



Senate Fiscal Agency
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House Bills 4579 through 4582 (as reported without amendment)

Sponsor: Representative Alexander C. Lipsey (House Bill 4579)

Representative David Palsrok (House Bill 4580)

Representative William J. O'Neil (House Bill 4581)

Representative Lorence Wenke (House Bill 4582)

House Committee: Commerce

Senate Committee: Banking and Financial Institutions

CONTENT

House Bills 4579 through 4582 would amend various statutes to require a financial institution, if it filed a suspicious activity report with a Federal agency, also to file a copy of the report with the Department of State Police within 24 hours. Currently, if an institution is required to file a transaction report (including a suspicious activity report) under Federal law, it also must file a copy of the report with the Department within 24 hours. Under the bills, the filing requirement would be limited to suspicious activity reports.

The bills would allow a financial institution to file a suspicious activity report with the Department in any manner allowed by Federal law or regulation or in any other manner acceptable to the Department.

In addition, current law provides that, except for a violation of the Federal filing requirements, a financial institution or its director, officer, employee, or agent is not liable in any civil or governmental action for filing a copy of a transaction report or failing to notify an account holder or any other person of the filing. Under the bills, that liability protection would apply to the filing of a suspicious activity report, rather than a transaction report.

House Bill 4579 would amend the Savings and Loan Act; House Bill 4580 would amend the Banking Code; House Bill 4581 would amend the Savings Bank Act; and House Bill 4582 would amend the credit union Act.

MCL 491.1135 (H.B. 4579)
487.14406 (H.B. 4580)
487.3514 (H.B. 4581)
490.16c (H.B. 4582)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bills would have a minimal fiscal impact on the Department of State Police. The bills could reduce the Department's clerical costs by eliminating the requirement that all transaction reports be filed with it, and instead requiring only suspicious activity reports to be filed.

Date Completed: 6-26-03

Fiscal Analyst: Bruce Baker