



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4629 (Substitute S-1 as reported)
Sponsor: Representative Peter J. Lucido
House Committee: Oversight and Ethics
Senate Committee: Judiciary

CONTENT

The bill would amend Article 7 (Controlled Substances) of the Public Health Code to eliminate a requirement that, as part of a property forfeiture proceeding, a person claiming an ownership interest in certain property pay a bond to the State or local unit of government.

Property related to a violation of Article 7, including money, is subject to seizure and forfeiture. If property is seized, forfeiture proceedings must be instituted promptly. If the property is seized without process and its value does not exceed \$50,000, any person claiming an interest in the property may file a written claim with the local unit of government or the State (depending on which entity seized the property) expressing his or her interest in the property.

When filing the claim, the person must give a bond to the local unit or the State in the amount of 10% of the value of the claimed property, but not less than \$250 or more than \$5,000, with sureties approved by the local unit or the State containing the condition that if the court orders the property forfeited, the obligor must pay all costs and expenses of the forfeiture proceedings. The bill would delete that provision.

The bill would take effect 90 days after enactment.

MCL 333.7523 & 333.7524

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government. Removing the requirement to post a bond in order to claim an interest in seized property would likely increase the number of challenges to seizures, which could increase State and local government costs due to required attendance at additional hearings, the number of which cannot be known at this time. (According to the State Police, over 90% of property owners currently do not challenge.)

Date Completed: 5-11-16

Fiscal Analyst: Bruce Baker