



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5643 (as reported with amendment)
Sponsor: Representative Susan Grimes Munsell
House Committee: Commerce
Senate Committee: Financial Services

CONTENT

The bill would amend the Occupational Code to revise the deadline for a real estate broker's deposit of money belonging to others and put forth in connection with a purchase offer.

Currently under the Code, within two banking days after the signing of a purchase agreement by all parties, but not later than five days receipt, a real estate broker must deposit money belonging to others in a separate custodial trust or escrow account maintained by the broker with a bank, savings and loan association, credit union, or recognized depository. When the transaction involved is consummated or terminated, the broker must account for the full amount received. Under the bill, a real estate broker would have to deposit the money within two banking days after he or she received notice that an offer to purchase was accepted by all parties.

The bill would take effect on January 1, 1997.

MCL 339.2512

Legislative Analyst: P. Affholter

FISCAL IMPACT

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

Date Completed: 9-19-96

Fiscal Analyst: M. Tyszkiewicz