

**SUBSTITUTE FOR
HOUSE BILL NO. 4360**

A bill to prohibit a local government or law enforcement agency from operating a motor vehicle storage facility; to prohibit a local government or law enforcement agency from accepting consideration from an authorized vendor that operates a motor vehicle storage facility; to prohibit a local government or law enforcement agency from requiring an authorized vendor to deliver a motor vehicle to a motor vehicle storage facility operated by a different authorized vendor; to provide for exceptions; to prescribe the powers and duties of certain state and local departments, entities, and officials; to prescribe the powers and duties of certain law enforcement agencies; and to provide for remedies and penalties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Authorized vendor" means an individual or entity that a
3 local government or law enforcement agency designates through
4 contract, permit, practice, or license to have authority to remove
5 or store motor vehicles at the request of the local government or
6 law enforcement agency.

7 (b) "Law enforcement agency" means the department of state
8 police, the department of natural resources, or a law enforcement
9 agency of a county, township, city, village, or airport authority,
10 that is responsible for the prevention and detection of crime and
11 enforcement of the criminal laws of this state.

12 (c) "Local government" means a county, city, village,
13 township, or an authority established by law.

14 (d) "Motor vehicle" means that term as defined in section 33
15 of the Michigan vehicle code, 1949 PA 300, MCL 257.33.

16 (e) "Motor vehicle storage facility" means a facility operated
17 to hold motor vehicles that have been taken into custody for
18 safekeeping.

19 Sec. 2. Except as otherwise provided in section 3 or 3a,
20 beginning on the effective date of this act, a local government or
21 law enforcement agency shall not do any of the following:

22 (a) Operate a motor vehicle storage facility.

23 (b) Accept any consideration, financial or other, from an
24 authorized vendor that operates a motor vehicle storage facility.

25 (c) Require an authorized vendor to deliver a motor vehicle to
26 a motor vehicle storage facility operated by a different authorized
27 vendor.

1 Sec. 3. (1) If, on or before the effective date of this act, a
2 local government or law enforcement agency is operating a motor
3 vehicle storage facility, that local government or law enforcement
4 agency may continue to operate that motor vehicle storage facility
5 after the effective date of this act.

6 (2) If, on or before the effective date of this act, a local
7 government or law enforcement agency accepts consideration,
8 financial or other, from any authorized vendor that operates a
9 motor vehicle storage facility, that local government or law
10 enforcement agency may continue to accept consideration, financial
11 or other, from any authorized vendor after the effective date of
12 this act.

13 (3) If, on or before the effective date of this act, a local
14 government or law enforcement agency requires any authorized vendor
15 to deliver a motor vehicle to a motor vehicle storage facility
16 operated by a different authorized vendor, that local government or
17 law enforcement agency may continue to require any authorized
18 vendor to deliver a motor vehicle to a motor vehicle storage
19 facility operated by a different authorized vendor after the
20 effective date of this act.

21 Sec. 3a. The prohibition in section 2(a) does not apply to a
22 local government or law enforcement agency if that local government
23 or law enforcement agency issues a request for proposals for
24 operating a motor vehicle storage facility and the request for
25 proposals does not yield a bid. A local government or law
26 enforcement agency shall use the standard or customary request for
27 proposals process used by that local government or law enforcement

1 agency for all other procurement matters when issuing the request
2 for proposals for operating a motor vehicle storage facility.

3 Sec. 4. If a local government or law enforcement agency
4 violates section 2, an authorized vendor may bring a cause of
5 action against the local government or law enforcement agency and
6 may recover the amount of the actual damages sustained, plus costs
7 and reasonable attorney fees.

8 Sec. 5. The owner or lessee of a motor vehicle that is held at
9 a motor vehicle storage facility that is being operated in
10 violation of section 2 may bring a cause of action against the
11 local government or law enforcement agency and may recover all
12 towing and storage fees paid by the owner or lessee or \$150.00,
13 whichever is greater, plus costs and reasonable attorney fees.

14 Enacting section 1. This act takes effect 90 days after the
15 date it is enacted into law.