

Laws to Protect You:

When Buying Products, Using Credit Cards, Applying for a Loan



The Consumer Protection laws - These laws protect you from defective products that do not work properly, cars that are “lemons,” and from false advertising. They also require a company to honor the warranties on its products.

Fair Credit Reporting and Equal Credit Opportunity laws - These laws require credit agencies to let you know what is in your credit records, to tell you why you are turned down for credit, and to correct any mistaken information in your credit records. They also prohibit a company from denying you credit based on your race, sex, or marital status.

Truth in Lending laws - These laws require a bank or lender to tell you all the terms of a contract when you take out a loan. They also give you a certain number of days to cancel any loan agreement you make.

Fair Debt Collection laws - These laws prevent collection agencies from threatening people who owe money on a contract with arrest or jail. The laws also prevent them from phoning you at work, or talking to your relatives, friends, or neighbors. If someone violates this law, call the Michigan Attorney General’s office.

Information taken from State Bar of Michigan publication “You and the Law”



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Sources

State Bar of Michigan
<http://www.michbar.org>

Attorney General of
the State of Michigan
<http://www.michigan.gov/ag>

Family Independence Agency
<http://www.michigan.gov/fia>

Michigan Department of Labor &
Economic Growth License
Verification Unit
[http://cis.state.mi.us/bcs_free/
default.asp](http://cis.state.mi.us/bcs_free/default.asp)

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Homeowners Working with a Contractor:

Make Building or Improving a Home a Positive Experience



Make sure the contractor is licensed. State law requires residential builders, home improvement contractors (when labor and materials equal \$600 or more), electrical contractors, mechanical contractors, and master plumbers to be licensed. Contractors are issued licenses to be displayed at the place of business and contractors are required to carry a pocket license at all times. To check if a residential builder or maintenance and alteration contractor is properly licensed, contact the *Michigan Department of Labor & Economic Growth License Verification Unit* at 900-555-8374, or the Department's website (http://cis.state.mi.us/bcs_free/default.asp). Working with an unlicensed contractor could prove to be very risky!

Make sure the contract for the work and any changes are in writing. If different materials or design changes are decided upon, those changes should be written down and agreed to by both the homeowner and the contractor. The homeowner should be given a copy of the contract and any changes to the contract to keep. The contractor's license number should be written on the contract.

With the contract, the homeowner may be asked to provide information that is used to prepare a Notice of Commencement (http://www.michigan.gov/cis/0,1607,7-154-10557_12992_14300-42561--,00.html). This document is a formal notice that work is beginning on the property and notifies everyone involved in the project of the name and address of the owner (or his or her designee) so that the proper legal notices and bills can be sent. Be sure the information is filled out completely and correctly! Post the Notice of Commencement at the work site.

As work progresses, the homeowner should receive a Notice of Furnishing (http://www.michigan.gov/cis/0,1607,7-154-10557_12992_14300-42565--,00.html) from each person or company providing labor or materials. These notices should be retained so that the homeowner can check whether or not these people are paid.

When the contractor asks for any payment, he or she is required to provide a Sworn Statement (http://www.michigan.gov/cis/0,1607,7-154-10557_12992_14300-42567--,00.html), which is a notarized document showing every subcontractor, supplier, and laborer who provided labor and materials to the project.

This statement should be checked against the Notices of Furnishing to see if each subcontractor, supplier, or laborer is getting paid. The homeowner should not make any payments to the contractor until a Sworn Statement is received.

Upon reviewing the information on the Sworn Statement and advising the homeowner as to what arrangements are being made with each supplier and subcontractor, the contractor will ask the homeowner for a payment – the contractor's "draw." Payment options for the homeowner could be: (1) pay all bills through the contractor, OR (2) upon giving the contractor 5 days written notice, pay the subcontractors, labors, and suppliers directly.

No matter what payment plan is used, Waivers of Lien should be given. These forms are agreements by the subcontractors, suppliers, or laborers that they will not file claims of lien against the property because they have already been paid or have an agreement with the contractor on how they will be paid. Waivers may be complete and unconditional if the subcontractor, supplier, or laborer has been paid in full; or partial and conditional stating terms under which the contractor will be making payment.



