



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5770 (Substitute S-1 as reported)
Sponsor: Representative Mike Mueller
House Committee: Commerce and Tourism
Ways and Means
Senate Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Consumer Protection Act to do the following:

- Prohibit a third-party delivery service from using a likeness, trademark, or other intellectual property belonging to a restaurant without obtaining written consent from the restaurant.
- Require a third-party delivery service to be registered to do business in Michigan in order to enter into an agreement to use a restaurant's likeness, trademark, or other intellectual property.
- Prescribe a maximum civil fine of \$1,000 per violation.
- Allow a person who suffered a loss of a violation of the bill to bring an action to recover actual damages or \$5,000, whichever was greater, in addition to reasonable attorney fees, and allow a court to award punitive damages.

MCL 445.903 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill could have an indeterminate fiscal impact on State and local government. Whether the bill would result in an increase in court case filings and hearings is indeterminate. Fine revenue prescribed in the bill is typically used to help fund local libraries; however, the Michigan Consumer Protection Act allows the Attorney General to petition for recovery of the civil fine revenue to reimburse its costs. The amount of additional revenue that could be generated is indeterminate and would depend on the number of violations that resulted.

Date Completed: 12-4-20

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