



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



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

Senate Bill 134 (as reported without amendment)  
Sponsor: Senator Sam Singh  
Committee: Finance, Insurance, and Consumer Protection

## **CONTENT**

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

- Establish specific fines for a violation of the Act that targeted an elder or vulnerable adult.
- Allow the Attorney General (AG) or prosecuting attorney, before bringing an action in court, to serve a written demand to a person suspected of having information related to a violation of the Act that required the person to provide the information.
- Create the Consumer Protection and Antitrust Revolving Enforcement and Education Fund, require costs and proceeds from proceedings under the Act to be deposited into the Fund, and require the Attorney General to spend money from the Fund for the Act's enforcement.

MCL 445.902 et al.

## **BRIEF RATIONALE**

According to testimony before the Senate Committee on Finance, Insurance, and Consumer Protection, Michigan's statutory protections for elderly or vulnerable-adult consumers have fallen behind protections enacted by other states. Some argue that this has left these consumers susceptible to deceptive trade practices in otherwise-regulated industries, such as unfair charges in assisted living facilities or inflated prices in estate planning. It has been suggested that State law discourage unfair trade or commerce that targets elderly or vulnerable adults by establishing specific penalties for such practices.

Legislative Analyst: Nathan Leaman

## **FISCAL IMPACT**

The bill could have a positive fiscal impact on the State and local units of government. The bill would increase the likelihood of civil fines of varying amounts, including up to \$50,000 for knowing violations targeting vulnerable adults. The amount of additional revenue is indeterminate and dependent on the number of fines imposed. Revenue collected from civil fines is used to support local libraries. Additionally, \$10 of the civil fine would be deposited into the State Justice System Fund. This Fund supports justice-related activities across State government in the Departments of Corrections, Health and Human Services, State Police, and Treasury. The Fund also supports justice-related issues in the Legislative Retirement System and the Judiciary. The amount of revenue to the State or for local libraries is indeterminate and dependent on the actual number of violations.

The bill also would create revenue for the Consumer Protection and Antitrust Revolving Enforcement and Education Fund that it would create. The revenue would be generated from damages assessments in class actions brought by the AG of either actual damages or \$250 per class member. The amount of revenue created for the new fund would depend on how effective the AG was at enforcing the Act. Due to the likely increase in civil fine revenue under the bill, local governments would be positively affected to an unknown degree. The bill would

not create new responsibilities for the AG; however, should the AG aggressively pursue enforcement actions under the bill, any increased administrative or legal expenses would likely be offset by damages revenue, which the AG would be able to access through the new Fund.

The bill would have a minimal fiscal impact on the Department of Treasury to administer the Fund. Any Additional costs would be supported with current appropriations.

Date Completed: 5-21-25

Fiscal Analyst: Michael Siracuse  
Cory Savino, PhD

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