DATE: August 10, 2018

TO: Michigan Vehicle Dealers

FROM: Michigan Department of State

SUBJECT: REPEAT OFFENDER POLICY

The Secretary of State has updated Chapter 7 of the Michigan Dealer Manual to provide clarification regarding prospective purchasers in repeat offender status. The following sections of the Dealer Manual have been updated:

7-7.1 Repeat Offender. The Michigan Vehicle Code [MCL 257.625 et seq.] states in substantial part a person who is in repeat offender status shall not operate a vehicle upon a public road or highway within this state.

7-7.2 Selling Vehicles to Repeat Offenders. Dealers are not authorized to sell vehicles to repeat offenders. This includes a “title only” transaction. A person who purchases or leases a vehicle during a period of registration denial is guilty of a crime.

A “title only” transaction submitted to a Secretary of State branch office will be denied and returned to the submitting dealership.

7-7.7 Dealer Plates and Temporary Registrations. Metal dealer plates and BFS-4 15-day temporary permits must not be issued to repeat offenders and are subject to confiscation if misused.

7-7.9 Paper Plates. If police arrest a driver for the third (or more) alcohol/drug-related offense, or the fourth (or more) driving while license suspended offense, the law enforcement officer will confiscate the vehicle’s metal plate and issue a paper plate (commonly referred to as a Section 904C permit).
The paper plate stays with the vehicle until a court adjudicates the case or the vehicle is sold to a non-family member or traded in to a dealer. The paper plate has the same expiration date as the confiscated metal plate. Repeat offenders cannot transfer their ownership interest in the vehicle to a family member or purchase or lease another vehicle.

**Department Publications and Compliance Training**

The Dealer Manual, Department website information, and vehicle dealer compliance training will be updated reflecting clarification prospective purchasers in repeat offender status. Licensed vehicle dealers will receive updates by bulletin and e-mail broadcasts if they have provided the Department with a valid e-mail address.

**Contact Information for Questions**

Questions can be directed to the Secretary of State website mailbox by clicking on the following hyperlink:

http://www.michigan.gov/sos/0,4670,7-127-13162-25634--,00.html

Questions may also be directed to the Department of State Information Center toll-free number at (888) 767-6424 8:30 a.m. to 5:00 p.m. Monday through Friday.