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CLARIFY DEADLINE TO DEPOSIT REAL ESTATE EARNEST MONEY

House Bill 5643

**Sponsor: Rep. Susan Grimes Munsell
Committee: Commerce**

Complete to 3-12-96

A SUMMARY OF HOUSE BILL 5643 AS INTRODUCED 2-27-96

The Occupational Code currently establishes penalties for licensed real estate brokers who commit certain prohibited activities, including failing to deposit earnest money paid toward the purchase of real estate into a qualified custodial trust or escrow account maintained by the broker. Currently, the act specifies that such money must be deposited within two business days after an offer to purchase real estate is accepted by all parties, "but not later than 5 days after receipt." The bill would delete the phrase "but not later than 5 days after receipt" and, thus, would require that earnest money be deposited within two business days after an offer was accepted by all parties.

MCL 339.2512

House Bill 5643 (3-12-96)

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.