

# Legislative Analysis

---



## FORFEITED FUNDS

Mitchell Bean, Director  
Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

### House Bill 5823

Sponsor: Rep. William Van Regenmorter

### House Bill 5824

Sponsor: Rep. David Law

Committee: Judiciary

Complete to 3-6-06

## A SUMMARY OF HOUSE BILLS 5823 & 5824 AS INTRODUCED 3-2-06

House Bill 5823 would amend the Michigan Penal Code (MCL 750.49 et al.) and House Bill 5824 would amend the Public Health Code (MCL 333.7523) to allow money subject to forfeiture and allowed to be seized under those acts to be deposited into an interest-bearing account in a financial institution. "Financial institution" would include a bank, savings and loan association, savings bank, or credit union whose deposits are federally insured and that maintain a principal office or branch office located within Michigan under the laws of this state or the United States.

[House Bill 5490 would put similar provisions in the Revised Judicature Act. That bill has already been reported from the House Judiciary Committee.]

An attorney for a person charged with a crime involving or related to the money seized would be afforded a period of 60 days within which to examine the money. The 60-day period would begin to run after the person had been notified of the seizure but before the money was deposited into a financial institution. (The acts require the seizing agency to give notice of the seizure of property and the intent to forfeit and dispose of the property.)

The bills would also require any interest earned on money deposited in a financial institution under the bill's provisions to be returned to the person if the attorney general, prosecuting attorney, or city or township attorney failed to sustain the required burden of proof.

## FISCAL IMPACT:

By allowing seizing agencies to deposit seized money in interest-bearing accounts, and to dispose of that interest under the forfeiture law, the bills, in conjunction with House Bill 5490, could increase revenues for the state and local units of government.

Legislative Analyst: Chris Couch

Fiscal Analyst: Marilyn Peterson

---

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.