



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 4673 (Substitute H-1 as passed by the House)

Sponsor: Representative Pam Byrnes

House Committee: Commerce

Senate Committee: Commerce and Tourism

Date Completed: 7-23-07

CONTENT

The bill would amend Public 39 of 1961, which regulates insurance, bankruptcy, mortgage, insolvent, assignee's, executor's, administrator's, receiver's, trustee's, and closing out sales and sales of damaged goods, to allow a city, village, or township clerk to waive the application fee for a license and license renewal to conduct a sale regulated under the Act.

The Act prohibits a person from advertising, representing, or holding out that any sale of goods is an insurance, bankruptcy, mortgage, insolvent, assignee's, executor's, administrator's, receiver's, or trustee's sale, a going-out-of business sale, or a sale of goods damaged by fire, smoke, water, or otherwise, unless the person first obtains a license from the clerk of the city, village, or township in which he or she proposes to conduct the sale. The Act does not apply to any sales by a person regularly engaged in insurance or salvage sale of goods, or the sale of goods that have been damaged by fire, smoke, water, or other otherwise, who acquired the goods for the account of others as a result of fire or other casualty.

A license issued under the Act may not be issued or valid for more than 30 days from the start of the sale, and the sale may be conducted only during the period identified in the license. A license may be renewed, not more than twice, for up to 30 days for each renewal. A \$50 fee must accompany an application for a license or a license renewal. The bill would require the fee, unless the city, village, or township clerk receiving the application waived it.

MCL 442.216

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on the State. The bill could decrease revenue to local units of government by an unknown amount, depending upon the number of local units that opted to waive the fee and how frequently waivers were granted.

Fiscal Analyst: David Zin

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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.