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

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5991 (as reported without amendment)
Sponsor: Representative Charles LaSata
House Committee: Commerce
Senate Committee: Financial Services

CONTENT

The bill would amend Article 9 of the Uniform Commercial Code (UCC) to provide that transactions subject to the article would be subject to the Special Tools Lien Act (proposed by House Bill 5993).

Article 9 of the UCC governs secured transactions (which involve the granting of credit coupled with the creditor's interest in the debtor's personal property). Part 2 specifies that a transaction under the article is subject to any applicable rule of law that establishes a different rule for consumers, as well as specified State laws. The bill would amend Part 2 to add the Special Tools Lien Act to the list of laws to which secured transactions are subject.

The bill is tie-barred to House Bill 5993. (The proposed Special Tools Lien Act would establish a lien on a special tool if an end user or a special tool builder did not receive amounts owed for work involving the special tool.)

MCL 440.9201

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

Date Completed: 5-23-02

Fiscal Analyst: Jessica Runnels