



**House  
Legislative  
Analysis  
Section**

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**REGULATION OF CLOTHES CLEANERS**

House Bill 4686 as introduced **RECEIVED**  
Sponsor: Rep. Charlie Harrison, Jr.

House Bill 4687 as introduced **JUL 19 1989**  
Sponsor: Rep. Debbie Stabenow **Mich. State Law Library**

**First Analysis (5-15-89)**  
**Committee: Economic Development & Energy**

***THE APPARENT PROBLEM:***

Public Act 43 of 1943 regulates persons who clean, repair, or store certain articles of clothing (primarily, persons who operate dry cleaners and laundromats). When their customers leave behind articles of clothing, persons operating these businesses must follow specific procedures before disposing of any clothing. Only after clothes have been left for more than 90 days can business owners begin the process to dispose of clothing, which includes filling out lengthy forms and notifying customers of the owner's intent to rid him- or herself of the items — either by selling the clothes (to cover previously agreed on service costs which the customer has failed to pay) or donating the items to charity. Owners in many cases do not even know a customer's current address, and even if they did, tracking them down is often too costly and time-consuming. In fact, many owners reportedly wish to donate abandoned items to charities, but are hindered from doing even this out of fear of being held liable to the customer who may finally show up to claim the clothes sometime in the future. Many owners complain the current process takes too long, disrupts their businesses, and costs them money, and suggest replacing arcane procedures with more up-to-date, efficient methods for disposing of customers' abandoned clothes.

***THE CONTENT OF THE BILLS:***

House Bill 4687 would repeal Public Act 43 of 1943 (MCL 570.211 - 570.217), which currently regulates persons who clean, repair, or store certain articles of clothing. The substantive provisions of the act include the following:

- When certain articles of clothing have been left to be cleaned, repaired, etc. at a cleaning business, a business, after holding the clothes for at least 90 days, may sell the clothes to cover the previously agreed-on charges for performing the services.
- When articles of clothing, after being cleaned, repaired, etc., have been placed in storage by prior agreement and after nine months have not been paid for, a business may sell the articles to cover the previously agreed-on charges.
- Before selling any articles a business is required to notify the owner of the intent to sell the clothes or other items in a manner specified in the act.
- Businesses that sell clothes as specified are not liable to the former owners of the articles.
- Businesses must have two prominently displayed signs which warn patrons that their items could be sold if not paid for within the time limits specified in the act.

The bill is tie-barred to House Bill 4686.

House Bill 4686 would create a new act to regulate businesses engaged in the cleaning, repair, alteration or

storage of clothing. Under the bill, clothes left at a business regulated under the bill for either cleaning or repair, or for storage purposes, that were not claimed by their owners after one year could be sold, donated, or disposed of by the cleaning business. A person would lose his or her ownership rights to an article of clothing left at a business for more than one year. If ownership rights to an article of clothing had been lost, the original owner could regain his or her ownership rights to the clothing if the business had not sold, donated, or otherwise disposed of it, and if the person paid the amount owing for cleaning, repair, or storage services.

***FISCAL IMPLICATIONS:***

According to the House Fiscal Agency, the bills have no fiscal implications. (5-12-89)

***ARGUMENTS:***

***For:***

The bills would provide persons who operate dry cleaners and laundromats more streamlined procedures for ridding themselves of clothing left behind by customers. The 1943 act which regulates these businesses hinders the owners from dealing in a quick and efficient manner with abandoned clothes. The bills would benefit businesses by allowing them up to one year to hold clothes (to account for customers who may leave clothes for storage until the proper season arrives), but would give customers more than the current 90 days (or nine months, for storage) allowed for leaving clothes before action can be taken by a business. In addition, if the business had not disposed of clothes left after one year's time, the person who owned the clothes could still get them back by paying any amount owed for cleaning, repair, or storage services.

***POSITIONS:***

The Michigan Institute of Laundering and Dry Cleaning supports the bills. (5-11-89)

The Michigan Retailers Association supports the bills. (5-11-89)

The Dry Cleaning and Laundry Institute of Detroit testified before the House Committee on Economic Development and Energy in support of the bills. (5-10-89)

The Michigan Consumers Council has no position on the bills. (5-11-89)

H.B. 4686 & 4687 (5-15-89)