

**SFA**

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

House Bill 5276 (as reported without amendment)

Sponsor: Representative Sidney Ouwinga

House Committee: State Affairs

Senate Committee: State Affairs, Tourism, and Transportation

MAY 16 1990

Date Completed: 4-6-90

**RATIONALE**

Under the Mobile Home Commission Act, a licensed mobile home dealer may be required to post a surety bond of up to \$10,000, although "an appropriate deposit of cash or securities" may be pledged in lieu of a bond. When mobile home dealers Olin and Crystal Moore filed for bankruptcy in 1984, the surety bond for their dealership in Hersey Township, Osceola County, was canceled and they were unable to post a new bond. So, instead, the Moores turned over to the State the deed to their property in Hersey Township. Then, in 1986, the Moores reportedly went out of business. Since claims may be made against a dealer for up to three years after a transaction, even if the dealer is no longer in business, the Moores' liability ended in 1989, and they have requested the return of their property.

**CONTENT**

The bill would authorize the State Administrative Board to convey property in Hersey Township, Osceola County, to Olin and Crystal Moore for \$1. The conveyance would have to be made by quitclaim deed approved by the Attorney General.

**FISCAL IMPACT**

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

**ARGUMENTS****Supporting Argument**

The bill simply would authorize the return to its rightful owners of property that has been held by the State. Since the Moores' liability ended in 1989, the State has held the property beyond the necessary amount of time.

Legislative Analyst: S. Margules

Fiscal Analyst: J. Schultz

**H8990/S5276A**

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