

Legislative Analysis



PA 39 SALES: ALLOW WAIVER OF FEE

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House Bill 4673 (Substitute H-1)

Sponsor: Rep. Pam Byrnes

Committee: Commerce

Complete to 6-6-07

A SUMMARY OF HOUSE BILL 4673 AS REPORTED FROM COMMITTEE

Public Act 39 of 1961 regulates how certain kinds of sales can be conducted—sales such as "going out of business" sales, closeout sales, removal sales, liquidation sales, bankruptcy sales, or insurance sales. A license is required from the local unit of government good for up to 30 days. Such a license can be renewed only twice for up to 30 days each time, and only for the goods on the original sale inventory list. There is a \$50 fee for each license application and renewal application.

House Bill 4673 would amend Public Act 39 of 1961 to allow the clerk of a local unit of government to waive the \$50 application fee. This applies to cities, villages, and townships.

MCL 442.216

FISCAL IMPACT:

The bill would potentially reduce local government revenues by an indeterminate amount. Calculation of the lost revenue would require reliable estimates of the number of local units of government willing to waive the \$50 fee, and the number of Public Act 39 sales in these governmental units.

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