

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4632 (Substitute H-1 as reported without amendment)
Sponsor: Representative Irma Clark
House Committee: Energy and Technology
Senate Committee: Technology and Energy

CONTENT

The bill would amend the Michigan Consumer Protection Act to provide that a violation of Public Act 227 of 1971 in connection with a home solicitation sale, telephone solicitation sale, or telephone solicitation would be an unfair, unconscionable, or deceptive method, act, or practice in the conduct of trade or commerce and would be unlawful.

(Public Act 227 of 1971 prescribes the rights and duties of parties to home solicitation sales.)

The bill provides that each quarter, by electronic mail, the Attorney General would have to provide to various Better Business Bureaus a list of complaints made by consumers to the Attorney General during that calendar quarter of violations in connection with a telephone solicitation. The list would have to contain the name of each telephone solicitor against whom one or more complaints were made and the number of complaints against that telephone solicitor. The list would have to be e-mailed to the Better Business Bureau of Western Michigan, Inc., Better Business Bureau of Michiana, Inc., Better Business Bureau of Detroit and Eastern Michigan, Inc., and Better Business Bureau Serving NW Ohio and SE Michigan, Inc.

The bill is tie-barred to House Bill 4042, which would require the Public Service Commission to establish or designate a do-not-call list and prohibit a telephone solicitor from making a telephone solicitation to an individual on the list.

MCL 445.903 et al.

Legislative Analyst: G. Towne

FISCAL IMPACT

Enforcement costs and fine revenue would depend on the number of violations under the proposed legislation. The Department of Attorney General reports that from December 1, 2000, through September 30, 2001, it received 702 consumer protection complaints involving telephone solicitation. The Department estimates that the bill would increase its workload by the equivalent of 0.5 FTE positions. Any additional staff would depend on the appropriations process.

Date Completed: 12-11-01

Fiscal Analyst: B. Bowerman