

# HOUSE BILL NO. 5023

September 20, 2023, Introduced by Reps. Farhat, Miller, McFall, Snyder, Liberati, Wilson, Hoskins, Jaime Greene, Aragona, Phil Green, Bruck, Zorn, Kunse, O'Neal, Tyrone Carter, Wozniak, DeBoyer, Bollin, Aiyash and Whitsett and referred to the Committee on Regulatory Reform.

A bill to amend 2018 PA 327, entitled

"An act 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,"

by amending sections 2 and 3 (MCL 123.1402 and 123.1403).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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

4           (a) Operate a motor vehicle storage facility or towing  
5 operation.

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

8           (c) Require an authorized vendor to deliver a motor vehicle to  
9 a motor vehicle storage facility operated by a different authorized  
10 vendor.

11           (d) **Beginning on the effective date of the amendatory act that**  
12 **added this subdivision, contract with or engage a private third**  
13 **party to manage or administer towing operations or motor vehicle**  
14 **storage facilities on behalf of that local government or law**  
15 **enforcement agency.**

16           Sec. 3. (1) If, on or before ~~the effective date of this act,~~  
17 **September 30, 2018,** a local government or law enforcement agency is  
18 operating a motor vehicle storage facility or towing operation,  
19 that local government or law enforcement agency may continue to  
20 operate that motor vehicle storage facility or towing operation  
21 after ~~the effective date of this act.~~**September 30, 2018.**

22           (2) If, on or before ~~the effective date of this act,~~ **September**  
23 **30, 2018,** a local government or law enforcement agency accepts  
24 consideration, financial or other, from any authorized vendor that  
25 operates a motor vehicle storage facility, that local government or  
26 law enforcement agency may continue to accept consideration,  
27 financial or other, from any authorized vendor after ~~the effective~~

1 ~~date of this act.~~**September 30, 2018.**

2 (3) If, on or before ~~the effective date of this act,~~**September**  
3 **30, 2018,** a local government or law enforcement agency requires any  
4 authorized vendor to deliver a motor vehicle to a motor vehicle  
5 storage facility operated by a different authorized vendor, that  
6 local government or law enforcement agency may continue to require  
7 any authorized vendor to deliver a motor vehicle to a motor vehicle  
8 storage facility operated by a different authorized vendor after  
9 ~~the effective date of this act.~~**September 30, 2018.**

10 (4) If, on or before the effective date of the amendatory act  
11 that added section 2(d), a local government or law enforcement  
12 agency contracts with or engages a private third party to manage or  
13 administer towing operations or vehicle storage facilities on  
14 behalf of that local government or law enforcement agency, that  
15 local government or law enforcement agency shall not do any of the  
16 following after the effective date of the amendatory act that added  
17 section 2(d):

18 (a) Renew any contract entered into before the effective date  
19 of the amendatory act that added section 2(d) with the private  
20 third party to manage or administer towing operations or vehicle  
21 storage facilities on behalf of that local government or law  
22 enforcement agency after the termination of the contract described  
23 under this subdivision.

24 (b) Continue to engage the private third party to manage or  
25 administer towing operations or vehicle storage facilities on  
26 behalf of that local government or law enforcement agency.