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## COURT FEES: COLLECTION

House Bills 4956 and 4957  
Sponsor: Rep. Carl F. Gnodtke  
Committee: Judiciary

Complete to 10-4-93

### A SUMMARY OF HOUSE BILLS 4956 AND 4957 AS INTRODUCED 7-15-93

The bills would provide for late fees on past-due amounts owed the courts, and provide for courts and their local funding units to enter into agreements with the Department of Treasury for the collection of past-due court fees, fines, forfeitures, penalties, and costs. They would take effect January 1, 1994, but neither could take effect unless both were enacted.

House Bill 4956 would create a new public act to authorize a court and its funding unit to enter into an agreement with the Department of Treasury that assigned past-due fees and fines to the state for collection by the department. The money would have to have been due for at least 180 days, and would include fees (including reinstatement fees), fines, forfeitures, various penalties and costs, and late penalties assessed under House Bill 4957.

The agreement would have to provide for: furnishing of information needed by the department to collect the money; accounting, settlement, and transmission of money collected; and, collection of a fee by the department to recoup collection costs. The department's fee would be calculated and collected as is done with the fees charged to other state agencies for the same collection services.

The department would secure collection and payment in the manner provided under existing law, including the interception of tax refunds and other payments due from the state to the delinquent payer.

When the court received money collected by the department, it would, after deducting the department's fee, distribute the remainder as required by law.

House Bill 4957 would amend the Revised Judicature Act (MCL 600.4801) to provide for a late penalty of 20 percent of the amount owed to be assessed when a person failed to pay a penalty, fee, or costs within 56 days after the money was due. The court would inform a person that this penalty would be applied to any amount owing past the 56-day deadline, and would also inform the person of any delayed or installment payments authorized by the court. Late penalties would go to the general fund of the court's funding unit; the clerk of the court would transmit a late penalty within 30 days of receiving it.

HOUSE BILLS 4956 AND 4957 (10-4-93)