

MICHIGAN VEHICLE CODE (EXCERPT)
Act 300 of 1949

257.249a Denial, suspension, or revocation of license as automotive recycler, used or secondhand vehicle parts dealer, vehicle scrap metal processor, or foreign salvage vehicle dealer; grounds.

Sec. 249a.

(1) The secretary of state may deny the application of a person for a license as an automotive recycler, a used or secondhand vehicle parts dealer, a vehicle scrap metal processor, or a foreign salvage vehicle dealer and refuse that person a license as an automotive recycler, a used or secondhand vehicle parts dealer, a vehicle scrap metal processor, or a foreign salvage vehicle dealer, or may suspend or revoke a license already issued, if the secretary of state finds that 1 or more of the following apply:

- (a) The applicant or licensee has made a false statement of a material fact in his or her application.
- (b) The applicant or licensee has not complied with this act or a rule promulgated under this chapter.
- (c) The applicant or licensee has been convicted of violating Act No. 119 of the Public Acts of 1986, being sections 257.1351 to 257.1355 of the Michigan Compiled Laws.
- (d) If the applicant or licensee is a foreign salvage vehicle dealer, has had his or her dealer license in another state expire, or has had his or her dealer license in another state revoked, suspended, or canceled.
- (e) If the applicant or licensee is an automotive recycler, a used or secondhand vehicle parts dealer, or a foreign salvage vehicle dealer and has no established place of business used for the purpose of selling, displaying, or offering for sale used or secondhand vehicle parts or does not have a vehicle dismantling facility or does not have evidence of worker's compensation insurance coverage for employees classified under the standard industrial classification number 4015, entitled "motor vehicle partsâ€”used" or under the national council on compensation insurance code number 3821, entitled "automobile dismantling", if applicable.

(2) The secretary of state shall deny the application of a person for a license as an automotive recycler, a used or secondhand vehicle parts dealer, a vehicle scrap metal processor, or a foreign salvage vehicle dealer and refuse that person a license as an automotive recycler, a used or secondhand vehicle parts dealer, a vehicle scrap metal processor, or a foreign salvage vehicle dealer, or shall suspend or revoke a license already issued, if the secretary of state finds that 1 or more of the following apply:

- (a) The applicant or licensee has been guilty of a fraudulent act in connection with selling or otherwise dealing in major component parts or vehicles of a type required to be registered under this act.
- (b) The applicant or licensee has possessed a vehicle or a vehicle part which has been confiscated under section 415 of the Michigan penal code, Act No. 328 of the Public Acts of 1931, being section 750.415 of the Michigan Compiled Laws. The secretary of state shall conduct a hearing pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws, before the secretary of state takes any action under this subdivision.
- (c) The applicant or licensee has been convicted under section 413, 415, 535, 535a, or 536a of Act No. 328 of the Public Acts of 1931, being sections 750.413, 750.415, 750.535, 750.535a, and 750.536a of the Michigan Compiled Laws, or has been convicted in a foreign state of a law or a local ordinance substantially corresponding to section 413, 415, 535, 535a, or 536a of Act No. 328 of the Public Acts of 1931.
- (d) The applicant or licensee is a corporation or partnership, and a stockholder, officer, director, or partner of the applicant or licensee has been guilty of any act or omission that would be cause for refusing, revoking, or suspending a license issued to the stockholder, officer, director, or partner as an individual.
- (e) Effective July 1, 1994, the applicant or licensee has removed a scrap vehicle from this state for the purpose of rebuilding it or has sold or transferred the vehicle as a unit for purposes of rebuilding it.

History: Add. 1988, Act 255, Eff. Oct. 1, 1989 ;-- Am. 1992, Act 304, Imd. Eff. Dec. 21, 1992 ;-- Am. 1993, Act 300, Eff. Jan. 1, 1994