

Legislative Analysis



ANNUAL LEGAL NOTICE FEE INCREASE: EXTEND SUNSET

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Analysis available at
<http://www.legislature.mi.gov>

House Bill 4575 as introduced
Sponsor: Rep. Beau Matthew LaFave
Committee: Judiciary
Complete to 5-9-17

REVISED SUMMARY:

House Bill 4575 would amend Section 2534 the Revised Judicature Act (MCL 600.2534) to authorize certain inflationary increases in the fees newspapers may charge parties in a judicial proceeding to publish a legal notice or an order, citation, summons, advertisement, or other matter that is required by law to be published in a newspaper.

Under Public Act 506 of 2006, for five years beginning on March 1, 2008, such publication fees were adjusted annually for inflation. This bill would (1) adjust the fees for 2018 based on the percentage increase in the U.S. consumer price index from March 1, 2008, to January 1, 2018; and then (2) adjust the rates annually based on the percentage increase in CPI from January 1, 2019, to January 1, 2015. These rates would be adjusted by the Department of Treasury, and rounded to the nearest multiple of five cents.

The base rate for publication would not be revised in the statute. The fees listed in statute (effective prior to March 2008) are: no more than \$20.50 per folio for the first insertion and \$8.45 per folio for each subsequent insertion. A minimum cost of \$59 is allowed for a notice that must be published two times or more, and a minimum cost of \$44 is allowed for a notice that must be published once.

Further, the bill would refer to a "publication" rather than an "insertion" and make several other changes of an editorial nature.

FISCAL IMPACT:

House Bill 4575 could result in minimal increased costs to the state. Costs are indeterminate and would depend on the number of cases that would be affected and on applicable publishing rates. Increased costs would occur in cases in which the state is a party involved in judicial proceedings, and is responsible for the cost of publishing legal notices.

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Robin Risko

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.