Staying Safe:

Getting the Most Out of Your Personal Protection Order



Basic Safety: A PPO is only part of a strategy for staying safe from someone who is abusing or stalking you. Other precautions are:

- Safety planning with help from an advocate at a domestic violence program. For the number of the program nearest you, call the National Domestic Violence Hotline: 1-800-799-SAFE (7233).
- Have the PPO served on the respondent (abuser) and file the proof of service with the clerk of the issuing court. If there's a violation, service makes it easier for police to arrest the respondent.
- Always carry a copy of the PPO and proof of service with you. Keep another copy in a safe place. Give additional copies to your employer, your day care provider, or anyone else who needs to know about the PPO.
- If the PPO prohibits the respondent from contacting you, he or she can be arrested for it even if you agreed to the contact. If you must contact the respondent, consider indirect communication that does not cause a violation (for example, sending messages through a mutual acquaintance). You can also file a "motion to modify or terminate" asking the court to change the PPO.
- The PPO is valid until the expiration date the court has provided. You can file a motion to extend this date at least 3 days before the PPO expires.
- Tell the court if the respondent has firearms. The law may limit access to firearms after the court issues a PPO.

Traveling to Another County in Michigan

A PPO is enforceable anywhere in Michigan. If you move or travel, consider these precautions:

Verify (or have your attorney verify) that the PPO and proof of service are entered into the computer network maintained by the Michigan State Police. This "Law Enforcement Information Network" allows police to verify the PPO at the scene of a violation if you don't have a copy. If the PPO or proof of service are not in the network, you can take them to a police agency yourself and request entry.

Give a copy of the PPO and proof of service to the local police in any area where you live, work, or visit regularly.

Traveling to Another State or Native American Country

Federal law requires every U.S. state and Native American tribe to enforce protection orders issued in every other state or tribe. However, this law does not protect you until the PPO is served on the respondent. *If you plan to travel outside Michigan or visit Native American land within Michigan (such as a casino), it is important to have the PPO*

If Your Protection Order Is from Another State or Indian Tribe

Michigan police agencies and courts must enforce your protection order as if it were a Michigan PPO. To facilitate enforcement, review the steps outlined above. If your stay in Michigan is extended, talk with an attorney or domestic violence advocate about obtaining a Michigan PPO.



Disclaimer: This newsletter is for general information only and focuses on broad legal principles and issues. It does not constitute legal advice, and it should not be acted on without legal advice. Legal advice may be given only on the basis of specific facts relayed by a client to an attorney. Contact an attorney regarding the specific facts of your situation. © copyright State Bar of Michigan all rights reserved. Redistribution or reproduction by any means is strictly prohibited. Reprints by permission only.

Legalese Translated

Attorney of record — The attorney named in the permanent record or file of a case who bears the ultimate responsibility for the handling of the case on behalf of the party he or she represents.

Bench warrant — An order issued by the court, (“from the bench”) for the attachment or arrest of a person.

Certiorari (ser’shi-’o-r-’a’ r-i) — An order commanding judges or officers of a lower court to certify the record of a case for judicial review by an appellate court.

Comparative negligence — The doctrine by which acts of opposing parties leading to an event are compared in their degree of negligence and recovery is permitted according to the degree of fault of each party (often on a percentage basis) — as distinguished from contributory negligence.

Double jeopardy — Being placed more than once in danger of being convicted and sentenced for the same offense.

“A Laypersons Guide To Legal Terms” is available from the State Bar of Michigan’s Programs and Services Division 517-346-6322. The publication is available for \$2.25 including shipping.

Entrapment — Inducement of a person by officers or agents of government to commit a crime he or she would not otherwise have committed, in order to prosecute the person.

Habeas corpus (h_a’ be-as kor’pus) — “You have the body;” the name of a writ used to bring a person before a court or judge. Generally, the writ is addressed to an official or person who holds another. It commands him or her to produce the detained person in court so the court may determine whether that person is being denied his or her freedom lawfully.

Lien — A claim against property to secure a debt or other obligation.

Misdemeanor — Offenses less serious than felonies; generally punishable by fine or imprisonment in a local jail rather than state prison.

Peremptory challenge — The right of the prosecution and defense in criminal cases to dismiss a prospective juror without giving any reason. The number of such challenges is limited by statute.

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