

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4446 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Representative Kirk Profit

House Committee: Judiciary

Senate Committee: Judiciary

CONTENT

The bill would amend the Revised Judicature Act to require the payment of specific fees and charges for checks written on insufficient funds or no account; revise the recovery of damages by a merchant who was a retail fraud victim; specify that counties with a population under 15,000 *according to the 1990 Federal decennial census* would have a part-time probate judge; and repeal on January 1, 1999, a section that provides for the Michigan Trial Court Assessment Commission. The bill would take effect on January 1, 1999, and is tie-barred to House Bills 4444 and 4445.

Under the Act, if the maker of a bad check fails to make payment within 30 days after receiving a written demand for payment, he or she is liable for damages of double the amount owed. Damages cannot be less than \$50 or more than \$500, but if the amount of the check is over \$500, the maker is liable for the amount of the check. Under the bill, the maker of a bad check would have to pay either of the following, in cash, to the payee or a designated agent of the payee: 1) the full amount of the dishonored check, draft, or order, plus a \$25 processing fee, paid within seven days, excluding weekends and holidays, after the written demand for payment was mailed; or 2) the full amount of the dishonored check, draft, or order, plus a \$35 processing fee, paid within 30 days after the date of the mailing of the written demand for payment.

A maker of a bad check who failed to make either of those payments and who was found responsible for payment in a civil action would be liable to the payee for the full amount of the check, draft, or order; civil damages of two times the amount of the dishonored check, draft, or order or \$100, whichever was greater; and costs of \$250. Those additional damages would not apply, however, if, before the trial, the maker paid to the payee, in cash, the total of the bad check, a \$35 processing fee, and reasonable costs of up to \$250, as agreed to by the parties.

MCL 600.2952 & 600.2953

Legislative Analyst: P. Affholter

FISCAL IMPACT

Amendments to Section 821 and 822 would fix the number of counties with part-time probate judges at 14. The State pays all of the full-time probate court judges' salary of \$109,257 through a State base salary and reimbursement to locals. The State pays \$19,750 of a part-time probate judge's \$63,000 salary.

The bill as amended also would repeal Section 222 which provides for the Trial Court Assessment Commission, effective January 1, 1999. The FY 1997-98 appropriation for this Commission is \$279,900. The FY 1998-99 General Government budget, as passed by the House and Senate, includes \$310,700 for the Trial Court Assessment Commission.

Date Completed: 6-3-98

Fiscal Analyst: B. Bowerman