



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

BILL



ANALYSIS

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

House Bill 4499 (Substitute H-1 as reported without amendment)
Sponsor: Representative Gary Glenn
House Committee: Judiciary
Senate Committee: Judiciary

CONTENT

The bill would amend Chapter 38 (Public Nuisances) of the Revised Judicature Act to establish a clear and convincing standard of proof in an action to abate a nuisance by forfeiture or sale of a vehicle, boat, aircraft, or other personal property.

Under Chapter 38, a building, vehicle, boat, aircraft, or place is a nuisance if it is used for illegal activities described in Section 3801 (e.g., prostitution; gambling; the unlawful manufacture, transportation, or sale of a controlled substance; or human trafficking). The Attorney General, a county prosecutor, or the resident of a county may maintain an action in the name of the State to enjoin a person from using property for any of the specified purposes.

If the court finds that the material allegations of the complaint are true, the court must enter a judgment and order of abatement. Personal property may be seized and forfeited, and a building or place may be ordered closed.

Under the bill, the court would have to enter a judgment and order of abatement if the court found that the plaintiff had satisfied the burden of proof and that the material allegations of the complaint were true. If the plaintiff sought abatement of a nuisance by forfeiture or sale of a vehicle, boat, aircraft, or other personal property, however, the plaintiff would have the burden of proving by clear and convincing evidence that the vehicle, boat, aircraft, or property was used for or in furtherance of the activity or conduct that constituted the nuisance.

The amendments would apply only to an action begun on or after the bill's effective date. The bill would take effect 90 days after it was enacted.

MCL 600.3815

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill could result in a decrease in proceeds collected by local law enforcement agencies, prosecutors, and the State from the disposition of forfeited property. To the extent that local law enforcement and prosecutors are reimbursed from the proceeds, and the State General Fund realizes gains from the sale of nuisance property, the bill could have a negative fiscal impact on State and local government.

The receipt of forfeiture proceeds allows law enforcement agencies and prosecuting attorneys to use budgeted funds for other purposes, such as staff compensation. If the agencies and prosecutors received less reimbursement under the bill, the costs of nuisance enforcement and prosecution have to be absorbed within existing budgets, diverting funds from other uses.

Date Completed: 8-20-15

Fiscal Analyst: John Maxwell

floor\hb4499Bill Analysis @ www.senate.michigan.gov/sfa

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