

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4360**

A bill to prohibit a local government or law enforcement agency from operating a motor vehicle storage facility or towing operation; 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:

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

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

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

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

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

18 (f) "Towing operation" means the moving or removing of motor
19 vehicles by providing wrecker, towing, or other recovery services.

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

23 (a) Operate a motor vehicle storage facility or towing
24 operation.

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

27 (c) Require an authorized vendor to deliver a motor vehicle to

1 a motor vehicle storage facility operated by a different authorized
2 vendor.

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

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

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

24 Sec. 3a. The prohibition in section 2(a) does not apply to a
25 local government or law enforcement agency if that local government
26 or law enforcement agency issues a request for proposals for
27 operating a motor vehicle storage facility or towing operation and

1 the request for proposals does not yield a bona fide bid. A local
2 government or law enforcement agency shall use the standard or
3 customary request for proposals process used by that local
4 government or law enforcement agency for all other procurement
5 matters when issuing the request for proposals for operating a
6 motor vehicle storage facility or towing operation.

7 Sec. 4. If a local government or law enforcement agency
8 violates section 2, an individual or entity may bring an action
9 seeking injunctive relief against the local government or law
10 enforcement agency. If a court determines a local government or law
11 enforcement agency is violating section 2, the court shall issue an
12 injunctive order requiring the local government or law enforcement
13 agency to cease and desist from violating section 2. An injunctive
14 order issued under this section becomes effective 60 days after the
15 injunctive order is entered by the court. Any action taken by a
16 local government or law enforcement agency to ensure compliance
17 with section 2 or any injunctive order issued under this section is
18 not considered a violation of the injunctive order for purposes of
19 any fine under this section. A local government or law enforcement
20 agency that violates an injunctive order under this section is
21 subject to a civil fine of not more than \$1,000.00 for each day of
22 violation, up to a maximum of \$10,000.00. An individual or entity
23 that brings an action under this section may recover costs and
24 reasonable attorney fees.

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