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BILL



ANALYSIS

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House Bill 5429 (Substitute H-2 as reported without amendment)

Sponsor: Representative Andrea LaFontaine

House Committee: Natural Resources

Senate Committee: Judiciary

CONTENT

The bill would amend the Michigan Marina and Boatyard Storage Lien Act to do the following:

- Include property stored at a marina or other boat facility for repairs or maintenance among the items that are subject to a lien under the Act and for which notification of a lien must be made.
- Revise provisions that require the mailing of a notice of lien or the sale of property subject to a lien, to include delivery by another service that provides proof of delivery.
- Require a facility owner to mail notice to the state or agency responsible for registration or documentation of the property, if property subject to a lien were registered in another state or with a Federal agency.
- Provide for publication in the print or electronic version of a newspaper, if notice by publication is required.
- Allow notice of default to be sent to the person who delivered the property to the facility, if the owner of the property could not be determined.
- Require a facility to give notice of default to each lienholder of record identified by the Secretary of State (SOS), rather than each lienholder listed on the title, registration, or other marine documentation.
- Require the SOS to issue a new title or registration to the purchaser of a vessel or trailer, rather than the purchaser of property, upon a sale authorized under the Act.
- Require the SOS to notify another state that a new title or registration had been issued, if a sold vessel or trailer were registered in that state.

The Act provides that a facility owner has a possessory lien on property stored at the facility for storage, rent, labor, materials, supplies, and other charges and for expenses reasonably incurred in the sale of that property under the Act. The bill would include property stored at the facility for repairs or maintenance services. ("Facility" means a marina, boatyard, boat or yacht club, or marine repair facility that provides for the storage or repair of boats, boat motors, boat cradles, or boat trailers as part of its commercial operation.)

The bill would take effect 90 days after its enactment.

MCL 570.372-570.376

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Date Completed: 7-20-16

Fiscal Analyst: Joe Carrasco

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Bill Analysis @ www.senate.michigan.gov/sfa

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.