruce Baker
Ryan Bergan