



HOUSE BILL No. 5022

August 31, 1993, Introduced by Reps. Profit and DeMars and referred to the Committee on Business and Finance.

A bill to amend section 904 of Act No. 299 of the Public Acts of 1980, entitled as amended "Occupational code," as amended by Act No. 463 of the Public Acts of 1988, being section 339.904 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 904 of Act No. 299 of the Public Acts of
2 1980, as amended by Act No. 463 of the Public Acts of 1988, being
3 section 339.904 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 904. (1) Except as OTHERWISE provided in this article,
6 a person shall not operate a collection agency ~~or engage~~ or
7 commence in the business of a collection agency without first
8 applying for and obtaining a license UNDER THIS ARTICLE from the
9 department for each place of business.

1 (2) A PERSON IS NOT SUBJECT TO THE LICENSING REQUIREMENT OF
2 SUBSECTION (1) IF THE PERSON'S COLLECTION ACTIVITIES IN THIS
3 STATE ARE LIMITED TO INTERSTATE COMMUNICATIONS. THIS SUBSECTION
4 DOES NOT EXEMPT A PERSON FROM OTHER REQUIREMENTS OF LAW THAT REG-
5 ULATE COLLECTION PRACTICES.

6 (3) ~~(2)~~ The department may require financial statements,
7 references, or OTHER information IT CONSIDERS NECESSARY to deter-
8 mine the qualifications of the applicant. ~~, including the names,~~
9 ~~addresses, and references of each member of a partnership or of~~
10 ~~each officer, director, or shareholder holding 10% or more of the~~
11 ~~outstanding shares of the agency.~~

12 (4) ~~(3)~~ Each individual, ~~applicant, each~~ partner of a
13 partnership, ~~which is an applicant, and each~~ OR officer or
14 director of a corporation ~~which~~ THAT is an applicant shall ~~→~~
15 ~~(a) Be~~ BE not less than 18 years of age, ~~→ (b) Be~~ BE of good
16 moral character, and have the financial responsibility, reputa-
17 tion, and experience ~~such as to command the confidence of the~~
18 ~~community and~~ to warrant the belief that the business will be
19 operated lawfully, honestly, and fairly.