

HOUSE BILL No. 4519

March 22, 1989, Introduced by Reps. Stabenow, Van Regenmorter, Pitoniak, Gire, DeBeaussaert, DeMars, Varga, Camp and Munsell and referred to the Committee on Economic Development and Energy.

A bill to amend sections 214, 910, 917, and 2406 of Act No. 299 of the Public Acts of 1980, entitled

"Occupational code,"

section 910 as amended and section 917 as added by Act No. 83 of the Public Acts of 1981, being sections 339.214, 339.910, 339.917, and 339.2406 of the Michigan Compiled Laws; and to repeal certain parts of the act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 214, 910, 917, and 2406 of Act No. 299
2 of the Public Acts of 1980, section 910 as amended and section
3 917 as added by Act No. 83 of the Public Acts of 1981, being sec-
4 tions 339.214, 339.910, 339.917, and 339.2406 of the Michigan
5 Compiled Laws, are amended to read as follows:

6 Sec. 214. An applicant for licensure or registration
7 pursuant to articles 8 to 25 whose records relative to education

1 or experience required by an article are unavailable from a
2 foreign country shall be allowed, upon approval of the board and
3 the department, to take an examination or apply for a reciprocal
4 license OR REGISTRATION upon submitting the following to the
5 department:

6 (a) ~~A notarized affidavit approved by the department~~
7 ~~stating~~ A STATEMENT INDICATING the total number of years of edu-
8 cation received, the name of the school or schools attended, the
9 dates each school was attended, the degree obtained, the courses
10 taken, the grades received, and the names of each former
11 employer.

12 (b) A ~~notarized~~ statement ~~approved by the department~~
13 from a governmental official testifying to unavailability of the
14 necessary records.

15 Sec. 910. (1) A collection agency shall keep and use books,
16 accounts, or records which the department requires to determine
17 whether the collection agency is complying with this article and
18 the rules promulgated under this article. These books, accounts,
19 and records shall consist of at least ~~, but not be limited to,~~
20 ~~all of the following:~~ BOOKS, ACCOUNTS, AND RECORDS DESCRIBED
21 IN THIS SECTION.

22 (2) ~~(a) Permanent~~ A COLLECTION AGENCY SHALL KEEP PERMANENT
23 records, which show the chronological sequence in which funds are
24 received and disbursed. For funds received, the record shall
25 include the date of receipt and deposit, the number of the
26 account to which deposited, the name of the debtor, the name of
27 the principal, and the amount. For disbursements, the record

1 shall include the date, the payee, the check number, and the
2 amount, with a corresponding debtor reference.

3 (3) ~~(b)~~ Each agency licensee shall DO ALL OF THE
4 FOLLOWING:

5 (A) ~~(i)~~ Maintain records or books of accounts, setting
6 forth the account of each client in alphabetical order according
7 to the names of the clients. If the licensee's books of account-
8 ing are kept in numerical order, then the licensee shall maintain
9 an alphabetical cross index of each client corresponding with the
10 number of the account. Each account shall reflect the true con-
11 dition of each debtor's account at the end of each calendar month
12 and shall include all of the following:

13 (i) ~~(A)~~ The name and address of the client.

14 (ii) ~~(B)~~ The name of the debtor or debtors from whom col-
15 lection was or is being made.

16 (iii) ~~(C)~~ The amount and description of each debit and
17 each credit and date of each debit and credit.

18 (iv) ~~(D)~~ The balance due to or owing from each client.

19 (B) ~~(ii)~~ Maintain a record and history of each claim or
20 account for collection which shall clearly show all of the
21 following:

22 (i) ~~(A)~~ The name of the debtor.

23 (ii) ~~(B)~~ The principal amount of the obligation.

24 (iii) ~~(C)~~ Any other or additional amounts or items charged
25 or collected with a description of amounts or items charged or
26 collected.

1 (iv) ~~(D)~~ Each payment received or collected and the date
2 of receipt or collection.

3 (v) ~~(E)~~ The balance owing.

4 (4) ~~(c)~~ All receipts issued shall be signed by and with
5 the name or initials of the person issuing the receipt and shall
6 show the name of the issuing agency.

7 (5) ~~(2)~~ A collection agency shall preserve the books,
8 accounts, and records within the state, and make them or true
9 copies of them accessible to the department for at least 3 years
10 after making the final payment entry on an account recorded in
11 those books, accounts, and records.

12 (6) ~~(3)~~ Annually before May 16 a collection agency shall
13 file a report with the department giving relevant information
14 which the department requires concerning the business and opera-
15 tions during the preceding calendar year of each licensed place
16 of business conducted by the collection agency. The report shall
17 be made ~~under oath and~~ in the form prescribed by the
18 department.

19 (7) ~~(4)~~ The department may require a collection agency to
20 file a ~~sworn~~ financial report of the trust account required to
21 be maintained by the collection agency and may designate the
22 information to be contained in the report.

23 (8) ~~(5)~~ Collection agency books, accounts, and records
24 shall be audited by the department on a biennial basis or when
25 determined necessary by the director.

1 (9) ~~(6)~~ Information provided to the director under this
 2 section shall be ~~exempted~~ EXEMPT from disclosure except in
 3 actions commenced under this article.

4 Sec. 917. A licensee who commits 1 or more of the following
 5 ACTS is subject to the strictures described in article 6:

6 (a) Cancellation of a surety bond.

7 (b) Failure to notify the director of any changes in corpo-
 8 rate or partnership structure pursuant to section ~~905 or~~ 906.
 9 ~~, or both.~~

10 (c) Failure to apply for a separate license for each place
 11 of business pursuant to section ~~905~~ 906.

12 (d) Commencing operation before issuance of a license pursu-
 13 ant to section 904.

14 (e) Operation before the renewal of an expired license.

15 (f) Failure to preserve and make accessible books, accounts,
 16 and records pursuant to section ~~910(2)~~ 910(5).

17 (g) Failure to submit an annual report pursuant to section
 18 ~~910(3)~~ 910(6).

19 (h) Failure to file a ~~sworn~~ financial statement when
 20 required by the director pursuant to section ~~910(4)~~ 910(7).

21 (i) Failure to allow an audit of books, accounts, and
 22 records on a biennial basis or when determined necessary by the
 23 director pursuant to section ~~910(5)~~ 910(8).

24 (j) Using forms not ~~approved by the director or altering a~~
 25 ~~form previously approved~~ IN COMPLIANCE WITH THIS ARTICLE OR A
 26 RULE PROMULGATED UNDER THIS ARTICLE.

1 (k) Violation of any federal or state act relating to debt
2 collection.

3 Sec. 2406. A nonresident of this state may become a
4 licensee under this article by conforming with this article. A
5 license shall not be issued to a foreign corporation unless the
6 corporation is authorized to do business in this state by the
7 corporation and securities commission. The nonresident shall
8 file an irrevocable consent to service of process. The consent
9 shall be signed by the applicant or by an authorized officer,
10 member, or partner of the applicant. ~~and shall be notarized.~~
11 If the applicant is a corporation, consent shall be accompanied
12 by a certified copy of the resolution of the corporation autho-
13 rizing the consent. A process or pleading served upon the
14 department shall be sufficient service upon the licensee. A pro-
15 cess or pleading served upon the department under this section
16 shall be in duplicate. The department immediately shall forward
17 by registered mail 1 copy of the process or pleading to the main
18 office of the licensee served.

19 Section 2. Sections 809 and 1210 of Act No. 299 of the
20 Public Acts of 1980, being sections 339.809 and 339.1210 of the
21 Michigan Compiled Laws, are repealed.