PAYMENTS TO PRIVATE ENTERPRISES
Act 279 of 1984

AN ACT to provide for prompt payment by principal executive departments to private enterprises for goods and services; and to prescribe penalties.

History: 1984, Act 279, Eff. Mar. 29, 1985.

The People of the State of Michigan enact:

17.51 "Private enterprise" defined.

Sec. 1. As used in this act, "private enterprise" means a business which provides goods or services and which is not a governmental entity.

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.52 Payment for goods and services by principal executive department; time.

Sec. 2. Unless otherwise agreed in writing, a principal executive department shall take all steps necessary to assure that payment for goods or services is mailed to a private enterprise within 45 days after the principal executive department receives the goods or services, a complete invoice for the goods or services, or a complete contract for goods or services, whichever is later.

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.53 Invoice error, defect, or impropriety; notice; payment.

Sec. 3. (1) If an invoice for goods or services received by a principal executive department is filled out incorrectly or contains a defect or impropriety, the principal executive department shall notify the private enterprise which submitted the invoice within 10 days after the invoice is received.

(2) If an invoice error or other defect or impropriety is corrected by a private enterprise within 5 days after receipt of the notice required by subsection (1), the principal executive department shall make payment within the time period required by section 2.

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.54 Past due payment.

Sec. 4. (1) Except as provided in section 5, if a payment owed by a principal executive department to a private enterprise for goods or services is past due, the principal executive department shall pay an additional amount equal to 0.75% of the payment to the private enterprise to which payment is due. The principal executive department shall pay an additional amount equal to 0.75% of the payment due for the first month and each succeeding month or portion of a month the payment remains past due.

(2) A principal executive department shall not require a private enterprise to submit a petition, bill, statement, or other additional notice in order to collect an amount due under subsection (1).

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.55 Applicability of MCL 17.54.

Sec. 5. (1) Section 4 shall not apply if a payment is delayed because of a good faith disagreement between a principal executive department and a private enterprise, unless the dispute is resolved in favor of the private enterprise.

(2) Section 4 shall not apply if a payment by a principal executive department is past due because of an executive order budget cut.

(3) Section 4 shall not apply if a principal executive department pays a penalty or interest payment charged by a private enterprise for late payment.

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.56 Applicability of act.

Sec. 6. This act shall apply only to goods or services which are received and for which a complete invoice is received by a principal executive department after September 30, 1984.

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History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

17.57 Effective date.

Sec. 7. This act shall take effect September 30, 1984.

History: 1984, Act 279, Eff. Mar. 29, 1985.

Compiler's note: Former MCL 17.51 to 17.57, pertaining to Michigan mined coal, was repealed by Act 256 of 1964.

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