

HOUSE BILL No. 5196

September 21, 2005, Introduced by Reps. Hune and Gaffney and referred to the Committee on Government Operations.

A bill to amend 1931 PA 259, entitled

"An act to protect the people of the state from imposition and fraud in the building construction industry and to provide penalties for the violation of this act,"

by amending the title and section 1 (MCL 570.151).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to protect the people of the state from imposition and fraud in the **PRIVATE AND PUBLIC** building construction industry; **TO PROVIDE FOR THE CREATION OF CERTAIN TRUST FUNDS UNDER CERTAIN CIRCUMSTANCES; TO CREATE CERTAIN REMEDIES;** and to provide penalties for the violation of ~~this~~ **THE** act.

Sec. 1. In the **PRIVATE AND PUBLIC** building construction industry, the building contract fund paid by any person to a

1 contractor, or by ~~such~~ **THAT** person or contractor to a
2 subcontractor, ~~shall be~~ **IS** considered ~~by this act to be~~ a trust
3 fund ~~,~~ for the benefit of the person making the payment,
4 contractors, laborers, subcontractors, or materialmen. ~~, and the~~
5 **THE** contractor or subcontractor ~~shall be~~ **IS** considered the
6 trustee of all funds ~~so~~ paid to him **OR HER** for **PRIVATE AND PUBLIC**
7 building construction purposes.