

**ABANDONMENT OF BUSINESS**  
**Act 144 of 1895**

AN ACT to make it unlawful for any company or corporation to remove, abandon or discontinue any factory, work shop, machine shop, repair shop, office, agency or establishment, or the work, business or industry carried on therein from any village, city, town or place within this state, without repaying and restoring to such town, city, village or place any and all money, bonds, land and other property, with interest, which have been or may hereafter be given or granted as a consideration or inducement for the location, construction, operation, enlargement or maintenance at any such city, village, town or place, and to provide a remedy by injunction to restrain any such company or corporation from moving, abandoning or discontinuing any such factory, shop, etc., and to provide a penalty for so doing.

**History:** 1895, Act 144, Eff. Aug. 30, 1895.

*The People of the State of Michigan enact:*

**445.601 Abandonment of business by municipally aided company without restoration of benefits and interest unlawful.**

Sec. 1. That it shall be unlawful for any corporation or company doing business in this state, at any time, or for the officers, agents or others having control of the corporation or company, or of the business of property of such corporation or company, to move, abandon or discontinue, in any way, to any material extent, any factory, work shop, machine shop, repair shop, office, agency or other establishment, or the work or business carried on therein, from any city, town or other place within this state, without repaying and restoring any and all money, bonds, lands and other property, which have been, or shall hereafter be given or granted as a consideration or inducement for the location or construction, operation, enlargement or maintenance at any such city, town or place, of such factory, work shop, machine shop, repair shop, office, agency or establishment, or of the work or business carried on thereat; and such payment or restoration must include and be accompanied by the payment of lawful interest on such money, bonds, lands and other property, or upon the proceeds or reasonable profits thereof, for the full period that shall have elapsed between the date of the original gift and such final payment and restoration.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5447;—CL 1915, 7140;—CL 1929, 9831;—CL 1948, 445.601.

**445.602 Abandonment of business; application of act; benefit to company officer or agent or to predecessor company.**

Sec. 2. The provisions and penalties shall apply in all cases where the gift or grant was or shall be made by any city, town, company, person or persons, and they shall apply in all cases where the gift, grant, consideration or inducement, was made or paid to the corporation or company owning or operating such factory, work shop, machine shop, repair shop, office, agency, or establishment, and shall apply as well in all cases where such gift, grant, consideration or inducement was made or paid to any officer, agent, receiver or trustee of such corporation or company, or at any time in control of the property or business of the corporation or company; and the provisions and penalties of this act shall apply also if the corporation or company has succeeded to the rights, franchises, property or business of any corporation or company to which or the officers, agents, receivers or trustees of which company or corporation, or of its property, any such gift, grant, consideration or inducement was or shall have been made or paid.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5448;—CL 1915, 7141;—CL 1929, 9832;—CL 1948, 445.602.

**445.603 Violation of act; misdemeanor.**

Sec. 3. The violation of any of the provisions of this act by any corporation or company, or any shareholder, officer or agent of any corporation or company, or by any person or persons succeeding to or controlling or managing the property or business of such corporation or company, is hereby made a misdemeanor, to be punished by fines, penalties, forfeitures, injunctions and imprisonments, as provided in other sections of this act.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5449;—CL 1915, 7142;—CL 1929, 9833;—CL 1948, 445.603.

**445.604 Violation of act; penalty.**

Sec. 4. Any shareholder, officer, agent or other person violating any of the provisions of this act shall be punished by imprisonment for not more than 1 year, or by fine not exceeding 1,000 dollars, or by both such fine and imprisonment; any corporation or company violating any of the provisions of this act shall be punished by a fine of 1,000 dollars for each day that shall elapse between such act of removal, abandonment

or discontinuation, and the repayment and restoration required by this act; and any such corporation or company found guilty of violating any of the provisions of this act shall also forfeit all rights or franchises derived from or enjoyed within this state, and shall be enjoined from transacting any business within the state.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5450;—CL 1915, 7143;—CL 1929, 9834;—CL 1948, 445.604.

#### **445.605 Restoration of benefits; payment.**

Sec. 5. The repayments and restorations required by this act shall be made to the city, town, company, person or persons, by which or from whom the gift, grant, consideration or inducement was made or paid, or to their successors, assigns or legal representatives.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5451;—CL 1915, 7144;—CL 1929, 9835;—CL 1948, 445.605.

#### **445.606 Forfeitures and injunctions; rights of municipality upon failure of company.**

Sec. 6. The forfeitures and injunctions provided for in this act may be decreed and enforced by any circuit court of any county in which any such corporation or company may do business, in a suit to be instituted for the purpose, in the name of the state of Michigan, by the prosecuting attorney of the county in which such suit is prosecuted: Provided, That in case of the suspension of any such business on account of the financial failure of any such company or corporation (other than railroad corporations), the person, city, village or town having so contributed any money, bonds, lands or other property shall become and be creditors of such company or corporation to the amount and value of such bonds, money or other property so contributed, and shall be treated and have all the rights of other creditors of such company or corporation; and such company or corporation, its shareholders, officers or agents, shall not be liable to the penalties herein provided: Provided further, That the provisions of this act shall not apply to any corporation or company having received any bonds, money, lands or other property as a consideration or inducement for the erection or construction, operation, enlargement or maintenance of any factory, work shop, machine shop, office, agency or establishment at any city, town or place for a specified length of time and having fully complied with all the conditions of the contract and agreement under which such bonds, money, lands or other property was given such company or corporation.

**History:** 1895, Act 144, Eff. Aug. 30, 1895;—CL 1897, 5452;—CL 1915, 7145;—CL 1929, 9836;—CL 1948, 445.606.