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BILL ANALYSIS

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Senate Fiscal Agency

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Senate Bill 154 (as passed by the Senate)
Sponsor: Senator William Sederburg
Committee: Finance

Date Completed: 4-17-89

RATIONALE

The Michigan Code of Escheats prescribes the process under which personal and real property that has been abandoned, or that was owned by a person who died intestate and left no known heirs, escheats (reverts) to the State. The Code requires the State to publish in a newspaper notice of property that is to escheat to the State, in an attempt to inform persons that their property is to escheat. It has been pointed out that escheat notices are often difficult to read because they are printed in small type, include the names and property of several persons or organizations, and are not alphabetized. It has been suggested that guidelines be established for the printing of escheat notices.

CONTENT

The bill would amend the Michigan Code of Escheats to provide that notices required by the Code would have to be published in a newspaper, be "clearly written using words that have a common everyday meaning to the general public", and be printed with type of the same size as the type normally used in newspapers. If a notice contained the names of one or more persons who might be entitled to lands or other property, the notice would have to list the names in alphabetical order in 10-point type with 11-point boldface type that said, "If your name is on the following list, you may have a claim to lands or other property being held by the State of Michigan. For further information, contact the State Board of Escheats".

MCL 567.47a

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

ARGUMENTS**Supporting Argument**

Escheat notices are often poorly written and virtually impossible to read. If it is the policy of the State to notify persons before it takes their property, then the least that can be expected is that ordinary citizens be able to read the notices. By requiring escheat notices to be clearly written, and persons' names to be listed alphabetically, the bill would take a step toward that goal.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

S.B. 154 (4-17-89)