



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 487 (as reported without amendment)
Sponsor: Senator Loren Bennett
Committee: Judiciary

CONTENT

The bill would enact the "Michigan Uniform Transfers to Minors Act" to repeal and replace the Michigan Uniform Gifts to Minors Act (MCL 554.451-554.461). The new Act would apply to the transfer of "custodial property", i.e., "an interest in property transferred to a custodian under this act and the income from, and proceeds of, that interest in property". The bill would do the following:

- Describe how custodial property could be created and transferred, including property transferred in a will or trust, or by a person obligated to a minor.
- Provide for the appointment and resignation of a custodian.
- Prescribe the duties and powers of a custodian, and establish a standard of care for custodians.
- Allow a custodial relationship to continue until the minor turned 21.
- Specify that a custodian would not be personally liable on a contract unless the custodian failed to reveal the custodianship, or for an obligation or a tort unless the custodian were personally at fault.
- Allow certain parties to petition for an accounting or a determination of responsibility.
- Specify transfers to which the new Act would apply, including transfers made under the current Act.

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 9-14-95

Fiscal Analyst: M. Bain

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.